



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

Form 10-K

(Mark One)

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

For the fiscal year ended April 30, 2022

OR

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

For the transition period from ____ to ____

Commission File Number 001-14505

KORN FERRY

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

95-2623879

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

1900 Avenue of the Stars, Suite 1500, Los Angeles, California
(Address of Principal Executive Offices)

90067
(Zip Code)

(310) 552-1834

(Registrant's Telephone Number, Including Area Code)

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	KFY	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 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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

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

The aggregate market value of the registrant's voting and non-voting common stock held by non-affiliates of the registrant on October 29, 2021, the last business day of the registrant's most recently completed second fiscal quarter (assuming that the registrant's only affiliates are its officers, directors and 10% or greater stockholders) was approximately \$3,237,768,536 based upon the closing market price of \$77.21 on that date of a share of common stock as reported on the New York Stock Exchange.

The number of shares outstanding of our common stock as of June 22, 2022 was 53,019,359 shares.



Documents incorporated by reference

Portions of the registrant's definitive Proxy Statement for its 2022 Annual Meeting of Stockholders are incorporated by reference into Part III of this Form 10-K.

KORN FERRY

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PART I.

Item 1. Business

Company Overview

Korn Ferry (referred to herein as the “Company” or in the first-person notations “we,” “our,” and “us”) is a global organizational consulting firm.

Korn Ferry is a different firm today than when we were founded. We are a Company with a more diverse service and solution offering that is aligned with our clients’ desire to synchronize their strategy, operations, and talent to drive superior performance. Today, we believe we are the organizational consultancy that is uniquely positioned to help companies look at talent and strategy together, ensuring that they have the right people in the right places and are providing them with the right rewards. We bring their strategies to life by designing their organizational structure and helping them hire, motivate and hold on to the best people. And we help professionals navigate and advance their career.

For fiscal 2022, our exceptional performance reflects the relevance of our strategy, the top-line synergies created by our end-to-end human capital solutions, the resilience of our colleagues, and increasing connection with our Korn Ferry brand. The past year has presented many challenges. However, with the commitment of our colleagues, we have concluded the year with strong, record results.

During fiscal 2022, we partnered with almost 15,000 organizations. Our clients include the world’s largest and most prestigious public and private companies, middle-market and emerging growth companies, and government and non-profit organizations. We have built strong client loyalty, with nearly 90% of our engagements in fiscal 2022 completed on behalf of clients for whom we had conducted engagements in the previous three fiscal years. We work with:

- 97% of the S&P 100, and 85% of the S&P 500
- 92% of the Euronext 100
- 85% of the FTSE 100
- 89% of the S&P Europe 350
- 68% of the S&P Asia 50
- 73% of the S&P Latin America 40

In addition, we work with:

- 2 in every 3 best companies to work for (Fortune Magazine)
- 1 in every 2 of the fastest growing companies in the world (Fortune Magazine)
- 80% of the top companies changing the world (Fortune Magazine)
- 80% of the world’s top performing companies (Drucker Institute)
- 96% of the top 50 world’s most admired companies (Fortune Magazine)

We also continued to make significant investments—in strategic acquisitions and the innovation and development of our assets, platforms, core capabilities, and solutions, all while we sought to attract, retain, and develop our people. These investments are intended to help us further differentiate our competitiveness in the marketplace. Today, as a result of our investments, innovation and growth, we believe we are uniquely positioned to address the most pressing human capital issues faced by organizations worldwide. We continue to transform ourselves and our clients. We are now a company with a more durable business, with greater and growing relevance, and a new sustainable level of business and profitability that is poised for further growth.

We continue to replicate and scale our solutions and to lead innovation at the intersection of talent and strategy in the digitally enabled new world of work. The depth and breadth of our offerings across the talent lifecycle—from attraction to assessment to recruitment to development, management, and reward—place us in a distinctive position. We offer end-to-end solutions—a view into an organization’s entire talent ecosystem—to create positive client outcomes. Our deeply embedded intellectual property (“IP”), data, and content within our solutions are designed to help clients solve new and evolving issues within today’s dynamic work landscape. We continue to align to the most pressing issues for organizations: workforce transformation, diversity equity & inclusion (“DE&I”) initiatives, environmental, social & governance (“ESG”) matters, accelerating revenue growth (“ARG”) in a post-COVID-19 world, and new career trends like career nomads who are more frequently changing jobs. We think we are uniquely positioned to help clients and their people exceed their potential in this environment.

We now place an even greater focus on driving a One Korn Ferry story. Partnering with internal and external stakeholders, this singular vision engages our employees, resonates in the broader market, and is a platform for



differentiation and sustainable growth.

We develop and train nearly one million professionals a year and place on average a candidate every three minutes, each business hour.

A critical driver of our success has been the evolution and maturation of our go-to-market ("GTM") activities. We lead with our Marquee and Regional Accounts, approximately 350 accounts or 2% of our total clients which represent 36% of our total fee revenue. We continue to invest in Global Account Leaders ("GALs"), exiting the year with more than 60 colleagues in this role. Leveraging our acquisition of the Miller Heiman Group, we use our own sales effectiveness methodologies and discipline in our Marquee and Regional account programs to drive rates of top line growth in excess of the rest of our portfolio.

We continue to capitalize on the top-line synergies created by our end-to-end core and integrated solutions that address every aspect of an employee's engagement with their employer. This manifests itself in our ability to continue to increase fee revenues referred from one line of business to another, almost 30% for fiscal 2022.

Fiscal 2022 Performance Highlights

Our results reflect the dedication and hard work of our more than 10,770 talented colleagues. They focus on creating value that matters for all our stakeholders, the clients, shareholders, and the communities in which we operate.

Our strategic growth reflects a more balanced and sustainable organization with solid revenue and earnings streams in fiscal 2022:

- Our performance drove record-breaking results, generating \$2,626.7 million in fee revenue, up 45.1% compared to fiscal 2021.
 - Diluted Earnings Per Share was \$5.98 in fiscal 2022, a new high.
 - Net Income Attributable to Korn Ferry was \$ 326.4 million (margin 12.4%), an increase of \$211.9 million compared to fiscal 2021. Operating income and Adjusted EBITDA* were \$470.1 million (margin of 17.9%) and \$538.9 million (margin of 20.5%), respectively, an increase of \$314.3 million and \$252.6 million, respectively, compared to fiscal 2021.
- * Consolidated Adjusted EBITDA are non-GAAP financial measures and have limitations as analytical tools. See Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations for a discussion of why management believes the presentation of these non-GAAP financial measures provide meaningful supplemental information regarding Korn Ferry's performance.

During fiscal 2022, we continued with our balanced approach to capital allocation. We repurchased approximately 1,471,000 shares of stock for \$98.8 million and paid dividends of \$26.8 million. Recognizing the opportunities of a large addressable market and the shift from career employee to career nomad, we acquired The Lucas Group, which brings substantial professional search and interim expertise to Korn Ferry. We also recently completed the acquisition of Patina Solutions Group, an interim executive solutions firm that provides access to a network of C-suite, top-tier, and professional interim talent. Both additions are expected to enhance our industry-leading search portfolio. These two acquisitions were completed with \$133.8 million of our capital. We reinvested \$45.6 million of capital into the development of technology-enabled products and solutions.

The Korn Ferry Story

Our Strategy

As the preeminent organizational consulting firm, we act as business advisors in talent and strategy and bring together solutions for our clients. Our approach is focused on the following priorities to increase our client and commercial impact:

1. Drive a One Korn Ferry go-to-market strategy through our Marquee and Regional Accounts and integration across solutions and geographies.
2. Create the Top-of-Mind Brand in Organizational Consulting - Lead innovation through relevant market offerings and evolve our thought leadership around talent strategy.
3. Deliver Client Excellence and Innovation and diversify our offerings into fully integrated, scalable and sustainable client engagements.
4. Advance Korn Ferry as a Premier Career Destination - Attract and retain top talent through continued investment in building a world-class organization through a capable, motivated, and agile workforce.
5. Pursue Transformational M&A Opportunities at the Intersection of Talent and Strategy.

Our Core Capabilities

We offer a unique set of capabilities tailored to the new world of work. These offerings cover the entirety of the talent



journey, strengthening our work and thinking in the next. Our five core capabilities include:

- **Organization Strategy:** We map talent strategy to business strategy, designing operating models and organization structures that help companies put plans into action.
- **Assessment and Succession:** We identify the talent organizations need, compare that to the talent they have, and help close the gaps.
- **Talent Acquisition:** From executive search to recruitment process outsourcing ("RPO"), we help organizations attract and retain the right people across functions and levels.
- **Leadership and Professional Development:** We develop leaders along every stage of their career journey with a spectrum of intensive high-touch and scalable high-tech development experiences.
- **Total Rewards:** We help organizations pay their people fairly for doing the right things with rewards they value at a cost that the organization can afford.

Our Integrated Solutions

We deliver differentiated and integrated solutions, bringing together our best thinking from across our core capabilities to target specific client challenges:

- **Cost Optimization:** There's increased pressure to optimize costs and drive efficiency in this disruptive world. We work with leaders to manage cost drivers: organization, people and rewards. We put in place strategies designed to ensure they achieve cost reductions while maintaining performance and growth, making client organizations fit for the future.
- **Workforce Transformation:** Our workforce transformation offers practical and pragmatic solutions to support organizations in re-shaping workforces for the future.
- **Accelerating Revenue Growth:** Today's selling environment is more complex than ever, with sales teams challenged to deliver value. Sellers need the right tools, training, and approach to be successful. Korn Ferry combines our technology and methodology to help organizations achieve their top-line growth objectives.
- **ESG - Our people-focused approach for clients:** ESG factors are high on the agenda for most of our partners. We have a unique set of capabilities to help organizations manage the issues transforming how we work and live. Our support can help accelerate their transition by taking a people-focused approach to ESG matters.
- **DE&I:** We help clients build diverse and inclusive organizations to deliver superior organizational performance. We achieve this through a systematic approach, unlocking the power and potential of their people.
- **Learning Development ("LDO"):** We believe businesses need to prepare for the future by creating a culture of learning that helps them quickly adapt to new trends and demands. Our LDO solution, leveraging our Korn Ferry Advance platform, takes our expertise in leadership coaching and combines it with technology to provide quality coaching at scale across organizations.

Our Businesses

We have seven reportable segments that operate through the following four lines of business, supported by a corporate center. This structure allows us to focus on our clients and partner with them to solve the challenges they face in their businesses.

1. **Consulting** aligns organization structure, culture, performance, and people to drive sustainable growth by addressing four fundamental talent needs: Organization Strategy, Assessment and Succession, Leadership and Professional Development, and Total Rewards. We support this work with a comprehensive range of best-in-class IP and data. The Consulting teams employ an integrated approach across our core capabilities and integrated solutions described above, each one intended to strengthen our work and thinking in the next, to help clients execute their strategy in a digitally enabled world.

Summary of financial fiscal 2022 highlights:

- Fee revenue was \$650.2 million, an increase of 26.1% compared to fiscal 2021, representing 25% of total fee revenue.
- Adjusted EBITDA and Adjusted EBITDA margin were \$116.1 million and 17.9%, respectively.
- The number of consulting and execution staff at year-end was 1,841, an increase of 276 compared to fiscal 2021 with an increase in the average bill rate (fee revenue divided by the number of hours worked by consultants and execution staff) of \$38 per hour or 12% compared to fiscal 2021.

Client Base—During fiscal 2022, the Consulting segment partnered with over 4,900 clients across the globe, and 28% of Consulting's fiscal 2022 fee revenue was referred from Korn Ferry's other lines of business. Our



clients come from the private, public and not-for-profit sectors, across every major industry and represent diverse business challenges

Competition—The people and organizational consulting market is fragmented, with different company offers for our core solutions. Our competitors include consulting organizations affiliated with accounting, insurance, information systems, and strategy consulting firms such as McKinsey, Willis Towers Watson and Deloitte. We also compete with smaller boutique firms specializing in specific regional, industry, or functional leadership and HR consulting aspects.

2. **Digital** delivers scalable tech-enabled solutions designed to identify the best structures, roles, capabilities and behaviors to drive businesses forward. Our digital products give clients direct access to our proprietary data, client data and analytics to deliver clear insights with the training and tools needed to align organizational structure with business strategy.

Summary of financial fiscal 2022 highlights:

- Fee revenue was \$349.0 million, an increase of 21.5% compared to fiscal 2021, representing 13% of total fee revenue.
- Subscription and License fee revenue was \$108.7 million, an increase of 21% compared to fiscal 2021.
- Adjusted EBITDA and Adjusted EBITDA margin were \$110.1 million and 31.5%, respectively.

Client Base—During fiscal 2022, the Digital segment partnered with over 8,300 clients across the globe, and 34% of Digital's fiscal 2022 fee revenue was referred from Korn Ferry's other lines of business, primarily Consulting. Our clients come from the private, public and not-for-profit sectors, across every major industry and represent diverse business challenges.

Competition—Again, there is fragmentation in this sector. We compete with specialist suppliers, and boutique and large consulting companies in each solution area such as AON, Mercer, Willis Towers Watson, SHL, Fuel 50, SkillSoft, Criteria, Predictive Index, Prevue Hire and Textlio. One of our advantages is linking our data, IP, and our technology platform across our solutions. This allows us to give organizations an end-to-end view of talent.

3. **Executive Search** helps organizations recruit board-level, chief executive, and other senior executive and general management talent to deliver lasting impact. Our approach to placing talent brings together our research-based IP, proprietary assessments and behavioral interviewing with our practical experience to determine the ideal organizational fit. Salary benchmarking then builds appropriate frameworks for compensation and retention. This business is managed and reported on a geographic basis and represents four of the Company's reportable segments (Executive Search North America, Executive Search EMEA, Executive Search Asia Pacific and Executive Search Latin America).

Summary of financial fiscal 2022 highlights:

- Fee revenue was \$935.6 million, an increase of 47% compared to fiscal 2021, representing 36% of total fee revenue.
- Adjusted EBITDA and Adjusted EBITDA margin were \$257.6 million and 27.5%, respectively.
- In fiscal 2022, we opened more than 7,200 new engagements with an average of 555 consultants.

Consultants are organized in six broad industry groups and bring an in-depth understanding of the market conditions and strategic management issues clients face within their industries and geographies. In addition, we regularly look to expand our specialized expertise through internal development and strategic hiring in targeted growth areas.

Functional Expertise — We also have organized executive search centers of functional expertise. Members of functional groups are located throughout our regions and across our industry groups. These consultants have extensive backgrounds in placing executives in particular functions, such as board directors, CEOs, and other senior executive officers. Most assignments for fiscal 2022 were for our Board & CEO Services group, which focuses exclusively on placing CEOs and board directors in organizations worldwide. They are a dedicated team from the most senior ranks of the Company. Their work is with CEOs and the boardroom, and their expertise is in organizational leadership and governance. They conduct hundreds of engagements every year, tapping talent from every corner of the globe. This work spans across ranges of corporate scale



and purpose.

Percentage of Fiscal 2022 Assignments Opened by Functional Expertise

Board Level/CEO/CFO/Senior Executive and General Management	76 %
Finance and Control	7 %
Information Systems	6 %
Marketing and Sales	4 %
Manufacturing/Engineering/Research and Development/Technology	4 %
Human Resources and Administration	3 %

Client Base—Our more than 4,300 Executive Search engagement clients in fiscal 2022 included many of the world's largest and most prestigious public and private companies.

Competition—Our Executive Search line of business competes with specialist global executive search firms, such as Egon Zehnder, Heidrick & Struggles International, Inc., Russell Reynolds Associates and Spencer Stuart. We also compete with smaller boutique firms specializing in regional, industry, or functional searches. We believe our brand name, differentiated business model, systematic approach to client service, innovative technology, unique IP, global network, prestigious clientele, strong specialty practices and high-caliber colleagues are recognized worldwide. We also believe our long-term incentive compensation arrangements and other executive benefits distinguish us from most of our competitors and are essential in attracting and retaining our top consultants.

4. **RPO and Professional Search** focuses on delivering enterprise talent acquisition solutions to our clients, at the professional level. We leverage the power of people, process expertise, IP-enabled technology and compensation information to do this. Transaction sizes range from single professional searches to team, department, line of business projects and global outsource recruiting solutions. During fiscal 2022, we acquired The Lucas Group, which brings substantial professional search and interim placement expertise to Korn Ferry and has enhanced our industry-leading search portfolio. We also acquired the Patina Solutions Group, an interim executive search firm that is expected to bring access to a vast network of C-suite, top-tier and professional interim talent.

Summary of financial fiscal 2022 highlights:

- Fee revenue was \$691.9 million, an increase of 87% compared to fiscal 2021, representing 26% of total fee revenue.
- Adjusted EBITDA and Adjusted EBITDA margin were \$165.1 million and 23.9%, respectively.

Client Base—During fiscal 2022, the RPO & Professional Search segment partnered with more than 3,500 clients across the globe, and 50% of RPO & Professional Search's fiscal 2022 fee revenue was referred from Korn Ferry's other lines of business.

Competition—We primarily compete for RPO business with other global RPO providers such as Cielo, Alexander Mann Solutions, IBM, Allegis, Kelly Services and Randstad and professional search assignments with regional contingency and large national retained recruitment firms such as Robert Half, Michael Page, Harvey Nash, Robert Walters and BTG. We believe our competitive advantage is distinct. We are strategic, collaborating with clients to hire best-fit candidates using our assessment IP, proprietary technology and professional recruiters. Our Talent Delivery Centers provide our teams with increased scalability, multilingual capabilities, global reach and functional specialization. We also work under the One Korn Ferry umbrella to help clients plan for their broader talent acquisition needs as part of their business strategy planning.

Finally, our corporate center manages finance, legal, technology/IT, human resources, marketing, and our research arm, the Korn Ferry Institute.

We help clients in four geographic markets: North America, Latin America, EMEA, and APAC. Our geographic markets bring together capabilities from across the organization—infusing industry and functional expertise and skills—to deliver value to our partners.

We operate in 105 offices in 53 countries, helping us deliver our solutions globally, wherever our clients do business. We continue our commitment to diversity and inclusion, hiring, promoting, and extending opportunities to women and underrepresented groups. As of April 30, 2022, 72% of our workforce in the U.S. is female or from an underrepresented group. Broken down further, 64% of our workforce in the U.S. is female, and 65% of our global workforce is female. Our global age demographic is 62% Millennials (ages 26–41), Gen Z/Centennials (ages 25 and below). As of April 30, 2022, we had 10,779 full-time employees:



	Consultants and execution staff ¹	Support staff ²	Total employees
Executive Search	587	1,174	1,761
Consulting	1,841	396	2,237
Digital	305	985	1,290
RPO & Professional Search	738	4,544	5,282
Corporate	—	209	209
Total	3,471	7,308	10,779

¹ consultants and execution staff, primarily responsible for originating client services

² Support staff includes associates, researchers, administrative, and support staff

Business challenges we solve

Our judgment and expertise are built from decades of experience and insight into the business challenges companies are grappling with across industries. We work to understand the relevant macro trends impacting society and the future of work. As the world/workforce emerges from COVID-19, we believe it is even more evident that the world of work has permanently changed. We support our clients amid a time of enormous transition and change, with these specific business challenges:

- **Transforming** businesses while delivering robust performance.
- **Solving** leadership challenges arising from the new landscape of hybrid and remote working.
- **Delivering** for people, planet, and profit, and assisting with ESG and other corporate strategic initiatives.
- **Finding** the right talent in a dynamic and dislocated labor market.
- **Engaging** and motivating employees so companies can retain and reward their talent.
- **Supporting** the work-scape transition from a place of work to collaboration spaces.
- **Building** work environments that are inclusive and free from bias.

Korn Ferry Intelligence Cloud

Korn Ferry Intelligence Cloud powers our capabilities, integrated solutions and products. With four billion data points, Intelligence Cloud blends our proprietary insight and consultancy with market data and AI-technology to accurately provide insights and actions. Intelligence Cloud is the digital platform that underpins our solutions; helping global organizations advance a talent strategy that results in reduced time to hire, cheaper cost per acquisition, improved mobility and retention and better sales performance.

Organizations can access the data and insight within the platform—which focuses on talent mobility, talent management, talent acquisition and sales effectiveness—via a suite of specialist enterprise applications or via tailored tech-enabled consultancy:

Talent mobility: using our Success Profiles™, organizations can benchmark people—leaders, teams and individuals—and create career paths to build a future-ready workforce.

Talent management: Intelligence Cloud is designed to pinpoint the skillsets and mindsets needed to deliver against future goals and identify gaps, while robust talent assessment and development tools upskill and reskill existing employees.

Talent acquisition & strategy: using AI, Intelligence Cloud helps make sense of external talent market data to identify candidates for critical roles to solve talent shortages and skills gaps.

Sales effectiveness: we bring together the Miller Heiman™ sales methodology, AI-powered technology and seamless integration with Salesforce and Microsoft CRMs, to improve sales performance and predictability through actionable insights for sellers.

Our Knowledge in Data

Our vast wealth of data, IP, and insights include the following:

- More than five billion data points collected
- Over 86 million assessments taken
- Almost six million employee engagement survey responses over recent 3 years period.

And we hold:

- Rewards data for over 23 million people
- Organizational benchmark data on 12,000 entities
- More than 5,000 individual success profiles covering more than 30,000 job titles
- Management data on more than 150 countries.



Innovation & Intellectual Property

Korn Ferry is dedicated to developing leading-edge services and leveraging innovation. We are transforming how clients address their talent management needs. We have evolved from a mono-line business to a multi-faceted consultancy, giving our consultants more opportunities to engage with clients. The expansion of our business into larger markets offers higher growth potential and more durable and visible revenue streams. In addition, we have made investments in technology, learning platforms, virtual coaching, individual learning journeys, data insights, and intellectual property that permeates all our solutions.

The Korn Ferry Institute

The Korn Ferry Institute is our research and analytics arm. The Korn Ferry Institute develops robust research, innovative IP, and advanced analytics to enable Korn Ferry employees to partner with people and organizations to activate their potential and succeed.

We have built the Korn Ferry Institute on three core pillars:

1. **Robust Research and Thought Leadership to anticipate and innovate** We explore trends and define leadership and human and organizational performance for a fast-changing economy. Some project examples from fiscal 2022 include:
 - Board and investor ESG research
 - CEO of the future
 - Enterprise Leader research
 - Climate change thought leadership series
 - Neuroscience and work thought leadership series
 - ESG field guide and analysis of ESG regulations and reporting practices.
2. **Science-Based IP to enable growth:** We develop and measure what is required for success at work in the new economy. Examples from fiscal 2022 include:
 - Personal purpose inventory and coaching guide
 - Persona report and talent grid
 - Mobile-friendly assessment enhancement design
 - Continued expansion of Korn Ferry's robust success profiles.
3. **Client Advanced Analytics and Data Management to generate insights:** We integrate and build upon our datasets and external data using advanced modeling and artificial intelligence. This allows us to produce predictive insights and deliver demonstrable client impact. During fiscal 2022, we:
 - Supported over 190 advanced analytic client projects to generate insights
 - Enabled over 45 analytics ambassadors globally to support client analytics projects
 - Expanded on internal AI/ML capabilities to analyze text
 - Developed data management, architecture, storage, mining, and compliance best practices.

In the fiscal year ahead, we intend to continue innovating to drive even greater business and societal impact by:

- Focusing on the changing society and technology-led landscape so that our science, research and IP remain innovative and relevant.
- Revamping and 'technologizing' our internal processes to improve how we enable and engage with our business partners and provide increasingly agile, responsive, and collaborative services.
- Driving a step-change in value through effective collecting, organizing, structuring, and delivering our rich data, IP, and analytics. We are achieving this in collaboration with IT, Digital, and solutions for faster, easier access to insights, outcomes, and benchmarks.

Global Delivery Capability

We believe a key differentiator for us is our global delivery capability. This allows us to support all parts of our business to give clients value-added services and solutions across the globe. We can bring the right people from anywhere in the world to our clients at the right time both in physical and virtual working environments, which is a capability that is particularly crucial as business needs and conditions continue to change rapidly.



Competition

Korn Ferry operates in a rapidly changing global marketplace with a diverse range of organizations that offer services and solutions like those we offer. However, we believe no other company provides the same full range of services, uniquely positioning us for success in this highly fragmented, competitive landscape. And we believe we are poised for even more sustainable growth over the next fiscal year.

Our Market and Approach

Industry Recognition

Our company culture and excellent work within the industry are widely recognized. Some highlights from fiscal 2022 include global industry awards and accolades in recognition of performance and achievements:

- Recognized by Seramount (formerly Working Mother Media) as the No. 1 company for female hires and promotions and one of the 100 Best Companies for Parents 2021
- Best Places to Work for LGBTQ Equality from the Human Rights Campaign in 2021
- Leader in 2022 Gartner Magic Quadrant for Sales Training Providers
- Pacesetter in ALM Intelligence's Workforce Management Services Research Report for 2021
- Pacesetter in ALM Intelligence's Employee Well-being Research Report for 2022
- Leader & Star Performer in Recruitment Process Outsourcing, 2021 Everest Group
- Listed in INC.'s Best-Led companies of 2021 in America

Our Go-To-Market Approach

Our go-to-market strategy brings together Korn Ferry's core solutions to drive more integrated, scalable client relationships. Our goal is to drive topline synergies by increasing growth in crossline business referrals. This has been successful as during fiscal 2022, approximately 70% of revenue came from clients using multiple lines of our business, consistent with fiscal 2021.

We intend to continue evolving integrated solutions along industry lines to drive cross-geography and cross-solution referrals. Our Marquee and Regional Accounts program is a pillar of our growth strategy, which now comprises more than one-third of our revenue, yet only 2% of our clients. Its success has been realized by using our own IP and by following a disciplined approach to account planning and management with the addition of Global Account Leaders, resulting in more enduring relationships with clients. Building long-term client relationships of scale delivers less cyclical, more resilient revenue and new business through structured, programmatic account planning and strategic investments in account management talent.

Elevating our Voice

Collaboration with sales and marketing teams has enabled a deeper connection with our customers through our thought leadership and best practices. We evolved our brand and value proposition to focus on enabling people and organizations to exceed their potential. We have helped them solve their biggest people challenges around performance, leadership, recruitment, culture, team, future of work, and talent management trends. We continue to focus on timely, news-driven issues pertinent to our clients that help them set their talent agenda. We publish whitepapers, research, trend analysis, and insights around relevant talent and people topics.

Our People

Culture and Workforce

Our culture has evolved tremendously over the years with a team spirit of working together across different offices, regions, and practices. We strive to foster a supportive, respectful culture where everyone feels valued for their contribution, can do their best work and exceed their potential. Our approach to talent acquisition, development, recognition, engagement and benefits are designed to support this approach. Our priority is to hire without bias and provide under-represented talent with equal opportunity across the firm. We work hard to build an environment of recognition by acknowledging others and appreciating their contributions and achievements. Our global talent promotion process recognizes colleagues for exceptional dedication and service to clients, embracing our firm's purpose and values, outstanding collaboration and stretching to meet expectations. We believe diversity drives innovation and connects us to our customers and communities. We are committed to building strong teams of people with diverse experiences, backgrounds, and perspectives.

Our Beliefs and Behaviors

Our culture starts with our values of *Inclusion, Honesty, Knowledge, and Performance*. Our values set the standard



for what we expect of all our people. They also reflect the experience we want our clients to have when they work with us. We seek to embrace people with different points of view. We actively help our colleagues grow and develop with mentoring and support. We strive to learn, grow, to be better today than we were yesterday, and always do our best for our clients, colleagues, and shareholders.

As a global corporation, our commitment is to act ethically, which begins with each of us. This thinking is embedded in our core values and guides how we work together and with others. We strongly believe in a radically human approach, striving for empathy, honesty and authenticity across our interactions.

Developing and Rewarding Our People

We focus on making Korn Ferry a firm that energizes, develops, rewards and empowers people to pursue their passions and help our business succeed. Our global talent promotion process recognizes colleagues for exceptional dedication and service to clients. We run promotion cycles twice a year to allow us to appreciate the contribution of colleagues more frequently. In fiscal 2022, we promoted almost 2,000 people in our four lines of business and Corporate.

We offer competitive benefits across the globe customized to each country we operate in based on market prevalence and cultural relevance. The Korn Ferry Cares benefits strategy focuses on keeping our colleagues and their families healthy – physically, emotionally, financially, and socially. Our progressive benefit offerings in the U.S. helped us earn top recognitions by Seramount (formerly Working Mother Media) as the No. 1 company for female hires and promotions in 2021, one of the 100 Best Companies for Parents 2021, and as one of the Human Rights Campaign's Best Places to Work for LGBTQ Equality 2021.

We believe in teaching and mentoring to support our colleagues' career growth and success. These efforts have fostered stability and expertise in our workforce. Development happens broadly throughout the organization, from our formal mentoring program to direct training on our learning management platform, iAcademy. We also champion a range of career and leadership programs, such as our Mosaic program for diverse high-potentials, Leadership U for Korn Ferry, and Leadership U PLUS for Korn Ferry colleagues, an internal leadership development program. We also extended the use of our Korn Ferry Advance platform, used externally by clients for career coaching and career development, into an internal development program platform.

We run a global colleague advisory council that offers feedback to senior leadership on the colleague experience within Korn Ferry. Also, our internal employee engagement program, the Korn Ferry Founder Awards, recognizes and celebrates exceptional performance.

Employee Well-being

The well-being of our employees is a significant focus, particularly given the last few years of unprecedented change due to COVID-19 and the need to support our people in different ways. We run a series of initiatives to support employee well-being and instill an organizational culture of health, including an Employee Assistance program, mental health awareness campaigns, well-being webinars, flexible work schedules and parental support for distance learning.

Our employee safety

We are committed to creating a place where people can be successful professionally and personally. In response to the pandemic, we developed and implemented new practices designed to prioritize the health and safety of our employees and clients.

Available Information

We file annual, quarterly, and current reports, proxy statements, and other documents with the Securities and Exchange Commission (the "SEC"), according to the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Our reports, proxy statements, and other documents filed electronically with the SEC are available at the website maintained by the SEC at <https://www.sec.gov>.

We also make available, free of charge on the Investor Relations portion of our website at <http://ir.kornferry.com>, those annual, quarterly, and current reports, and, if applicable, amendments to those reports, filed or furnished under Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file such reports with, or furnish them to, the SEC at www.sec.gov.

Our Corporate Governance Guidelines, Code of Business Conduct and Ethics, and the charters of the Audit Committee, Compensation and Personnel Committee, and Nominating and Corporate Governance Committee of our Board of Directors are also posted on the Investor Relations portion of our website at <http://ir.kornferry.com>. Stockholders may request copies of these documents by writing to our Corporate Secretary at 1900 Avenue of the Stars, Suite 1500, Los Angeles, California 90067.



In addition, we make available on the Investor Relations portion of our website at <http://ir.kornferry.com> press releases and related earnings presentations and other essential information, which we encourage you to review.

Item 1A. Risk Factors

The discussion below describes the material factors, events, and uncertainties that make an investment in our securities risky, and these risk factors should be considered carefully together with all other information in this Annual Report, including the financial statements and notes thereto. It does not address all of the risks that we face, and additional risks not presently known to us or that we currently deem immaterial may also arise and impair our business operations. Our business, financial condition or results of operations could be materially adversely affected by the occurrence of any of these risks.

Risks Related to Our Business

We face various risks related to health epidemics, pandemics, and similar outbreaks that negatively impact the operations and financial performance of many of the clients we serve. The ultimate magnitude of any future pandemics or similar outbreaks depends on a variety of factors, including its duration, related restrictions and operational requirements that apply to our business and the businesses of our clients, and the state of the global economy, the full extent of which we may not be capable of prediction.

Our business and financial results have been, and could be in the future, adversely affected by health epidemics, pandemics, and similar outbreaks. Pandemics can cause a global slowdown in economic activity, a decrease in demand for a broad variety of goods and services, disruptions in global supply chains, and significant volatility and disruption of financial markets. Because the severity, magnitude and duration of a pandemic and its economic consequences are uncertain and vary by region, its full impact on our operations and financial performance, is uncertain and difficult to predict. Further, a pandemic's ultimate impact depends in part on many factors not within our control, including (1) restrictive governmental and business actions (including travel restrictions, vaccine mandates, testing requirements, and other workforce limitations), (2) economic stimulus, funding and relief programs and other governmental economic responses, (3) the effectiveness of governmental actions, (4) economic uncertainty in key global markets and financial market volatility, (5) levels of economic contraction or growth, (6) the impact of the pandemic on health and safety and (7) the availability and effectiveness of vaccines and booster shots.

Further, pandemics can subject our operations and financial performance to a number of risks, including those discussed below:

- Operations-related risks: Across all of our businesses, we can face operational challenges including a heightened need to protect employee health and safety, office shutdowns, workplace disruptions, cybersecurity risks, and restrictions on the movement of people, both at our own offices and at those of our clients and our suppliers.
- Client-related risks: Our clients will be disrupted by quarantines, fluctuations in their financial condition, and restrictions on employees' ability to work and office closures. Such disruptions may restrict our ability to provide products and services to our clients (or for clients to pay for such products and services) and may reduce demand for our products and services.
- Employee-related risks: We will experience disruptions to our operations resulting from quarantines, self-isolations, or other movement and restrictions on the ability of our employees to perform their jobs that may impact our ability to deliver our products and services in a timely manner or meet milestones or customer commitments.

Our inability to successfully recover should we experience a disaster or other business continuity problem could cause material financial loss, loss of human capital, regulatory actions, reputational harm or legal liability.

Should we experience a disaster or other business continuity problem, such as an earthquake, hurricane, terrorist attack, security breach, power loss, telecommunications failure or other natural or man-made disaster, our continued success will depend, in part, on the availability of our personnel, our office facilities, and the proper functioning of our computer, telecommunication and other related systems and operations. In such an event, we could experience near-term operational challenges with regard to particular areas of our operations. In particular, our ability to recover from any disaster or other business continuity problem will depend on our ability to protect our technology infrastructure against damage from business continuity events that could have a significant disruptive effect on our operations. For example, much of our corporate staff are based in California, which has a high level of risk from wildfires and earthquakes. The impacts of climate change present notable risks, including damage to assets and technology caused by extreme weather events linked to climate change and may otherwise heighten or exacerbate the



occurrence of such weather events. We could potentially lose client data or experience material adverse interruptions to our operations or delivery of services to our clients in a disaster. A disaster on a significant scale or affecting certain of our key operating areas within or across regions, or our inability to successfully recover should we experience a disaster, pandemic or other business continuity problem, could materially interrupt our business operations and cause material financial loss, loss of human capital, regulatory actions, reputational harm, damaged client relationships or legal liability.

We are limited in our ability to recruit candidates from certain of our clients due to off-limit agreements with those clients and for client relation and marketing purposes; such limitations could harm our business.

Either by agreement with clients, or for client relations or marketing purposes, we are required to or elect to refrain from, for a specified period of time, recruiting candidates from a client when conducting searches on behalf of other clients. These off-limit agreements can cause us to lose search opportunities to our competition. The duration and scope of the off-limit agreement, including whether it covers all operations of the client and its affiliates or only certain divisions of a client, generally are subject to negotiation or internal policies and may depend on factors such as the scope, size and complexity of the client's business, the length of the client relationship and the frequency with which we have been engaged to perform executive and professional searches for the client. We cannot ensure that off-limit agreements will not impede our growth or our ability to attract and serve new clients, or otherwise harm our business.

We face significant competition: competition in our industries could result in lost market share, reduced demand for our services, and/or require us to charge lower prices for our services, which could adversely affect our operating results and future growth.

We continue to face significant competition to each of our services and product offerings. The human resource consulting market has been traditionally fragmented and a number of large consulting firms, such as McKinsey, Willis Towers Watson and Deloitte have built businesses in human resource consulting to serve these needs. Our consulting business line has and continues to face competition from human resource consulting businesses. Many of these competitors are significantly larger than Korn Ferry and have considerable resources at their disposal, allowing for potentially significant investment to grow their human resource consulting business. Digital products in the human resource market have been traditionally fragmented and a number of firms such as AON, Mercer, Willis Towers Watson, SHL, Fuel 50, SkillSoft, Criteria, Predictive Index, Prevue Hire and Textio offer competitive products. Competitors in the digital marketplace are a combination of large, well-capitalized firms and niche players who have received multiple rounds of private financing. Increased competition, whether as a result of professional and social networking website providers, traditional executive search firms, sole proprietors and in-house human resource professionals (as noted above) or larger consulting firms building human resources consulting businesses, may lead to pricing pressures that could negatively impact our business. For example, increased competition could require us to charge lower prices, and/or cause us to lose market share, each of which could reduce our fee revenue.

Our executive search services face competition from both traditional and non-traditional competitors that provide job placement services, including other large global executive search firms, smaller specialty firms and web-based firms. We also face increased competition from sole proprietors and in-house human resource professionals whose ability to provide job placement services has been enhanced by professional profiles made available on the internet and enhanced social media-based search tools. The continued growth of the shared economy and related freelancing platform sites may also negatively impact demand for our services by allowing employers seeking services to connect with employees in real time and without any significant cost. Traditional executive search competitors include Egon Zehnder, Heidrick & Struggles International, Inc., Russell Reynolds Associates and Spencer Stuart. In each of our markets, one or more of our competitors may possess greater resources, greater name recognition, lower overhead or other costs and longer operating histories than we do, which may give them an advantage in obtaining future clients, capitalizing on new technology and attracting qualified professionals in these markets. Additionally, specialty firms can focus on regional or functional markets or on particular industries and executive search firms that have a smaller client base are subject to fewer off-limits arrangements. There are no extensive barriers to entry into the executive search industry and new recruiting firms continue to enter the market.

We believe the continuing development and increased availability of information technology will continue to attract new competitors, especially web-enabled professional and social networking website providers, and these providers may be facilitating a company's ability to insource their recruiting capabilities. Competitors in these fields include SmashFly, iCIMS, Yello, Indeed, Google for Jobs and Jobvite. As these providers continue to evolve, they may develop offerings similar to or more expansive than ours, thereby increasing competition for our services or more broadly causing disruption in the executive search industry. Further, as technology continues to develop and the shared economy continues to grow, we expect that the use of freelancing platform sites will become more prevalent. As a result, companies may turn to such sites for their talent needs, which could negatively impact demand for the services we offer.

Our RPO & Professional Search services primarily compete for business with other RPO providers such as Cielo, Alexander Mann Solutions, IBM, Allegis, Kelly Services, Randstad and compete for mid-level professional search



assignments with regional contingency recruitment firms and large national retained recruitment firms such as Robert Half, Michael Page, Harvey Nash, Robert Walters and BTG. In addition, some organizations have developed or may develop internal solutions to address talent acquisition that may be competitive with our solutions. This is a highly competitive and developing industry with numerous specialists. To compete successfully and achieve our growth targets for our talent acquisition business, we must continue to support and develop assessment and analytics solutions, maintain and grow our proprietary database, deliver demonstrable return on investment to clients, support our products and services globally, and continue to provide consulting and training to support our assessment products. Our failure to compete effectively could adversely affect our operating results and future growth.

Failure to attract and retain qualified and experienced consultants could result in a loss of clients which in turn could cause a decline in our revenue and harm to our business.

We compete with other executive and professional search and consulting firms for qualified and experienced consultants. These other firms may be able to offer greater compensation and benefits or more attractive lifestyle choices, career paths or geographic locations than we do. Attracting and retaining consultants in our industry is particularly important because, generally, a small number of consultants have primary responsibility for a client relationship. Because client responsibility is so concentrated, the loss of key consultants may lead to the loss of client relationships. In fiscal 2022, our top three consultants in Executive Search (including all four reportable regional segments) and in our Consulting segment had generated business equal to approximately 1% and 2% of our total fee revenues, respectively. Furthermore, our top ten consultants in Executive Search (including all four reportable regional segments) and in our Consulting segment had generated business equal to approximately 3% and 4% of our total fee revenues, respectively. This risk is heightened due to the general portability of a consultant's business: consultants have in the past, and will in the future, terminate their employment with our Company. Any decrease in the quality of our reputation, reduction in our compensation levels relative to our peers or restructuring of our compensation program, whether as a result of insufficient revenue, a decline in the market price of our common stock or for any other reason, could impair our ability to retain existing consultants or attract additional qualified consultants with the requisite experience, skills and established client relationships. Our failure to retain our most productive consultants, whether in Executive Search, Consulting, Digital or RPO & Professional Search, or maintain the quality of service to which our clients are accustomed, as well as the ability of a departing consultant to move business to his or her new employer, could result in a loss of clients, which could in turn cause our fee revenue to decline and our business to be harmed. We may also lose clients if the departing Executive Search, Consulting, Digital or RPO & Professional Search consultant has widespread name recognition or a reputation as a specialist in his or her line of business in a specific industry or management function. We could also lose additional consultants if they choose to join the departing Executive Search, Consulting, Digital or RPO & Professional Search consultant at another executive search or consulting firm. Failing to limit departing consultants from moving business or recruiting our consultants to a competitor could adversely affect our business, financial condition and results of operations.

We are working to advance culture change through the continued implementation of diversity, equity and inclusion initiatives throughout our organization. If we do not successfully implement these initiatives, our ability to recruit, attract and retain talent may be adversely impacted.

We are highly dependent on the continued services of our small team of executives

We are dependent upon the efforts and services of our small executive team. While we have a preliminary plan for succession of certain key executives, the loss of any one of our key executives could have an adverse effect on our operations.

Failing to maintain our professional reputation and the goodwill associated with our brand name could seriously harm our business.

We depend on our overall reputation and brand name recognition to secure new engagements and to hire qualified professionals. Our success also depends on the individual reputations of our professionals. We obtain a majority of our new engagements from existing clients or from referrals by those clients. Any client who is dissatisfied with our services can adversely affect our ability to secure new engagements. If any factor, including poor performance or negative publicity, whether or not true, hurts our reputation, we may experience difficulties in competing successfully for both new engagements and qualified consultants, which could seriously harm our business.

As we develop new services, clients and practices, enter new lines of business, and focus more of our business on providing a full range of client solutions, the demands on our business and our operating and legal risks may increase.

As part of our corporate strategy, we are attempting to leverage our research and consulting services to sell a full range of services across the life cycle of a policy, program, project or initiative, and we are regularly searching for ways to provide new services to clients. This strategy, even if effectively executed, may prove insufficient in light of changes in market conditions, technology, competitive pressures or other external factors. In addition, we plan to extend our services to new clients and into new lines of business and geographic locations. As we focus on



developing new services, clients, practice areas and lines of business; open new offices; and engage in business in new geographic locations, our operations are exposed to additional as well as enhanced risks.

In particular, our growth efforts place substantial additional demands on our management and staff, as well as on our information, financial, administrative and operational systems. We may not be able to manage these demands successfully. Growth may require increased recruiting efforts, opening new offices, increased business development, selling, marketing and other actions that are expensive and entail increased risk. We may need to invest more in our people and systems, controls, compliance efforts, policies and procedures than we anticipate. Therefore, even if we do grow, the demands on our people and systems, controls, compliance efforts, policies and procedures may exceed the benefits of such growth, and our operating results may suffer, at least in the short-term, and perhaps in the long-term.

Efforts involving a different focus and/or new services, clients, practice areas, lines of business, offices and geographic locations entail inherent risks associated with our inexperience and competition from mature participants in those areas. Our inexperience may result in costly decisions that could harm our profit and operating results. In particular, new or improved services often relate to the development, implementation and improvement of critical infrastructure or operating systems that our clients may view as "mission critical," and if we fail to satisfy the needs of our clients in providing these services, our clients could incur significant costs and losses for which they could seek compensation from us. As our business continues to evolve and we provide a wider range of services, we will become increasingly dependent upon our employees, particularly those operating in business environments less familiar to us. Failure to identify, hire, train and retain talented employees who share our values could have a negative effect on our reputation and our business.

We are subject to potential legal liability from clients, employees, candidates for employment, stockholders and others. Insurance coverage may not be available to cover all of our potential liability and available coverage may not be sufficient to cover all claims that we may incur.

We are exposed to potential claims with respect to the executive search process and our consulting services, among numerous other matters. For example, a client could assert a claim for matters such as breach of an off-limit agreement or recommending a candidate who subsequently proves to be unsuitable for the position filled. Further, the current employer of a candidate whom we placed could file a claim against us alleging interference with an employment contract; a candidate could assert an action against us for failure to maintain the confidentiality of the candidate's employment search; and a candidate or employee could assert an action against us for alleged discrimination, violations of labor and employment law or other matters. Also, in various countries, we are subject to data protection, employment and other laws impacting the processing of candidate information and other regulatory requirements that could give rise to liabilities/claims. Client dissatisfaction with the consulting services provided by our consultants may also lead to claims against us.

Additionally, as part of our consulting services, we often send a team of leadership consultants to our clients' workplaces. Such consultants generally have access to client information systems and confidential information. An inherent risk of such activity includes possible claims of misuse or misappropriation of client IP, confidential information, funds or other property, as well as harassment, criminal activity, torts, or other claims. Such claims may result in negative publicity, injunctive relief, criminal investigations and/or charges, payment by us of monetary damages or fines, or other material adverse effects on our business.

From time to time, we may also be subject to legal actions or claims brought by our stockholders, including securities, derivative and class actions, for a variety of matters related to our operations, such as significant business transactions, cybersecurity incidents, volatility in our stock, and our responses to stockholder activism, among others. Such actions or claims and their resolution may result in defense costs, as well as settlements, fines or judgments against us, some of which are not, or cannot be, covered by insurance. The payment of any such costs, settlements, fines or judgments that are not insured could have a material adverse effect on our business. In addition, such matters may affect the availability or cost of some of our insurance coverage, which could adversely impact our results of operations and expose us to increased risks that would be uninsured.

We cannot ensure that our insurance will cover all claims or that insurance coverage will be available at economically acceptable rates. Our ability to obtain insurance, its coverage levels, deductibles and premiums, are all dependent on market factors, our loss history and insurers' perception of our overall risk profile. Our insurance may also require us to meet a deductible. Significant uninsured liabilities could have a material adverse effect on our business, financial condition and results of operations.

We are subject to numerous and varied government regulations across the jurisdictions in which we operate.

Our business is subject to various federal, state, local, and foreign laws and regulations that are complex, change frequently and may become more stringent over time. Future legislation, regulatory changes or policy shifts under the new U.S. administration or other governments could impact our business. Our failure to comply with applicable laws



and regulations could restrict our ability to provide certain services or result in the imposition of fines and penalties, substantial regulatory and compliance costs, litigation expense, adverse publicity, and loss of revenue. We incur, and expect to continue to incur, significant expenses in our attempt to comply with these laws, and our businesses are also subject to an increasing degree of compliance oversight by regulators and by our clients. In addition, our Digital services and increasing use of technology in our business expose us to data privacy and cybersecurity laws and regulations that vary and are evolving across jurisdictions. These and other laws and regulations, as well as laws and regulations in the various states or in other countries, could limit our ability to pursue business opportunities we might otherwise consider engaging in, impose additional costs or restrictions on us, result in significant loss of revenue, impact the value of assets we hold, or otherwise significantly adversely affect our business. Any failure by us to comply with applicable laws or regulations could also result in significant liability to us from private legal actions, or may result in the cessation of our operations or portions of our operations or impositions of fines and restrictions on our ability to carry on or expand our operations. Our operations could also be negatively affected by changes to laws and regulations and enhanced regulatory oversight of our clients and us. These changes may compel us to change our prices, may restrict our ability to implement price increases, and may limit the manner in which we conduct our business or otherwise may have a negative impact on our ability to generate revenues, earnings, and cash flows. If we are unable to adapt our products and services to conform to the new laws and regulations, or if these laws and regulations have a negative impact on our clients, we may experience client losses or increased operating costs, and our business and results of operations could be negatively affected.

Our business and operations are impacted by developing laws and regulations, as well as evolving investor and customer expectations with regard to environmental matters, including the impacts and actions needed to address climate change.

We are subject to evolving local, state, federal and/or international laws, regulations, and expectations regarding the environment and climate change. These requirements and expectations may increase the time and cost of our efforts to monitor and comply with those obligations; limit the extent, frequency, and modality with which our consultants travel; impact our business opportunities; and expose us to liability. Within our own operations, we face additional costs from rising energy costs which make it more expensive to power our corporate offices; efforts to mitigate or reduce our operations' impacts from or on the environment, such as a shift to cloud technology or a leasing preference for buildings that are LEED-certified.

Risks Related to Our Profitability

We may not be able to align our cost structure with our revenue level, which in turn may require additional financing in the future that may not be available at all or may be available only on unfavorable terms.

Our efforts to align our cost structure with the current realities of our markets may not be successful. When actual or projected fee revenues are negatively impacted by weakening customer demand, we have and may again find it necessary to take cost cutting measures so that we can minimize the impact on our profitability. Failing to maintain a balance between our cost structure and our revenue could adversely affect our business, financial condition, and results of operations and lead to negative cash flows, which in turn might require us to obtain additional financing to meet our capital needs. If we are unable to secure such additional financing on favorable terms, or at all, our ability to fund our operations could be impaired, which could have a material adverse effect on our results of operations.

Our financial results could suffer if we are unable to achieve or maintain adequate utilization and suitable billing rates for our consultants.

Our profitability depends, to a large extent, on the utilization and billing rates of our professionals. Utilization of our professionals is affected by a number of factors, including: the number and size of client engagements; the timing of the commencement, completion and termination of engagements (for example, the commencement or termination of multiple RPO engagements could have a significant impact on our business, including significant fluctuations in our fee revenue, since these types of engagements are generally larger, in terms of both staffing and fee revenue generated, than our other engagements); our ability to transition our consultants efficiently from completed engagements to new engagements; the hiring of additional consultants because there is generally a transition period for new consultants that results in a temporary drop in our utilization rate; unanticipated changes in the scope of client engagements; our ability to forecast demand for our services and thereby maintain an appropriate level of consultants; and conditions affecting the industries in which we practice, as well as general economic conditions.

The billing rates of our consultants that we are able to charge are also affected by a number of factors, including: our clients' perception of our ability to add value through our services; the market demand for the services we provide, which may vary globally or within particular industries that we serve; an increase in the number of clients in the government sector in the industries we serve; the introduction of new services by us or our competitors; our competition and the pricing policies of our competitors; and current economic conditions.



If we are unable to achieve and maintain adequate overall utilization, as well as maintain or increase the billing rates for our consultants, our financial results could materially suffer. In addition, our consultants oftentimes perform services at the physical locations of our clients. Natural disasters, pandemics, disruptions to travel and transportation or problems with communications systems negatively impact our ability to perform services for, and interact with, our clients at their physical locations which could have an adverse effect on our business and results of operations.

The profitability of our fixed-fee engagements with clients may not meet our expectations if we underestimate the cost of these engagements when pricing them.

When making proposals for fixed-fee engagements, we estimate the costs and timing for completing the engagements and these estimates may not be accurate. Any increased or unexpected costs or unanticipated delays in connection with the performance of fixed-fee engagements, including delays caused by factors outside our control, could make these contracts less profitable or unprofitable, which would have an adverse effect on our profit margin. For the years ended 2022, 2021, and 2020, fixed-fee engagements represented 22%, 26%, and 25% of our revenues, respectively.

Inflationary pressure could adversely impact our profitability.

Demand for our services is affected by global economic conditions and the general level of economic activity in the geographic regions in which we operate. During periods of slowed economic activity many companies hire fewer permanent employees, and our business, financial condition and results of operations may be adversely affected. If unfavorable changes in economic conditions occur, our business, financial condition and results of operations could suffer. Accelerated and pronounced economic pressures, such as the recent inflationary cost pressures, may negatively impact our expense base by increasing our operating costs including labor costs. Continued inflationary pressures may result in increases in operating costs that we may not be able to fully offset by raising prices for our services because if we do our clients may choose to reduce their business with us, which may reduce our operating margin.

Risks Related to Accounting and Taxation

Foreign currency exchange rate risks affect our results of operations.

A material portion of our revenue and expenses are generated by our operations in foreign countries, and we expect that our foreign operations will account for a material portion of our revenue and expenses in the future. Most of our international expenses and revenue are denominated in foreign currencies. As a result, our financial results are affected by changes in foreign currency exchange rates or weak economic conditions in foreign markets in which we have operations, among other factors. Fluctuations in the value of those currencies in relation to the U.S. dollar have caused and will continue to cause dollar-translated amounts to vary from one period to another. Such variations expose us to both adverse as well as beneficial movements in currency exchange rates. Given the volatility of exchange rates, we are not always able to manage effectively our currency translation or transaction risks, which has and may continue to adversely affect our financial condition and results of operations.

We have deferred tax assets that we may not be able to use under certain circumstances.

If we are unable to generate sufficient future taxable income in certain jurisdictions, or if there is a significant change in the time period within which the underlying temporary differences become taxable or deductible, we could be required to increase our valuation allowances against our deferred tax assets. This would result in an increase in our effective tax rate, and an adverse effect on our future operating results. In addition, changes in statutory tax rates may also change our deferred tax assets or liability balances, with either a favorable or unfavorable impact on our effective tax rate. Our deferred tax assets may also be impacted by new legislation or regulation.

Risks Related to Our Financing/Indebtedness

Our indebtedness could adversely affect our financial condition, our ability to operate our business, react to changes in the economy or our industry, prevent us from fulfilling our obligations under our indebtedness and could divert our cash flow from operations for debt payments.

As of June 24, 2022, we had approximately \$400.0 million in total indebtedness outstanding, \$645.3 million of availability under our \$650.0 million five-year senior secured revolving credit facility (the "Revolver") and \$500 million of availability under our \$500.0 million five-year senior secured delayed draw term loan facility ("Delayed Draw Facility"), both provided for under our Credit Agreement, as amended on June 24, 2022 (the "Amended Credit Agreement") that we entered into with a syndicate of banks and Bank of America, National Association as administrative agent. Subject to the limits contained in the Amended Credit Agreement that govern our Revolver and Delayed Draw Facility and the indenture governing our \$400.0 million principal amount of the 4.625% Senior Unsecured Notes due 2027 (the "Notes"), we may be able to incur substantial additional debt from time to time to finance working capital, capital expenditures, investments or acquisition, or for other purposes. If we do so, the risks related to our debt could increase.



Specifically, our level of debt could have important consequences to us, including the following: it may be difficult for us to satisfy our obligations, including debt service requirements under our outstanding debt; our ability to obtain additional financing for working capital, capital expenditures, debt service requirements, acquisitions or other general corporate purposes may be impaired; requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on our indebtedness, including the Notes, therefore reducing our ability to use our cash flow to fund our operations, capital expenditures, future business opportunities and other purposes; we are more vulnerable to economic downturns and adverse industry conditions and our flexibility to plan for, or react to, changes in our business or industry is more limited; our ability to capitalize on business opportunities and to react to competitive pressures, as compared to our competitors, may be compromised due to our high level of debt and the restrictive covenants in the Amended Credit Agreement and the indenture governing our Notes; our ability to borrow additional funds or to refinance debt may be limited; and it may cause potential or existing customers to not contract with us due to concerns over our ability to meet our financial obligations, such as insuring against our professional liability risks, under such contracts.

Furthermore, our debt under our Revolver bears interest at variable rates.

Despite our indebtedness levels, we and our subsidiaries may still incur substantially more debt, which could further exacerbate the risks associated with our substantial leverage.

We and our subsidiaries may incur substantial additional indebtedness in the future. The Amended Credit Agreement and the indenture governing our Notes contain restrictions on the incurrence of additional indebtedness, but these restrictions are subject to several qualifications and exceptions, and the indebtedness that may be incurred in compliance with these restrictions could be substantial. If we incur additional debt, the risks associated with our leverage, including those described above, would increase. Further, the restrictions in the indenture governing the Notes and the Amended Credit Agreement will not prevent us from incurring obligations, such as trade payables, that do not constitute indebtedness as defined in such debt instruments. As of June 24, 2022, we had \$645.3 million of availability to incur additional secured indebtedness under our Revolver and \$500 million of availability to incur additional secured indebtedness under our Delayed Draw Facility.

Our variable rate indebtedness subjects us to interest rate risk, which could cause our indebtedness service obligations to increase significantly.

Interest rates fluctuate. As a result, interest rates on the Revolver or other variable rate debt offerings could be higher or lower than current levels. When interest rates increase, our debt service obligations on our variable rate indebtedness, if any, would increase even though the amount borrowed remained the same, and our net income and cash flows, including cash available for servicing our indebtedness, would correspondingly decrease.

We may be unable to service our indebtedness.

Our ability to make scheduled payments on and to refinance our indebtedness depends on and is subject to our financial and operating performance, which in turn is affected by general and regional economic, financial, competitive, business and other factors, all of which are beyond our control, including the availability of financing in the international banking and capital markets. Lower total revenue generally will reduce our cash flow. We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to service our debt, to refinance our debt or to fund our other liquidity needs.

If we are unable to meet our debt service obligations or to fund our other liquidity needs, we will need to restructure or refinance all or a portion of our debt, which could cause us to default on our debt obligations and impair our liquidity. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants that could further restrict our business operations.

Moreover, in the event of a default, the holders of our indebtedness, including the Notes, could elect to declare all the funds borrowed to be due and payable, together with accrued and unpaid interest, if any. The lenders under the Revolver could also elect to terminate their commitments thereunder, cease making further loans, and institute foreclosure proceedings against their collateral, and we could be forced into bankruptcy or liquidation. If we breach our covenants under the Revolver, we would be in default thereunder. The lenders could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation.

The agreements governing our debt impose significant operating and financial restrictions on us and our subsidiaries, which may prevent us from capitalizing on business opportunities.

The Amended Credit Agreement and the indenture governing the Notes impose significant operating and financial restrictions on us. These restrictions limit our ability and the ability of our subsidiaries to, among other things: incur or guarantee additional debt or issue capital stock; pay dividends and make other distributions on, or redeem or



repurchase, capital stock; make certain investments; incur certain liens; enter into transactions with affiliates; merge or consolidate; enter into agreements that restrict the ability of subsidiaries to make dividends, distributions or other payments to us or the guarantors; in the case of the indenture governing our Notes, designate restricted subsidiaries as unrestricted subsidiaries; and transfer or sell assets.

We and our subsidiaries are subject to covenants, representations and warranties in respect of the Revolver, including financial covenants as defined in the Amended Credit Agreement. See "Note 18 – *Subsequent Events – Credit Facility*" of our notes to our consolidated financial statements included in this Annual Report on Form 10-K.

As a result of these restrictions, we are limited as to how we conduct our business, and we may be unable to raise additional debt or equity financing to compete effectively or to take advantage of new business opportunities. The terms of any future indebtedness we may incur could include more restrictive covenants. We cannot assure you that we will be able to maintain compliance with these covenants in the future and, if we fail to do so, that we will be able to obtain waivers from the lenders and/or amend the covenants.

Our failure to comply with the restrictive covenants described above and/or the terms of any future indebtedness from time to time could result in an event of default, which, if not cured or waived, could result in our being required to repay these borrowings before their due date. If we are forced to refinance these borrowings on less favorable terms or cannot refinance these borrowings, our results of operations and financial condition could be adversely affected.

A decline in our operating results or available cash could cause us to experience difficulties in complying with covenants contained in more than one agreement, which could result in our bankruptcy or liquidation.

If we sustain a decline in our operating results or available cash, we could experience difficulties in complying with the financial covenants contained in the Amended Credit Agreement. The failure to comply with such covenants could result in an event of default under the Revolver and by reason of cross-acceleration or cross-default provisions, other indebtedness may then become immediately due and payable. In addition, should an event of default occur, the lenders under our Revolver could elect to terminate their commitments thereunder, cease making loans and institute foreclosure proceedings against our assets, and we could be forced into bankruptcy or liquidation. If our operating performance declines, we may in the future need to obtain waivers from the lenders under our Revolver to avoid being in default. If we breach our covenants under our Revolver and seek a waiver, we may not be able to obtain a waiver from the lenders thereunder. If this occurs, we would be in default under our Revolver, the lenders could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation.

Risks Related to Technology, Cybersecurity and Intellectual Property

Social media platforms present risks and challenges that can cause damage to our brand and reputation.

The inappropriate and/or unauthorized use of social media platforms, including blogs, social media websites and other forms of Internet-based communications, which allow individuals access to a broad audience of consumers and other interested persons by our clients or employees could increase our costs, cause damage to our brand, lead to litigation or result in information leakage, including the improper collection and/or dissemination of personally identifiable information of candidates and clients. In addition, negative or inaccurate posts or comments about us on any social networking platforms could damage our reputation, brand image and goodwill.

Technological advances may significantly disrupt the labor market and weaken demand for human capital at a rapid rate.

Our success is directly dependent on our customers' demands for talent. As technology continues to evolve, more tasks currently performed by people have been and may continue to be replaced by automation, robotics, machine learning, artificial intelligence and other technological advances outside of our control. The human resource industry has been and continues to be impacted by significant technological changes, enabling companies to offer services competitive with ours. Many of those technological changes may (i) reduce demand for our services, (ii) enable the development of competitive products or services, or (iii) enable our current customers to reduce or bypass the use of our services, particularly in lower-skill job categories. Additionally, rapid changes in artificial intelligence and block chain-based technology are increasing the competitiveness landscape. We may not be successful in anticipating or responding to these changes and demand for our services could be further reduced by advanced technologies being deployed by our competitors. The effort to gain technological expertise and develop new technologies in our business may require us to incur significant expenses. In some cases, we depend on key vendors and partners to provide technology and other support. If these third parties fail to perform their obligations or cease to work with us, our ability to execute on our strategic initiatives could be adversely affected.

We have invested in specialized technology and other IP for which we may fail to fully recover our investment, or which may become obsolete.

We have invested in developing specialized technology and IP, including proprietary systems, processes and methodologies, such as Korn Ferry Advance and Talent Hub, that we believe provide us a competitive advantage in



serving our current clients and winning new engagements. Many of our service and product offerings rely on specialized technology or IP that is subject to rapid change, and to the extent that this technology and IP is rendered obsolete and of no further use to us or our clients, our ability to continue offering these services, and grow our revenues, has been and may continue to be adversely affected. There is no assurance that we will be able to develop new innovative or improved technology or IP or that our technology and IP will effectively compete with the IP developed by our competitors. If we are unable to develop new technology and IP or if our competitors develop better technology or IP, our revenues and results of operations could be adversely affected.

We rely heavily on our information systems, and if we lose that technology, or fail to further develop our technology, our business could be harmed.

Our success depends in large part upon our ability to store, retrieve, process, manage and protect substantial amounts of information. To achieve our strategic objectives and to remain competitive, we must continue to develop and enhance our information systems. This may require the acquisition of equipment and software and the development of new proprietary software, either internally or through independent consultants. If we are unable to design, develop, implement and utilize, in a cost-effective manner, information systems that provide the capabilities necessary for us to compete effectively, or for any reason any interruption or loss of our information processing capabilities occurs, this could harm our business, results of operations and financial condition. We cannot be sure that our current insurance against the effects of a disaster regarding our information technology or our disaster recovery procedures will continue to be available at reasonable prices, cover all our losses or compensate us for the possible loss of clients occurring during any period that we are unable to provide business services.

We are subject to risk as it relates to software that we license from third parties.

We license software from third parties, much of which is integral to our systems and our business. The licenses are generally terminable if we breach our obligations under the license agreements. If any of these relationships were terminated or if any of these parties were to cease doing business or cease to support the applications we currently utilize, we may be forced to spend significant time and money to replace the licensed software. However, we cannot assure you that the necessary replacements will be available on reasonable terms, if at all.

We are dependent on third parties for the execution of certain critical functions.

We do not maintain all of our technology infrastructure, and we have outsourced certain other critical applications or business processes to external providers, including cloud-based services. The failure or inability to perform on the part of one or more of these critical suppliers or partners could cause significant disruptions and increased costs. We are also dependent on security measures that some of our third-party vendors and customers are taking to protect their own systems and infrastructures. If our third-party vendors do not maintain adequate security measures, do not require their sub-contractors to maintain adequate security measures, do not perform as anticipated and in accordance with contractual requirements, or become targets of cyber-attacks, we may experience operational difficulties and increased costs, which could materially and adversely affect our business.

Cyber security vulnerabilities and incidents have and may again lead to the improper disclosure of information obtained from our clients, candidates and employees, which could result in liability and harm to our reputation.

We use information technology and other computer resources to carry out operational and marketing activities and to maintain our business records. We rely on information technology systems to process, transmit, and store electronic information and to communicate among our locations around the world and with our clients, partners, and employees. The breadth and complexity of this infrastructure increases the risk of security breaches which could lead to potential unauthorized disclosure of confidential information. Reliance on trained professionals to configure and operate this infrastructure creates the potential for human error, leading to potential exposure of sensitive or confidential information.

Our systems and networks are vulnerable to computer viruses, malware, worms, hackers and other security issues, including physical and electronic break-ins, router disruption, sabotage or espionage, disruptions from unauthorized access and tampering (including through social engineering such as phishing attacks), impersonation of authorized users and coordinated denial-of-service attacks. For example, in the past we have experienced cyber security incidents resulting from unauthorized access to our systems, which to date have not had a material impact on our business or results of operations; however, there is no assurance that such impacts will not be material in the future.

The continued occurrence of high-profile data breaches against various entities and organizations provides evidence of an external environment that is increasingly hostile to information security. This environment demands that we continuously improve our design and coordination of security controls across our business groups and geographies in order to protect information that we develop or that is obtained from our clients, candidates and employees. Despite these efforts, given the ongoing and increasingly sophisticated attempts to access the information of entities, our security controls over this information, our training of employees, and other practices we follow have not and may not prevent the improper disclosure of such information. Our efforts and the costs incurred to bolster our security against attacks cannot provide absolute assurance that future data breaches will not occur. We depend on our overall reputation and brand name recognition to secure new engagements. Perceptions that we do not adequately protect the privacy of information could inhibit attaining new engagements, qualified consultants and could potentially damage currently existing client relationships.



Data security, data privacy and data protection laws, such as the European Union General Data Protection Regulation (“GDPR”), and other evolving regulations and cross-border data transfer restrictions, may limit the use of our services, increase our costs and adversely affect our business.

We are subject to numerous U.S. and foreign jurisdiction laws and regulations designed to protect client, colleague, supplier and company data, such as the GDPR, which became effective in May 2018, and requires companies to meet stringent requirements regarding the handling of personal data, including its use, protection and transfer and the ability of persons whose data is stored to correct or delete such data about themselves. Complying with the enhanced obligations imposed by the GDPR has resulted and may continue to result in additional costs to our business and has required and may further require us to amend certain of our business practices. Failure to meet the GDPR requirements could result in significant penalties, including fines up to 4% of annual worldwide revenue. The GDPR also confers a private right of action on certain individuals and associations.

Laws and regulations in this area are evolving and generally becoming more stringent. For example, the New York State Department of Financial Services has issued cybersecurity regulations that outline a variety of required security measures for protection of data. Some U.S. states, including California, have also enacted cybersecurity laws requiring certain security measures of regulated entities that are broadly similar to GDPR requirements, such as the California Consumer Privacy Act and California Privacy Rights Act. New privacy laws in Colorado and Virginia will take effect in 2023, and we expect that other states will continue to adopt legislation in this area. As these laws continue to evolve, we may be required to make changes to our services, solutions and/or products so as to enable the Company and/or our clients to meet the new legal requirements, including by taking on more onerous obligations in our contracts, limiting our storage, transfer and processing of data and, in some cases, limiting our service and/or solution offerings in certain locations. Changes in these laws, or the interpretation and application thereof, may also increase our potential exposure through significantly higher potential penalties for non-compliance. The costs of compliance with, and other burdens imposed by, such laws and regulations and client demand in this area may limit the use of, or demand for, our services, solutions and/or products, make it more difficult and costly to meet client expectations, or lead to significant fines, penalties or liabilities for noncompliance, any of which could adversely affect our business, financial condition, and results of operations.

In addition, due to the uncertainty and potentially conflicting interpretations of these laws, it is possible that such laws and regulations may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. Any failure or perceived failure by us to comply with applicable laws or satisfactorily protect personal information could result in governmental enforcement actions, litigation, or negative publicity, any of which could inhibit sales of our services, solutions and/or products.

Further, enforcement actions and investigations by regulatory authorities related to data security incidents and privacy violations continue to increase. It is possible that future enactment of more restrictive laws, rules or regulations and/or future enforcement actions or investigations could have an adverse impact on us through increased costs or restrictions on our businesses and noncompliance could result in regulatory penalties and significant legal liability.

Risks Related to Acquisitions

Acquisitions, or our inability to effect acquisitions, may have an adverse effect on our business.

We have completed several strategic acquisitions of businesses in the last several years, including our acquisition of Miller Heiman Group, AchieveForum and Strategy Execution in fiscal 2020 and The Lucas Group and Patina Solutions Group, Inc. in fiscal 2022. Targeted acquisitions have been and continue to be part of our growth strategy, and we may in the future selectively acquire businesses that are complementary to our existing service offerings. However, we cannot be certain that we will be able to continue to identify appropriate acquisition candidates or acquire them on satisfactory terms. Our ability to consummate such acquisitions on satisfactory terms will depend on the extent to which acquisition opportunities become available; our success in bidding for the opportunities that do become available; negotiating terms that we believe are reasonable; and regulatory approval, if required.

Our ability to make strategic acquisitions may also be conditioned on our ability to fund such acquisitions through the incurrence of debt or the issuance of equity. Our Amended Credit Agreement limits us from consummating acquisitions unless we are in pro forma compliance with our financial covenants, and certain other conditions are met. If we are required to incur substantial indebtedness in connection with an acquisition, and the results of the acquisition are not favorable, the increased indebtedness could decrease the value of our equity. In addition, if we need to issue additional equity to consummate an acquisition, doing so would cause dilution to existing stockholders.

If we are unable to make strategic acquisitions, or the acquisitions we do make are not on terms favorable to us or not effected in a timely manner, it may impede the growth of our business, which could adversely impact our profitability and our stock price.

As a result of our acquisitions, we have substantial amounts of goodwill and intangible assets, and changes in business conditions could cause these assets to become impaired, requiring write-downs that would adversely affect our operating results.

All of our acquisitions have been accounted for as purchases and involved purchase prices well in excess of tangible



asset values, resulting in the creation of a significant amount of goodwill and other intangible assets. As of April 30, 2022, goodwill and purchased intangibles accounted for approximately 21% and 3%, respectively, of our total assets. We review goodwill and intangible assets annually (or more frequently, if impairment indicators arise) for impairment. Future events or changes in circumstances that result in an impairment of goodwill or other intangible assets would have a negative impact on our profitability and operating results.

An impairment in the carrying value of goodwill and other intangible assets could negatively impact our consolidated results of operations and net worth.

Goodwill is initially recorded as the excess of amounts paid over the fair value of net assets acquired. While goodwill is not amortized, it is reviewed for impairment at least annually or more frequently, if impairment indicators are present. In assessing the carrying value of goodwill, we make qualitative and quantitative assumptions and estimates about revenues, operating margins, growth rates and discount rates based on our business plans, economic projections, anticipated future cash flows and marketplace data. There are inherent uncertainties related to these factors and management's judgment in applying these factors. Goodwill valuations have been calculated using an income approach based on the present value of future cash flows of each reporting unit and a market approach. We could be required to evaluate the carrying value of goodwill prior to the annual assessment if we experience unexpected, significant declines in operating results or sustained market capitalization declines. These types of events and the resulting analyses could result in goodwill impairment charges in the future.

Risks Related to Global Operations

We are a cyclical company whose performance is tied to local and global economic conditions.

Demand for our services is affected by global economic conditions and the general level of economic activity in the geographic regions and industries in which we operate. When conditions in the global economy, including the credit markets deteriorate, or economic activity slows, many companies hire fewer permanent employees and some companies, as a cost-saving measure, choose to rely on their own human resources departments rather than third-party search firms to find talent, and under these conditions, companies have cut back on human resource initiatives, all of which negatively affects our financial condition and results of operations. We also experience more competitive pricing pressure during periods of economic decline. If the geopolitical uncertainties result in a reduction in business confidence, when the national or global economy or credit market conditions in general deteriorate, the unemployment rate increases or any changes occur in U.S. trade policy (including any increases in tariffs that result in a trade war), such uncertainty or changes put negative pressure on demand for our services and our pricing, resulting in lower cash flows and a negative effect on our business, financial condition and results of operations. In addition, some of our clients experience reduced access to credit and lower revenues, resulting in their inability to meet their payment obligations to us.

We face risks associated with social and political instability, legal requirements and economic conditions in our international operations.

We operate in 53 countries and, during the year ended April 30, 2022, generated 49% of our fee revenue from operations outside of the U.S. We are exposed to the risk of changes in social, political, legal and economic conditions inherent in international operations. Examples of risks inherent in transacting business worldwide that we are exposed to include:

- changes in and compliance with applicable laws and regulatory requirements, including U.S. laws affecting the activities of U.S. companies abroad, including the Foreign Corrupt Practices Act of 1977 and sanctions programs administered by the U.S. Department of the Treasury Office of Foreign Assets Control, and similar foreign laws such as the U.K. Bribery Act, as well as the fact that many countries have legal systems, local laws and trade practices that are unsettled and evolving, and/or commercial laws that are vague and/or inconsistently applied;
- difficulties in staffing and managing global operations, which could impact our ability to maintain an effective system of internal control;
- difficulties in building and maintaining a competitive presence in existing and new markets;
- social, economic and political instability, including the repercussions of Russia's attack on Ukraine;
- differences in cultures and business practices;
- statutory equity requirements;



- differences in accounting and reporting requirements;
- repatriation controls;
- differences in labor and market conditions;
- potential adverse tax consequences;
- multiple regulations concerning immigration, pay rates, benefits, vacation, statutory holiday pay, workers' compensation, union membership, termination pay, the termination of employment, and other employment laws; and
- the introduction of greater uncertainty with respect to trade policies, tariffs, disputes or disruptions, the termination or suspension of treaties, boycotts and government regulation affecting trade between the U.S. and other countries.

One or more of these factors has and may in the future harm our business, financial condition or results of operations.

Risks Related to Our Dividend Policy

You may not receive the level of dividends provided for in the dividend policy our Board of Directors has adopted or any dividends at all.

We are not obligated to pay dividends on our common stock. Despite our history of paying dividends, the declaration and payment of all future dividends to holders of our common stock are subject to the discretion of our Board of Directors, which may amend, revoke or suspend our dividend policy at any time and for any reason, including earnings, capital requirements, financial conditions and other factors our Board of Directors may deem relevant. The terms of our indebtedness may also restrict us from paying cash dividends on our common stock under certain circumstances. See below “—Our ability to pay dividends is restricted by agreements governing our debt, including our Amended Credit Agreement and indenture governing our Notes, and by Delaware law.”

Over time, our capital and other cash needs may change significantly from our current needs, which could affect whether we pay dividends and the level of any dividends we may pay in the future. If we were to use borrowings under our Revolver to fund our payment of dividends, we would have less cash and/or borrowing capacity available for future dividends and other purposes, which could negatively affect our financial condition, our results of operations, our liquidity and our ability to maintain and expand our business. Accordingly, you may not receive dividends in the intended amounts, or at all. Any reduction or elimination of dividends may negatively affect the market price of our common stock.

Our ability to pay dividends is restricted by agreements governing our debt, including our Amended Credit Agreement and indenture governing our Notes, and by Delaware law.

Both our Amended Credit Agreement and the indenture governing our Notes restrict our ability to pay dividends. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources,” where we describe the terms of our indebtedness, including provisions limiting our ability to declare and pay dividends. As a result of such restrictions, we may be limited in our ability to pay dividends unless we redeem our Notes and amend our Amended Credit Agreement or otherwise obtain a waiver from our lenders. In addition, as a result of general economic conditions, conditions in the lending markets, the results of our business or for any other reason, we may elect or be required to amend or refinance our Revolver, at or prior to maturity, or enter into additional agreements for indebtedness. Any such amendment, refinancing or additional agreement may contain covenants that could limit in a significant manner or entirely our ability to pay dividends to you. Additionally, under the Delaware General Corporation Law (“DGCL”), our Board of Directors may not authorize payment of a dividend unless it is either paid out of surplus, as calculated in accordance with the DGCL, or if we do not have a surplus, out of net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. If, as a result of these restrictions, we are required to reduce or eliminate the payment of dividends, a decline in the market price or liquidity, or both, of our common stock could result. This may in turn result in losses by you.

Our dividend policy may limit our ability to pursue growth opportunities.

If we pay dividends at the level currently anticipated under our dividend policy, we may not retain a sufficient amount of cash to finance growth opportunities, meet any large unanticipated liquidity requirements or fund our operations in the event of a significant business downturn. In addition, because a portion of cash available will be distributed to holders of our common stock under our dividend policy, our ability to pursue any material expansion of our business, including through acquisitions, increased capital spending or other increases of our expenditures, will depend more than it otherwise would on our ability to obtain third party financing. We cannot assure you that such financing will be



available to us at all, or at an acceptable cost. If we are unable to take timely advantage of growth opportunities, our future financial condition and competitive position may be harmed, which in turn may adversely affect the market price of our common stock.

Risks Related to Our Stockholders

We have provisions that make an acquisition of us more difficult and expensive.

Anti-takeover provisions in our Certificate of Incorporation, our Bylaws and under Delaware law make it more difficult and expensive for us to be acquired in a transaction that is not approved by our Board of Directors. Some of the provisions in our Certificate of Incorporation and Bylaws include: limitations on stockholder actions; advance notification requirements for director nominations and actions to be taken at stockholder meetings; and the ability to issue one or more series of preferred stock by action of our Board of Directors.

These provisions could discourage an acquisition attempt or other transaction in which stockholders could receive a premium over the current market price for the common stock.

General Risk Factors

Failing to retain our executive officers and key personnel or integrate new members of our senior management who are critical to our business may prevent us from successfully managing our business in the future.

Our future success depends upon the continued service of our executive officers and other key management personnel. Competition for qualified personnel is intense, and we may compete with other companies that have greater financial and other resources than we do. If we lose the services of one or more of our executives or key employees, or if one or more of them decides to join a competitor or otherwise compete directly or indirectly with us, or if we are unable to integrate new members of our senior management who are critical to our business, we may not be able to successfully manage our business or achieve our business objectives.

Changes in our accounting estimates and assumptions and other financial and nonfinancial reporting standard could negatively affect our financial position and results of operations.

We prepare our consolidated financial statements in accordance with U.S. GAAP. These accounting principles require us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of our financial statements. We are also required to make certain judgments that affect the reported amounts of revenues and expenses during each reporting period. We periodically evaluate our estimates and assumptions, including those relating to revenue recognition, restructuring, deferred compensation, goodwill and other intangible assets, contingent consideration, annual performance-related bonuses, allowance for doubtful accounts, share-based payments and deferred income taxes. Actual results could differ from the estimates we make based on historical experience and various assumptions believed to be reasonable based on specific circumstances, and changes in accounting standards could have an adverse impact on our future financial position and results of operations.

As we endeavor to align with the recommendations of the Sustainability Accounting Standards Board and other standards or materiality assessments related to ESG matters, we have expanded, and may in the future continue to expand, our disclosures in these areas. A failure to accurately report or achieve progress on metrics, targets, or goals on a timely basis or at all could also have an adverse impact on our financial position, reputation, business, and growth.

Unfavorable tax laws, tax law changes and tax authority rulings may adversely affect results.

We are subject to income taxes in the U.S. and in various foreign jurisdictions. Domestic and international tax liabilities are subject to the allocation of income among various tax jurisdictions. Our effective tax rate could be adversely affected by changes in the mix of earnings among countries with differing statutory tax rates or changes in tax laws. The amount of our income taxes and other taxes are subject to ongoing audits by U.S. federal, state and local tax authorities and by non-U.S. authorities. If these audits result in assessments different from estimated amounts recorded, future financial results may include unfavorable tax adjustments.

Future changes in tax laws, treaties or regulations, and their interpretations or enforcement, may be unpredictable, particularly as taxing jurisdictions face an increasing number of political, budgetary and other fiscal challenges. Tax rates in the jurisdictions in which we operate may change as a result of macroeconomic and other factors outside of our control, making it increasingly difficult for multinational corporations like ourselves to operate with certainty about taxation in many jurisdictions. Recently, the Biden Administration has proposed changes to federal tax policies that could significantly change how corporations are taxed on U.S. as well as on foreign earnings. While the proposed changes are still under debate, they could adversely affect our business and our results of operations.

As a result, we have been and may again be materially adversely affected by future changes in tax law or policy (or in their interpretation or enforcement) in the jurisdictions where we operate, including the U.S., which could have a material adverse effect on our business, cash flow, results of operations, financial condition, as well as our effective



income tax rate.

Limited protection of our IP could harm our business, and we face the risk that our services or products may infringe upon the IP rights of others.

We cannot guarantee that trade secrets, trademark and copyright law protections are adequate to deter misappropriation of our IP (which has become an important part of our business). Existing laws of some countries in which we provide services or products may offer only limited protection of our IP rights. Redressing infringements may consume significant management time and financial resources. Also, we cannot detect all unauthorized use of our IP and take the necessary steps to enforce our rights, which may have a material adverse impact on our business, financial condition or results of operations. We cannot be sure that our services and products, or the products of others that we offer to our clients, do not infringe on the IP rights of third parties, and we may have infringement claims asserted against us or our clients. These claims may harm our reputation, result in financial liability and prevent us from offering some services or products.

We may not be able to successfully integrate or realize the expected benefits from our acquisitions.

Our future success depends in part on our ability to complete the integration of acquisition targets successfully into our operations. The process of integrating an acquired business subjects us to a number of risks, including:

- diversion of management attention;
- amortization of intangible assets, adversely affecting our reported results of operations;
- inability to retain and/or integrate the management, key personnel and other employees of the acquired business;
- inability to properly integrate businesses resulting in operating inefficiencies;
- inability to establish uniform standards, disclosure controls and procedures, internal control over financial reporting and other systems, procedures and policies in a timely manner;
- inability to retain the acquired company's clients;
- exposure to legal claims for activities of the acquired business prior to acquisition; and
- incurrence of additional expenses in connection with the integration process.

If our acquisitions are not successfully integrated, our business, financial condition and results of operations, as well as our professional reputation, could be materially adversely affected.

Further, we cannot assure you that acquisitions will result in the financial, operational or other benefits that we anticipate. Some acquisitions may not be immediately accretive to earnings and some expansion may result in significant expenditures.

Businesses we acquire may have liabilities or adverse operating issues that could harm our operating results.

Businesses we acquire may have liabilities or adverse operating issues, or both, that we either fail to discover through due diligence or underestimate prior to the consummation of the acquisition. These liabilities and/or issues may include the acquired business' failure to comply with, or other violations of, applicable laws, rules or regulations or contractual or other obligations or liabilities. As the successor owner, we may be financially responsible for, and may suffer harm to our reputation or otherwise be adversely affected by, such liabilities and/or issues. An acquired business also may have problems with internal controls over financial reporting, which could in turn cause us to have significant deficiencies or material weaknesses in our own internal controls over financial reporting. These and any other costs, liabilities, issues, and/or disruptions associated with any past or future acquisitions, and the related integration, could harm our operating results.

We may be subject to the actions of activist stockholders, which could disrupt our business.

We value constructive input from investors and regularly engage in dialogue with our stockholders regarding strategy and performance. Activist stockholders who disagree with the composition of the Board of Directors, our strategy or the way the Company is managed may seek to effect change through various strategies and channels, such as through commencing a proxy contest, making public statements critical of our performance or business or engaging in other similar activities. Responding to stockholder activism can be costly and time-consuming, disrupt our operations, and divert the attention of management and our employees from our strategic initiatives. Activist campaigns can create perceived uncertainties as to our future direction, strategy, or leadership and may result in the



loss of potential business opportunities, harm our ability to attract new employees, investors, and customers, and cause our stock price to experience periods of volatility or stagnation.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 2. Properties

Our corporate office is in Los Angeles, California. We lease our corporate office as well as an additional 104 offices through which we conduct business that are located in North America, EMEA, Asia Pacific and Latin America, all of which are used by all of our business segments. As of April 30, 2022, we leased an aggregate of approximately 1.2 million square feet of office space. The leases generally have remaining terms of 1 to 10 years and contain customary terms and conditions. We believe that our facilities are adequate for our current needs, and we do not anticipate any significant difficulty replacing such facilities or locating additional facilities to accommodate any future growth.

Item 3. Legal Proceedings

From time to time, we are involved in litigation both as a plaintiff and a defendant, relating to claims arising out of our operations. As of the date of this report, we are not engaged in any legal proceedings that are expected, individually or in the aggregate, to have a material adverse effect on our business, financial condition or results of operations.

Item 4. Mine Safety Disclosures

Not applicable.

Information about our Executive Officers

Name	Age as of April 30, 2022	Position
Gary D. Burnison	61	President and Chief Executive Officer
Robert P. Rozek	61	Executive Vice President, Chief Financial Officer and Chief Corporate Officer
Mark Arian	61	Chief Executive Officer, Consulting
Byrne Mulrooney	61	Chief Executive Officer, RPO Professional Search & Digital
Michael Distefano (1)	52	Chief Executive Officer, Professional Search

(1) Appointed as an executive officer on June 15, 2022 under Rule 3b-7.

Our executive officers serve at the discretion of our Board of Directors. There is no family relationship between any executive officer or director. The following information sets forth the business experience for at least the past five years for each of our executive officers.

Gary D. Burnison has been President and Chief Executive Officer of the Company since July 2007. He was the Executive Vice President and Chief Financial Officer of the Company from March 2002 until June 30, 2007, and Chief Operating Officer from November 2003 until June 30, 2007. Prior to joining Korn Ferry, Mr. Burnison was Principal and Chief Financial Officer of Guidance Solutions, a privately held consulting firm, from 1999 to 2001. Prior to that, he served as an executive officer and a member of the board of directors of Jefferies and Company, Inc., the principal operating subsidiary of Jefferies Group, Inc. from 1995 to 1999. Earlier, Mr. Burnison was a Partner at KPMG Peat Marwick. Mr. Burnison earned a bachelor's degree in business administration from the University of Southern California.

Robert P. Rozek joined the Company in February 2012 as our Executive Vice President and Chief Financial Officer and, in December 2015, also became our Chief Corporate Officer. Prior to joining Korn Ferry, he served as Executive Vice President and Chief Financial Officer of Cushman & Wakefield, Inc., a privately held commercial real estate services firm, from June 2008 to February 2012. Prior to joining Cushman & Wakefield, Inc., Mr. Rozek served as Senior Vice President and Chief Financial Officer of Las Vegas Sands Corp., a leading global developer of destination properties (integrated resorts) that feature premium accommodations, world-class gaming and entertainment, convention and exhibition facilities and many other amenities, from 2006 to 2008. Prior to that, Mr. Rozek held senior leadership positions at Eastman Kodak, and spent five years as a Partner with PricewaterhouseCoopers LLP. Mr. Rozek is a graduate of Canisius College in New York with a bachelor's degree in accounting.



Mark Arian joined the Company as Chief Executive Officer of Korn Ferry's Advisory segment in April 2017 and is now the Chief Executive Officer of Consulting. Prior to Korn Ferry, Mr. Arian served as a Managing Principal at Ernst & Young LLP, a multinational professional services firm that provides audit, tax, business risk, technology and security risk services, and human capital services worldwide, from March 2014 until March of 2017. In that capacity, he led the People Advisory Services—Financial Services Sector, and his responsibilities included commercial, people and key account leadership. Between 2008 and 2014, Mr. Arian held various leadership positions at AON and AON Hewitt, a provider of insurance, reinsurance, human capital and management consulting services, serving as an Executive Vice President and leading its strategic Mergers and Acquisitions ("M&A") and business transformation offering globally. Mr. Arian has also held various leadership positions at Towers Perrin (now Wills Towers Watson) including serving as the Global M&A and Global Change Management leader, and Hewitt Associates, where Mr. Arian built and led the Corporate Restructuring and Change Practice. Mr. Arian is a graduate of Duke University and holds a juris doctorate from Columbia University.

Byrne Mulrooney joined the Company in April 2010 as Chief Executive Officer of RPO & Professional Search and in March 2017 also became the Chief Executive Officer of Digital. Prior to joining Korn Ferry, he was President and Chief Operating Officer of Flynn Transportation Services, a third-party logistics company, from 2007 to 2010. Prior to that, he led Spherion's workforce solutions business in North America, which provides workforce solutions in professional services and general staffing, including recruitment process outsourcing and managed services, from 2003 to 2007. Mr. Mulrooney held executive positions for almost 20 years at EDS and IBM in client services, sales, marketing and operations. Mr. Mulrooney is a graduate of Villanova University in Pennsylvania. He holds a master's degree in management from Northwestern University's J.L. Kellogg Graduate School of Management.

Michael Distefano has been the Chief Executive Officer, Professional Search and President of Search Innovation and Delivery Team since December 2020. Mr. Distefano joined the Company over 20 years ago in March of 2001 and served in various capacities since that time, including President of Korn Ferry Asia Pacific from May 2018 until April 2021 and prior to that as the Chief Marketing Officer from 2007 to 2021 and President of the Korn Ferry Institute. Prior to Korn Ferry, Mr. Distefano held leadership positions at GetSmart.com and Benefits Consulting, Inc. Mr. Distefano is a graduate of Bloomsburg University of Pennsylvania.



PART II.

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

Common Stock

Our common stock is listed on the New York Stock Exchange under the symbol KFY. On June 21, 2022, there were approximately 46,937 stockholders of record of the Company's common stock.

Performance Graph

We have presented below a graph comparing the cumulative total stockholder return of the Company's shares with the cumulative total stockholder return on (1) the Standard & Poor's 500 Stock Index and (2) the company-established peer groups for both 2022 and 2021. Cumulative total return for each of the periods shown in the performance graph is measured assuming an initial investment of \$100 on April 30, 2017 and the reinvestment of any dividends paid by the Company and any company in the peer group on the date the dividends were paid.

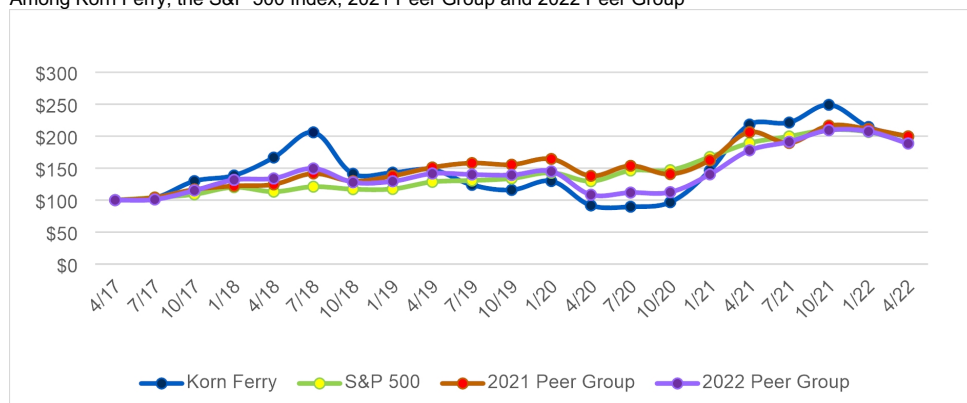
In fiscal 2022, we established a new peer group comprised of a broad number of publicly traded companies, which are principally or in significant part involved in either professional staffing or consulting. The peer group is comprised of the following 11 companies: ASGN Inc. (ASGN), Cushman & Wakefield Plc. (CWK), FTI Consulting Inc. (FCN), Heidrick & Struggles International Inc. (HSII), Huron Consulting Group Inc. (HURN), ICF International Inc. (ICFI), Insperity Inc. (NSP), Jones Lang Lasalle Inc. (JLL), ManpowerGroup Inc. (MAN), PageGroup Plc. (MPGPF) and Robert Half International Inc. (RHI). We believe this group of professional services firms is reflective of similar sized companies in terms of our market capitalization, with significant global exposure that mirrors our global footprint and therefore provides a more meaningful comparison of stock performance. The returns of each company have been weighted according to their respective stock market capitalization at the beginning of each measurement period for purposes of arriving at a peer group average.

The 2021 peer group, presented for comparative purposes, consisted of Heidrick & Struggles International Inc. (HSII), Robert Half International Inc. (RHI), Willis Towers Watson Plc. (WLTW), Kforce Inc. (KFRC), Kelly Services Inc. (KELYA), TrueBlue Inc. (TBI), Insperity Inc. (NSP), FTI Consulting Inc. (FCN), CBIZ Inc. (CBZ), ICF International Inc. (ICFI), Huron Consulting Group Inc. (HURN) and Resources Connection Inc. (RGP).

The stock price performance depicted in this graph is not necessarily indicative of future price performance. This graph will not be deemed to be incorporated by reference by any general statement incorporating this Annual Report on Form 10-K into any filing by us under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent we specifically incorporate this information by reference and shall not otherwise be deemed soliciting material or deemed filed under the Securities Act of 1933 or the Securities Exchange Act of 1934.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN (*)

Among Korn Ferry, the S&P 500 Index, 2021 Peer Group and 2022 Peer Group



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(*) \$100 invested on April 30, 2017 in stock or index, including reinvestment of dividends. Fiscal year ended April 30, 2022.



Capital Allocation Approach

The Company and its Board of Directors endorse a balanced approach to capital allocation that contemplates debt service cost. The Company's first priority is to invest in growth initiatives, such as the hiring of consultants, the continued development of IP and derivative products and services, and the investment in synergistic, accretive M&A transactions that earn a return superior to the Company's cost of capital. Next, the Company's capital allocation approach contemplates the planned return of a portion of excess capital to stockholders, in the form of a regular quarterly dividend, subject to the factors discussed below under "Dividends" and in more detail in the "Risk Factors" section of this Annual Report on Form 10-K. Additionally, the Company considers share repurchases on an opportunistic basis and subject to the terms of our indebtedness. See Note 11— *Long Term Debt* for a description of the Credit Agreement and indenture governing the Notes and Note 18 —*Subsequent Events – Credit Facility* for a description of the Amended Credit Agreement.

Dividends

On December 8, 2014, the Board of Directors adopted a dividend policy, reflecting an intention to distribute to our stockholders a regular quarterly cash dividend of \$0.10 per share. Every quarter since the adoption of the dividend policy, the Company has declared a quarterly dividend. On June 21, 2021, the Board of Directors increased the quarterly dividends to \$0.12 per share for fiscal 2021. On June 21, 2022, the Board of Directors approved a 25% increase to our quarterly dividends to \$0.15 per share.

The declaration and payment of future dividends under the quarterly dividend policy will be at the discretion of the Board of Directors and will depend upon many factors, including the Company's earnings, capital requirements, financial conditions, the terms of the Company's indebtedness and other factors that the Board of Directors may deem to be relevant. The Board of Directors may amend, revoke or suspend the dividend policy at any time and for any reason.

Stock Repurchase Program

On June 21, 2022, the Board of Directors approved an increase in the Company's stock repurchase program of approximately \$300 million, which brought our available capacity to repurchase shares in the open market or privately negotiated transactions to \$318 million. Common stock may be repurchased from time to time in open market or privately negotiated transactions at the Company's discretion subject to market conditions and other factors. The Company repurchased approximately \$98.8 million, \$30.4 million and \$92.4 million of the Company's common stock during fiscal 2022, 2021 and 2020, respectively. Any decision to execute on our stock repurchase program will depend on our earnings, capital requirements, financial condition and other factors considered relevant by our Board of Directors. The Amended Credit Agreement permits us to pay dividends to our stockholders and make share repurchases so long as there is no default under the Amended Credit Agreement, the Company's total funded debt to adjusted EBITDA ratio (as set forth in the Amended Credit Agreement, the "consolidated net leverage ratio") is no greater than 5.00 to 1.00, and we are in pro forma compliance with our financial covenant. Furthermore, our Notes allow the Company to pay \$25.0 million of dividends per fiscal year with no restrictions plus an unlimited amount of dividends so long as the Company's consolidated total leverage ratio is not greater than 3.50 to 1.00 and the Company is not in default under the indenture governing the Notes.

Issuer Purchases of Equity Securities

The following table summarizes common stock repurchased by us during the fourth quarter of fiscal 2022:

	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly- Announced Programs	Approximate Dollar Value of Shares that May Yet be Purchased under the Programs (2)
February 1, 2022 — February 28, 2022	240,000	\$ 66.68	240,000	\$80.4 Million
March 1, 2022 — March 31, 2022	453,182	\$ 64.10	450,000	\$51.5 Million
April 1, 2022 — April 30, 2022	346,698	\$ 64.82	345,402	\$29.1 Million
Total	1,039,880	\$ 64.94	1,035,402	

(1) Represents withholding of 4,478 of restricted shares to cover taxes on vested restricted shares.

(2) On June 21, 2022, our Board of Directors approved an increase to the share repurchase program to an aggregate of \$318 million. The shares can be repurchased in open market transactions or privately negotiated transactions at the Company's discretion. The share repurchase program has no expiration date.

Item 6. Reserved



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

Forward-Looking Statements

This Annual Report on Form 10-K may contain certain statements that we believe are, or may be considered to be, "forward-looking" statements, within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements generally can be identified by use of statements that include phrases such as "believe," "expect," "anticipate," "intend," "plan," "foresee," "may," "will," "likely," "estimates," "potential," "continue" or other similar words or phrases. Similarly, statements that describe our objectives, plans or goals, as well as the magnitude and duration of the impact of the global ("COVID-19") pandemic on our business, employees, customers and our ability to provide services in affected regions constitute forward-looking statements. These forward-looking statements are subject to risks and uncertainties that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statement. The principal risk factors that could cause actual performance and future actions to differ materially from the forward-looking statements include, but are not limited to, those relating to the ultimate magnitude and duration of COVID-19 and of any future pandemics or similar outbreaks, and related restrictions and operational requirements that apply to our business and the businesses of our clients, and any related negative impacts on our business, employees, customers and our ability to provide services in affected regions, global and local political and or economic developments in or affecting countries where we have operations, competition, changes in demand for our services as a result of automation, dependence on and costs of attracting and retaining qualified and experienced consultants, inflationary pressures maintaining our relationships with customers and suppliers and retaining key employees, maintaining our brand name and professional reputation, potential legal liability and regulatory developments, portability of client relationships, consolidation of or within the industries we serve, changes and developments in governmental laws and regulations, evolving investor and customer expectations with regard to environmental matters, currency fluctuations in our international operations, risks related to growth, alignment of our cost structure, restrictions imposed by off-limits agreements, reliance on information processing systems, cyber security vulnerabilities or events, changes to data security, data privacy, and data protection laws, dependence on third parties for the execution of critical functions, limited protection of our intellectual property ("IP"), our ability to enhance and develop new technology, our ability to successfully recover from a disaster or other business continuity problems, employment liability risk, an impairment in the carrying value of goodwill and other intangible assets, treaties, or regulations on our business and our Company, deferred tax assets that we may not be able to use, our ability to develop new products and services, changes in our accounting estimates and assumptions, the utilization and billing rates of our consultants, seasonality, the expansion of social media platforms, the ability to effect acquisitions, our indebtedness, the phase-out of LIBOR, and the matters disclosed under the heading "Risk Factors" in the Company's Exchange Act reports, including Item 1A included in this Annual Report on Form 10-K. Readers are urged to consider these factors carefully in evaluating the forward-looking statements. The forward-looking statements included in this Annual Report on Form 10-K are made only as of the date of this Annual Report on Form 10-K and we undertake no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

The following presentation of management's discussion and analysis of our financial condition and results of operations should be read together with our consolidated financial statements and related notes included in this Annual Report on Form 10-K. We also make available on the Investor Relations portion of our website earnings slides and other important information, which we encourage you to review.

Executive Summary

Korn Ferry (referred to herein as the "Company" or in the first-person notations "we," "our," and "us") is a global organizational consulting firm. We help clients synchronize strategy, operations and talent to drive superior business performance. We work with organizations to design their structures, roles and responsibilities. We help them hire the right people to bring their strategy to life. And we advise them on how to reward, develop and motivate their people.

We are pursuing a strategy that will help Korn Ferry to focus on clients and collaborate intensively across the organization. This approach builds on the best of our past and gives us a clear path to the future with focused initiatives to increase our client and commercial impact. Korn Ferry is transforming how clients address their talent management needs. We have evolved from a mono-line business to a multi-faceted consultancy business, giving our consultants more frequent and expanded opportunities to engage with clients.

Our seven reportable segments operate through the following four lines of business:

1. **Consulting** aligns organization structure, culture, performance and people to drive sustainable growth by addressing four fundamental needs: Organizational Strategy, Assessment and Succession, Leadership and Professional Development, and Total Rewards. We support this work with a comprehensive range of some of the world's leading IP and data. The Consulting teams employ an integrated approach across core solutions,



each one intended to strengthen our work and thinking in the next, to help clients execute their strategy in a digitally enabled world.

2. **Digital** delivers scalable tech-enabled solutions designed to identify the best structures, roles, capabilities and behaviors to drive businesses forward. Our digital products give clients direct access to our proprietary data, client data and analytics to deliver clear insights with the training tools needed to align organizational structure with business strategy.
3. **Executive Search** helps organizations recruit board level, chief executive and other senior executive and general management talent to deliver lasting impact. Our approach to placing talent that brings together our research-based IP, proprietary assessments, and behavioral interviewing with our practical experience to determine the ideal organizational fit. Salary benchmarking then builds appropriate frameworks for compensation and retention. This business is managed and reported on a geographic basis and represents four of the Company's reportable segments (Executive Search North America, Executive Search EMEA, Executive Search Asia Pacific, and Executive Search Latin America).
4. **RPO and Professional Search** focuses on delivering enterprise talent acquisition solutions to our clients, at the professional level. We leverage the power of people, process expertise, IP-enabled technology, and compensation information to do this. Transaction sizes range from single professional searches to team, department, line of business projects, and global outsource recruiting solutions.

The Company has seven reportable segments: Consulting, Digital, Executive Search North America, Executive Search EMEA, Executive Search Asia Pacific, Executive Search Latin America and RPO & Professional Search.

Highlights of our performance in fiscal 2022 include:

- Approximately 76% of the executive searches we performed in fiscal 2022 were for board level, chief executive and other senior executive and general management positions. Our more than 4,300 search engagement clients in fiscal 2022 included many of the world's largest and most prestigious public and private companies.
- We have built strong client loyalty, with nearly 90% of the assignments performed during fiscal 2022 having been on behalf of clients for whom we had conducted assignments in the previous three fiscal years.
- Approximately 70% of our revenues were generated from clients that have utilized multiple lines of our business.
- In fiscal 2022, we acquired The Lucas Group, which brings substantial professional search and interim placement expertise to Korn Ferry and has enhanced our industry-leading search portfolio. We also recently acquired Patina Solutions Group, an interim executive search firm that is expected to bring access to a vast network of C-suite, top-tier, and professional interim talent.

Performance Highlights

On November 1, 2021, we completed the acquisition of The Lucas Group for \$90.9 million, net of cash acquired. The Lucas Group contributes a substantial professional search and interim expertise that has enhanced our search portfolio. The Lucas Group is a professional search and interim staffing firm, targeting middle market businesses. The addition of The Lucas Group to Korn Ferry's broader talent acquisition portfolio – spanning Executive Search and RPO & Professional Search – is expected to accelerate our ability to capture additional share of this significant market. The Lucas Group is included in the RPO & Professional Search segment.

On April 1, 2022, we completed the acquisition of Patina Solutions Group for \$42.9 million, net of cash acquired. Patina contributes a substantial interim executive solutions expertise across multiple industry verticals. Patina's vast network of C-suite, top-tier, and professional interim talent spans functional areas of expertise such as finance, operations, legal, human resources, IT and more. We believe this combination presents real, tangible opportunity for Korn Ferry and our clients looking for the right talent, who are highly agile, with specialized skills and expertise, to help them drive superior performance, including on an interim basis. Patina offers solutions for today's nomadic labor market. Patina Solutions Group is included in the RPO & Professional Search segment.

The Company evaluates performance and allocates resources based on the chief operating decision maker's review of (1) fee revenue and (2) adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"). To the extent that such charges occur, Adjusted EBITDA excludes restructuring charges, integration/acquisition costs, certain separation costs and certain non-cash charges (goodwill, intangible asset and other impairment charges). For fiscal 2022, Adjusted EBITDA excluded \$7.9 million of integration/acquisition costs, a \$7.4 million impairment of right-of-use assets and a \$1.9 million impairment of fixed assets. For fiscal 2021, Adjusted EBITDA excluded \$30.7 million of restructuring charges and \$0.7 million of integration/acquisition costs. For fiscal 2020, Adjusted EBITDA excluded \$58.6 million of restructuring charges, \$12.2 million of integration/acquisition costs and \$1.8 million of separation costs.



Consolidated and the subtotals of Executive Search Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures and have limitations as analytical tools. They should not be viewed as a substitute for financial information determined in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP") and should not be considered in isolation or as a substitute for analysis of the Company's results as reported under GAAP. In addition, they may not necessarily be comparable to non-GAAP performance measures that may be presented by other companies.

Management believes the presentation of these non-GAAP financial measures provides meaningful supplemental information regarding Korn Ferry's performance by excluding certain charges, items of income and other items that may not be indicative of Korn Ferry's ongoing operating results. The use of these non-GAAP financial measures facilitates comparisons to Korn Ferry's historical performance and the identification of operating trends that may otherwise be distorted by the factors discussed above. Korn Ferry includes these non-GAAP financial measures because management believes it is useful to investors in allowing for greater transparency with respect to supplemental information used by management in its evaluation of Korn Ferry's ongoing operations and financial and operational decision-making. The accounting policies for the reportable segments are the same as those described in the summary of significant accounting policies in the accompanying consolidated financial statements, except that the above noted items are excluded to arrive at Adjusted EBITDA. Management further believes that Adjusted EBITDA is useful to investors because it is frequently used by investors and other interested parties to measure operating performance among companies with different capital structures, effective tax rates and tax attributes and capitalized asset values, all of which can vary substantially from company to company.

Fee revenue was \$2,626.7 million during fiscal 2022, an increase of \$816.7 million, or 45.1%, compared to \$1,810.0 million in fiscal 2021, with increases in fee revenue across all lines of business primarily due to the increasing relevance of the Company's solutions and the acquisition of companies in the RPO and Professional Search Segment. Exchange rates unfavorably impacted fee revenue by \$2.8 million during fiscal 2022 compared to fiscal 2021. Net income attributable to Korn Ferry increased by \$211.9 million during fiscal 2022 to \$326.4 million from \$114.5 million in fiscal 2021. Adjusted EBITDA was \$538.9 million, an increase of \$252.6 million during fiscal 2022, from Adjusted EBITDA of \$286.3 million in fiscal 2021. During fiscal 2022, the Executive Search, RPO & Professional, Consulting, and Digital lines of business contributed \$257.6 million, \$165.1 million, \$116.1 million, and \$110.1 million, respectively, offset by Corporate expenses net of other income of \$110.0 million.

Our cash, cash equivalents and marketable securities increased by \$114.0 million to \$1,211.1 million at April 30, 2022, compared to \$1,097.1 million at April 30, 2021. This increase was mainly due to cash flows from operations as a result of cost savings initiatives that were put in place in fiscal 2021, partially offset by cash paid for the acquisitions of The Lucas Group and Patina Solutions net of cash acquired, repurchases of our common stock in the open market, the negative effect of exchange rate changes on cash and cash equivalents, purchases of property and equipment, interest payments on the 4.625% Senior Unsecured Notes due 2027 (the "Notes") and dividends paid to stockholders during fiscal 2022. As of April 30, 2022, we held marketable securities to settle obligations under our Executive Capital Accumulation Plan ("ECAP") with a cost value of \$164.2 million and a fair value of \$168.7 million. Our vested obligations for which these assets were held in trust totaled \$160.8 million as of April 30, 2022 and our unvested obligations totaled \$24.0 million.

Our working capital increased by \$38.6 million to \$775.7 million in fiscal 2022. We believe that cash on hand and funds from operations and other forms of liquidity will be sufficient to meet our anticipated working capital, capital expenditures, general corporate requirements, repayment of our debt obligations and dividend payments under our dividend policy in the next twelve months. We had \$645.3 million and \$646.0 million available for borrowing under our Revolver (as defined herein) at April 30, 2022 and 2021, respectively. As of April 30, 2022 and 2021, there was \$4.7 million and \$4.0 million of standby letters of credit issued, respectively, under our long-term debt arrangements. We had a total of \$10.0 million and \$11.0 million of standby letters of credits with other financial institutions as of April 30, 2022 and 2021, respectively.

Our Annual Report on Form 10-K for the year ended April 30, 2021 includes a discussion and analysis of our financial condition and results of operations for the year ended April 30, 2021 in Item 7 of Part II, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Critical Accounting Policies

The following discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements. Preparation of our periodic filings requires us to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of our financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and assumptions and changes in the estimates are reported in current operations as new information is learned or upon the amounts becoming fixed and determinable. In preparing our consolidated financial statements and accounting for the underlying transactions and balances, we apply our accounting policies as disclosed in the notes to our consolidated financial statements. We consider the policies discussed below as critical to an understanding of our consolidated financial statements because their application places the most significant demands on management's judgment and estimates. Specific risks for these critical



accounting policies are described in the following paragraphs. Senior management has discussed the development, selection and key assumptions of the critical accounting estimates with the Audit Committee of the Board of Directors.

Revenue Recognition. Substantially all fee revenue is derived from talent and organizational consulting services and digital sales, stand-alone or as part of a solution, fees for professional services related to executive and professional recruitment performed on a retained basis and RPO, either stand-alone or as part of a solution.

Revenue is recognized when control of the goods and services is transferred to the customer, in an amount that reflects the consideration that we expect to be entitled to in exchange for those goods and services. Revenue contracts with customers are evaluated based on the five-step model outlined in Accounting Standard Codification 606 ("ASC 606"), Revenue from Contracts with Customers: 1) identify the contract with a customer; 2) identify the performance obligation(s) in the contract; 3) determine the transaction price; 4) allocate the transaction price to the separate performance obligation(s); and 5) recognize revenue when (or as) each performance obligation is satisfied.

Consulting fee revenue is primarily recognized as services are rendered, measured by total hours incurred as a percentage of total estimated hours at completion. It is possible that updated estimates for consulting engagements may vary from initial estimates with such updates being recognized in the period of determination. Depending on the timing of billings and services rendered, we accrue or defer revenue as appropriate.

Digital revenue is generated from IP platforms enabling large-scale, technology-based talent programs for pay, talent development, engagement, and assessment and is consumed directly by an end user or indirectly through a consulting engagement. Revenue is recognized as services are delivered and we have a legally enforceable right to payment. Revenue also comes from the sale of our proprietary IP subscriptions, which are considered symbolic IP due to the dynamic nature of the content. As a result, revenue is recognized over the term of the contract. Functional IP licenses grant customers the right to use IP content via the delivery of a flat file. Because the IP content license has significant stand-alone functionality, revenue is recognized upon delivery and when an enforceable right to payment exists. Revenue for tangible and digital products sold by the Company, such as books and digital files, is recognized when these products are shipped.

Fee revenue from Executive Search and Professional Search activities is generally one-third of the estimated first year compensation of the placed candidate plus a percentage of the fee to cover indirect engagement related expenses. In addition to the search retainer, an uptick fee is billed when the actual compensation awarded by the client for a placement is higher than the estimated compensation. In the aggregate, upticks have been a relatively consistent percentage of the original estimated fee; therefore, we estimate upticks using the expected value method based on historical data on a portfolio basis. In a standard search engagement, there is one performance obligation which is the promise to undertake a search. We generally recognize such revenue over the course of a search and when it is legally entitled to payment as outlined in the billing terms of the contract. Any revenues associated with services that are provided on a contingent basis are recognized once the contingency is resolved as this is when control is transferred to the customer. These assumptions determine the timing of revenue recognition for the reported period.

RPO fee revenue is generated through two distinct phases: 1) the implementation phase and 2) the post-implementation recruitment phase. The fees associated with the implementation phase are recognized over the period that the related implementation services are provided. The post-implementation recruitment phase represents end-to-end recruiting services to clients for which there are both fixed and variable fees, which are recognized over the period that the related recruiting services are performed.

Annual Performance-Related Bonuses. Each quarter, management makes its best estimate of its annual performance-related bonuses, which requires management to, among other things, project annual consultant productivity (as measured by engagement fees billed and collected by executive search consultants and revenue and other performance/profitability metrics for Consulting, Digital and RPO & Professional Search consultants), the level of engagements referred by a consultant in one line of business to a different line of business, our performance including profitability, competitive forces and future economic conditions and their impact on our results. At the end of each fiscal year, annual performance-related bonuses take into account final individual consultant productivity (including referred work), Company/line of business results including profitability, the achievement of strategic objectives, the results of individual performance appraisals, and the current economic landscape. Accordingly, each quarter we reevaluate the assumptions used to estimate annual performance-related bonus liability and adjust the carrying amount of the liability recorded on the consolidated balance sheets and report any changes in the estimate in current operations. Because annual performance-based bonuses are communicated and paid only after we report our full fiscal year results, actual performance-based bonus payments may differ from the prior year's estimate. Such changes in the bonus estimate historically have been immaterial and are recorded in current operations in the period in which they are determined.

Deferred Compensation. Estimating deferred compensation requires assumptions regarding the timing and probability of payments of benefits to participants and the discount rate. Changes in these assumptions could



significantly impact the liability and related cost on our consolidated balance sheets and statements of income, respectively. For certain deferred compensation plans, management engages an independent actuary to periodically review these assumptions in order to confirm that they reflect the population and economics of our deferred compensation plans in all material respects and to assist us in estimating our deferred compensation liability and the related cost. The actuarial assumptions we use may differ from actual results due to changing market conditions or changes in the participant population. These differences could have a significant impact on our deferred compensation liability and the related cost.

Carrying Values. Valuations are required under GAAP to determine the carrying value of various assets. Our most significant assets for which management is required to prepare valuations are carrying value of receivables, goodwill, other intangible assets, share-based payments, leases and recoverability of deferred income taxes. Management must identify whether events have occurred that may impact the carrying value of these assets and make assumptions regarding future events, such as cash flows and profitability. Differences between the assumptions used to prepare these valuations and actual results could materially impact the carrying amount of these assets and our operating results.

Of the assets mentioned above, goodwill is the largest asset requiring a valuation. Fair value of goodwill for purposes of the goodwill impairment test when performing the quantitative test is determined utilizing (1) a discounted cash flow analysis based on forecasted cash flows (including estimated underlying revenue and operating income growth rates) discounted using an estimated weighted-average cost of capital for market participants and (2) a market approach, utilizing observable market data such as comparable companies in similar lines of business that are publicly traded or which are part of a public or private transaction (to the extent available). We also reconcile the results of these analyses to its market capitalization. If the carrying amount of a reporting unit exceeds its estimated fair value, goodwill is considered potentially impaired and further tests are performed to measure the amount of impairment loss, if any.

We perform an annual impairment test each year as of January 31, or more frequently if impairment indicators arise. The qualitative test performed as of January 31, 2022 did not indicate any impairment, and therefore there was no need to perform a quantitative test. While historical performance and current expectations have resulted in fair values of goodwill in excess of carrying values, if our assumptions are not realized, it is possible that in the future an impairment charge may need to be recorded. However, it is not possible at this time to determine if an impairment charge would result or if such a charge would be material. Fair value determinations require considerable judgment and are sensitive to changes in underlying assumptions and factors. As a result, there can be no assurance that the estimates and assumptions made for purposes of the annual goodwill impairment test will prove to be accurate predictions of the future. As of our testing date, the fair value of each reporting unit exceeded its carrying amount and as a result, no impairment charge was recognized. There was no indication of potential impairment through April 30, 2022 that would have required further testing.

Examples of events or circumstances that could reasonably be expected to negatively affect the underlying key assumptions and ultimately impact the estimated fair value of the reporting units may include such items as follows:

- A prolonged downturn in the business environment in which the reporting units operate including a longer than anticipated public health crisis;
- An economic climate that significantly differs from our future profitability assumptions in timing or degree;
- The deterioration of the labor markets;
- Volatility in equity and debt markets; and
- Competition and disruption in our core business.



Results of Operations

The following table summarizes the results of our operations as a percentage of fee revenue:
(Numbers may not total exactly due to rounding)

	Year Ended April 30,		
	2022	2021	2020
Fee revenue	100.0 %	100.0 %	100.0 %
Reimbursed out-of-pocket engagement expenses	0.6	0.5	2.3
Total revenue	100.6	100.5	102.3
Compensation and benefits	66.3	71.7	67.2
General and administrative expenses	9.0	10.6	13.4
Reimbursed expenses	0.6	0.5	2.3
Cost of services	4.4	4.0	4.4
Depreciation and amortization	2.4	3.4	2.9
Restructuring charges, net	-	1.7	3.0
Operating income	17.9	8.6	9.1
Net income	12.6 %	6.4 %	5.5 %
Net income attributable to Korn Ferry	12.4 %	6.3 %	5.4 %

The following tables summarize the results of our operations:
(Numbers may not total exactly due to rounding)

	Year Ended April 30,					
	2022		2021		2020	
	Dollars	%	Dollars	%	Dollars	%
	(dollars in thousands)					
Fee revenue						
Consulting	\$ 650,204	24.8 %	\$ 515,844	28.5 %	543,095	28.1 %
Digital	349,025	13.3	287,306	15.9	292,366	15.1
Executive Search:						
North America	605,704	23.1	397,275	21.9	434,624	22.5
EMEA	182,192	6.9	138,954	7.7	170,314	8.8
Asia Pacific	118,596	4.5	83,306	4.6	98,132	5.1
Latin America	29,069	1.1	17,500	1.0	29,400	1.5
Total Executive Search	935,561	35.6	637,035	35.2	732,470	37.9
RPO & Professional Search	691,928	26.3	369,862	20.4	364,801	18.9
Total fee revenue	2,626,718	100.0 %	1,810,047	100.0 %	1,932,732	100.0 %
Reimbursed out-of-pocket engagement expense	16,737		9,899		44,598	
Total revenue	<u>\$ 2,643,455</u>		<u>\$ 1,819,946</u>		<u>\$ 1,977,330</u>	

In the tables that follow, the Company presents a subtotal for Executive Search Adjusted EBITDA and a single percentage for Executive Search Adjusted EBITDA margin, which reflects the aggregate of all of the individual Executive Search Regions. These figures are non-GAAP financial measures and are presented as they are consistent with the Company's lines of business and are financial metrics used by the Company's investor base.



Year Ended April 30, 2022											
	Executive Search							RPO & Professional Search	Corporate	Consolidated	
	Consulting	Digital	North America	EMEA	Asia Pacific	Latin America	Subtotal				
	(in thousands)										
Fee revenue	\$ 650,204	\$ 349,025	\$ 605,704	\$ 182,192	\$ 118,596	\$ 29,069	\$ 935,561	\$ 691,928	\$ —	\$ 2,626,718	
Total revenue	\$ 654,199	\$ 349,437	\$ 609,258	\$ 182,866	\$ 118,705	\$ 29,079	\$ 939,908	\$ 699,911	\$ —	\$ 2,643,455	
Net income attributable to Korn Ferry										\$ 326,360	
Net income attributable to noncontrolling interest										4,485	
Other loss, net										11,880	
Interest expense, net										25,293	
Income tax provision										102,056	
Operating income										\$ 470,074	
Depreciation and amortization										63,521	
Other loss, net										(11,880)	
Integration/acquisition costs										7,906	
Impairment of fixed assets										1,915	
Impairment of right of use assets										7,392	
Adjusted EBITDA	\$ 116,108	\$ 110,050	\$ 181,615	\$ 31,804	\$ 35,105	\$ 9,089	\$ 257,613	\$ 165,141	\$ (109,984)	\$ 538,928	
Adjusted EBITDA margin	17.9 %	31.5 %	30.0 %	17.5 %	29.6 %	31.3 %	27.5 %	23.9 %		20.5 %	

Year Ended April 30, 2021											
	Executive Search							RPO & Professional Search	Corporate	Consolidated	
	Consulting	Digital	North America	EMEA	Asia Pacific	Latin America	Subtotal				
	(in thousands)										
Fee revenue	\$ 515,844	\$ 287,306	\$ 397,275	\$ 138,954	\$ 83,306	\$ 17,500	\$ 637,035	\$ 369,862	\$ —	\$ 1,810,047	
Total revenue	\$ 517,046	\$ 287,780	\$ 399,104	\$ 139,213	\$ 83,463	\$ 17,500	\$ 639,280	\$ 375,840	\$ —	\$ 1,819,946	
Net income attributable to Korn Ferry										\$ 114,454	
Net income attributable to noncontrolling interest										1,108	
Other income, net										(37,194)	
Interest expense, net										29,278	
Income tax provision										48,138	
Operating income										\$ 155,784	
Depreciation and amortization										61,845	
Other income, net										37,194	
Integration/acquisition costs										737	
Restructuring charges, net										30,732	
Adjusted EBITDA	\$ 81,522	\$ 86,095	\$ 98,099	\$ 11,742	\$ 16,676	\$ 1,289	\$ 127,806	\$ 69,411	\$ (78,542)	\$ 286,292	
Adjusted EBITDA margin	15.8 %	30.0 %	24.7 %	8.5 %	20.0 %	7.4 %	20.1 %	18.8 %		15.8 %	

Year Ended April 30, 2020											
	Executive Search							RPO & Professional Search	Corporate	Consolidated	
	Consulting	Digital	North America	EMEA	Asia Pacific	Latin America	Subtotal				
	(in thousands)										
Fee revenue	\$ 543,095	\$ 292,366	\$ 434,624	\$ 170,314	\$ 98,132	\$ 29,400	\$ 732,470	\$ 364,801	\$ —	\$ 1,932,732	
Total revenue	\$ 557,255	\$ 294,261	\$ 447,528	\$ 172,978	\$ 99,209	\$ 29,493	\$ 749,208	\$ 376,606	\$ —	\$ 1,977,330	
Net income attributable to Korn Ferry										\$ 104,946	
Net income attributable to noncontrolling interest										2,071	
Other loss, net										2,879	
Interest expense, net										22,184	
Income tax provision										43,945	
Operating income										\$ 176,025	
Depreciation and amortization										55,311	
Other loss, net										(2,879)	
Integration/acquisition costs										12,152	
Restructuring charges, net										58,559	
Separation costs										1,783	
Adjusted EBITDA	\$ 61,092	\$ 83,073	\$ 120,725	\$ 31,067	\$ 22,885	\$ 6,402	\$ 181,079	\$ 60,168	\$ (84,461)	\$ 300,951	
Adjusted EBITDA margin	11.2 %	28.4 %	27.8 %	18.2 %	23.3 %	21.8 %	24.7 %	16.5 %		15.6 %	



Fiscal 2022 Compared to Fiscal 2021

Fee Revenue

Fee Revenue. Fee revenue increased by \$816.7 million, or 45.1%, to \$2,626.7 million in fiscal 2022 compared to \$1,810.0 million in fiscal 2021. Exchange rates unfavorably impacted fee revenue by \$2.8 million, in fiscal 2022 compared to fiscal 2021. The higher fee revenue was attributable to increases in all lines of business primarily due to an increase in new business driven by the increased relevance of the Company's solutions and the acquisition of companies in the RPO & Professional Search. Further, COVID-19 had adversely impacted demand for the Company's services on a worldwide basis in fiscal 2021.

Consulting. Consulting reported fee revenue of \$650.2 million in fiscal 2022, an increase of \$134.4 million, or 26%, compared to \$515.8 million in fiscal 2021. The increase in fee revenue was partially driven by our Organizational Strategy work in organization and job redesign, people strategy and culture transformation. In addition, our diversity, equity & inclusion ("DE&I") business remained strong in fiscal 2022 as we helped clients move the needle on their diversity efforts. Also, greater expectations for organizations to be a force for good in society more broadly has been increasing demand for our environmental and social governance ("ESG") and sustainability offerings. Leadership Development continues to focus on the importance of increasing employee engagement through coaching and structured leadership workshops. Assessment and Succession increased as clients rely on Korn Ferry's robust data, science and IP to fuel leadership and scaled workforce transformations. Finally, growth in Total Rewards was fueled by global compensation and retention challenges associated with labor market dislocation; merger & acquisition and IPO activity; and increased focus on executive pay and governance issues, all of which increased pressure to offer higher and more competitive compensation. Exchange rates unfavorably impacted fee revenue by \$2.8 million, or 1%, compared to fiscal 2021.

Digital. Digital reported fee revenue of \$349.0 million in fiscal 2022, an increase of \$61.7 million, or 21%, compared to \$287.3 million in fiscal 2021. The increase in fee revenue was primarily due to Professional Development where we targeted new offerings and partnerships in fiscal 2022 to meet the growing need of companies focusing on sales effectiveness. We had double digit increases in fee revenue across our other solutions focusing on assessment, total rewards and organizational strategy as companies focused on retaining and rewarding key talent to reduce levels of attrition from dislocation in the labor markets. Exchange rates unfavorably impacted fee revenue by \$1.8 million, or 1%, compared to fiscal 2021.

Executive Search North America. Executive Search North America reported fee revenue of \$605.7 million in fiscal 2022, an increase of \$208.4 million, or 52%, compared to \$397.3 million in fiscal 2021. Exchange rates favorably impacted fee revenue by \$1.3 million in fiscal 2022 compared to fiscal 2021. North America's fee revenue was higher due to a 35% increase in the number of engagements billed and a 12% increase in the weighted-average fees billed per engagement (calculated using local currency) in fiscal 2022 compared to fiscal 2021.

Executive Search EMEA. Executive Search EMEA reported fee revenue of \$182.2 million in fiscal 2022, an increase of \$43.2 million, or 31%, compared to \$139.0 million in fiscal 2021. Exchange rates unfavorably impacted fee revenue by \$0.5 million in fiscal 2022 compared to fiscal 2021. The increase in fee revenue was due to a 15% increase in the number of engagements billed and a 14% increase in the weighted-average fees billed per engagement (calculated using local currency) in fiscal 2022 compared to fiscal 2021. The performance in the United Kingdom, France, the United Arab Emirates and Belgium were the primary contributors to the increase in fee revenue in fiscal 2022 compared to fiscal 2021, driving \$31.0 million of increased revenue.

Executive Search Asia Pacific. Executive Search Asia Pacific reported fee revenue of \$118.6 million in fiscal 2022, an increase of \$35.3 million, or 42%, compared to \$83.3 million in fiscal 2021. Exchange rates favorably impacted fee revenue by \$0.6 million, or 1%, in fiscal 2022 compared to fiscal 2021. The increase in fee revenue was due to a 27% increase in the number of engagements billed and an 11% increase in the weighted-average fees billed per engagement (calculated using local currency) in fiscal 2022 compared to fiscal 2021. The performance in Australia, India, China and Singapore were the primary contributors to the increase in fee revenue in fiscal 2022 compared to fiscal 2021, contributing \$28.8 million of increased fee revenue.

Executive Search Latin America. Executive Search Latin America reported fee revenue of \$29.1 million in fiscal 2022, an increase of \$11.6 million, or 66%, compared to \$17.5 million in fiscal 2021. Exchange rates favorably impacted fee revenue by \$0.2 million, or 1%, in fiscal 2022 compared to fiscal 2021. The increase in fee revenue was due to a 34% increase in the number of engagements billed and a 22% increase in the weighted-average fees billed per engagement (calculated using local currency) in fiscal 2022 compared to fiscal 2021. The performance in Mexico, Brazil and Chile were the primary contributors to the increase in fee revenue in fiscal 2022 compared to fiscal 2021, driving \$9.4 million of increased revenue.

RPO & Professional Search. RPO & Professional Search reported fee revenue of \$691.9 million in fiscal 2022, an increase of \$322.0 million, or 87%, compared to \$369.9 million in fiscal 2021. Exchange rates favorably impacted fee revenue by \$0.2 million compared to fiscal 2021. The increase in fee revenue was due to higher fee revenue in



Professional Search of \$166.2 million and RPO of \$155.8 million due to wider adoption of RPO services in the market. The increase in Professional Search is due to an 86% increase in engagements billed and a 21% increase in the weighted-average fees billed per engagement in fiscal 2022 compared to fiscal 2021. The increase in Professional Search was also due to the acquisition of The Lucas Group and Patina Solutions Group ("Acquisitions") which contributed \$69.3 million and \$4.1 million of fee revenue, respectively.

Compensation and Benefits

Compensation and benefits expense increased \$443.6 million, or 34%, to \$1,741.5 million in fiscal 2022 from \$1,297.9 million in fiscal 2021. Exchange rates favorably impacted compensation and benefits by \$0.3 million in fiscal 2022 compared to fiscal 2021. The increase in compensation and benefits expense was primarily due to increases in salaries and related payroll taxes of \$230.4 million, performance-related bonus expense of \$160.3 million, amortization of long-term incentive awards of \$16.4 million, employer insurance of \$13.8 million and the use of outside contractors of \$9.3 million. These increases were due to the increase in fee revenue combined with increases in overall profitability and average headcount. Also contributing to higher compensation and benefit expense was an increase in commission expense of \$28.5 million due to the Acquisitions, partially offset by a decrease in deferred compensation expenses of \$30.7 million as a result of decreases in the fair value of participants' accounts in fiscal 2022 compared to fiscal 2021. Compensation and benefits expense, as a percentage of fee revenue, decreased to 66% in fiscal 2022 from 72% in fiscal 2021.

Consulting compensation and benefits expense increased by \$90.5 million, or 25%, to \$450.9 million in fiscal 2022 from \$360.4 million in fiscal 2021. Exchange rates favorably impacted compensation and benefits by \$1.2 million in fiscal 2022 compared to fiscal 2021. The increase in compensation and benefits expense was primarily due to increases in salaries and related payroll taxes of \$48.9 million, performance-related bonus expense of \$24.5 million, amortization of long-term incentive awards of \$5.0 million and employer insurance of \$2.7 million due to an increase in fee revenue combined with increases in overall profitability and average headcount in fiscal 2022 compared to fiscal 2021. Consulting compensation and benefits expense, as a percentage of fee revenue, decreased to 69% in fiscal 2022 from 70% in fiscal 2021.

Digital compensation and benefits expense increased by \$31.1 million, or 21%, to \$177.8 million in fiscal 2022 from \$146.7 million in fiscal 2021. The impact of exchange rates was essentially flat in fiscal 2022 compared to fiscal 2021. The increase in compensation and benefits expense was primarily due to increases in performance-related bonus expense of \$11.4 million, salaries and related payroll taxes of \$7.9 million and commission expenses of \$5.8 million in fiscal 2022 compared to fiscal 2021 as a result of an increase in fee revenue combined with increases in overall profitability and average headcount. Digital compensation and benefits expense, as a percentage of fee revenue, was 51% in both fiscal 2022 and fiscal 2021.

Executive Search North America compensation and benefits expense increased by \$77.6 million, or 26%, to \$377.1 million in fiscal 2022 compared to \$299.5 million in fiscal 2021. Exchange rates unfavorably impacted compensation and benefits by \$0.7 million in fiscal 2022 compared to fiscal 2021. The increase was primarily due to increases in performance-related bonus expense of \$82.6 million and salaries and related payroll taxes of \$24.6 million due to the increase in fee revenue combined with increases in overall profitability and average headcount in fiscal 2022 compared to fiscal 2021. The increases in compensation and benefit expense were partially offset by a decrease in the amounts owed under certain deferred compensation and retirement plans \$35.4 million due to a decrease in the fair market value of the participants' accounts in fiscal 2022 compared to fiscal 2021. Executive Search North America compensation and benefits expense, as a percentage of fee revenue, decreased to 62% in fiscal 2022 from 75% in fiscal 2021.

Executive Search EMEA compensation and benefits expense increased by \$22.0 million, or 20%, to \$133.1 million in fiscal 2022 compared to \$111.1 million in fiscal 2021. Exchange rates favorably impacted compensation and benefits by \$0.5 million in fiscal 2022 compared to fiscal 2021. The increase was primarily due to higher salaries and related payroll taxes of \$12.6 million and performance-related bonus expense of \$8.2 million in fiscal 2022 compared to fiscal 2021 due to the increase in fee revenue combined with an increase in overall profitability. Executive Search EMEA compensation and benefits expense, as a percentage of fee revenue, decreased to 73% in fiscal 2022 from 80% in fiscal 2021.

Executive Search Asia Pacific compensation and benefits expense increased by \$14.0 million, or 24%, to \$72.3 million in fiscal 2022 compared to \$58.3 million in fiscal 2021. Exchange rates unfavorably impacted compensation and benefits by \$0.4 million, or 1%, in fiscal 2022 compared to fiscal 2021. The increase was primarily due to increases in performance-related bonus expense of \$10.2 million and salaries and related payroll taxes of \$6.2 million in fiscal 2022 compared to fiscal 2021 due to an increase in fee revenue combined with an increase in overall profitability. Executive Search Asia Pacific compensation and benefits expense, as a percentage of fee revenue, decreased to 61% in fiscal 2022 from 70% in fiscal 2021.



Executive Search Latin America compensation and benefits expense increased by \$4.3 million, or 30%, to \$18.4 million in fiscal 2022 compared to \$14.1 million in fiscal 2021. Exchange rates unfavorably impacted compensation and benefits by \$0.3 million, or 2% in fiscal 2022 compared to fiscal 2021. The increase was primarily due to higher salaries and related payroll taxes of \$2.0 million and performance-related bonus expense of \$1.4 million in fiscal 2022 compared to fiscal 2021 due to an increase in fee revenue combined with an increase in overall profitability. Executive Search Latin America compensation and benefits expense, as a percentage of fee revenue, decreased to 63% in fiscal 2022 from 80% in fiscal 2021.

RPO & Professional Search compensation and benefits expense increased by \$187.4 million, or 71%, to \$452.0 million in fiscal 2022 from \$264.6 million in fiscal 2021. The impact of exchange rates was essentially flat in fiscal 2022 compared to fiscal 2021. The increase was due to higher salaries and related payroll taxes of \$122.1 million, performance-related bonus expense of \$17.6 million, employer insurance of \$8.4 million and the use of outside contractors of \$5.0 million due to the increase in fee revenue combined with increases in overall profitability and average headcount in fiscal 2022 compared to fiscal 2021. Also contributing to the increase in compensation and benefit was an increase in commission expenses of \$22.7 million and integration and acquisition costs of \$1.9 million driven by the Acquisitions. RPO & Professional Search compensation and benefits expense, as a percentage of fee revenue, decreased to 65% in fiscal 2022 from 72% in fiscal 2021.

Corporate compensation and benefits expense increased by \$16.5 million, or 38%, to \$59.7 million in fiscal 2022 from \$43.2 million in fiscal 2021. The increase of \$7.2 million was due to the changes in cash surrender value ("CSV") of the company-owned life insurance ("COLI") contracts due to lower death benefits recognized in fiscal 2022 compared to fiscal 2021. Also contributing to the increase was higher salaries and related payroll taxes of \$6.0 million and performance-related bonus expense of \$4.2 million due to an increase in consolidated fee revenue, combined with increases in overall profitability and average headcount in fiscal 2022 compared to fiscal 2021.

General and Administrative Expenses

General and administrative expenses increased \$45.5 million, or 24%, to \$237.3 million in fiscal 2022 compared to \$191.8 million in fiscal 2021. Exchange rates favorably impacted general and administrative expenses by \$0.9 million in fiscal 2022 compared to fiscal 2021. The increase in general and administrative expenses was primarily due to higher marketing and business development expenses of \$14.0 million, which contributed to the increase in fee revenue and new business in fiscal 2022, as well as an increase in premise and office expense of \$6.9 million, bad debt expense of \$5.8 million and legal and other professional fees of \$5.3 million. In addition the Company recorded impairment charges associated with the reduction of the Company's real estate footprint of \$9.3 million and integration and acquisition costs of \$6.0 million incurred with the acquisition of The Lucas Group that closed on November 1, 2021 and Patina Solutions Group that closed on April 1, 2022. General and administrative expenses, as a percentage of fee revenue, decreased to 9% in fiscal 2022 from 11% in fiscal 2021.

Consulting general and administrative expenses increased by \$2.9 million, or 6%, to \$51.5 million in fiscal 2022 compared to \$48.6 million in fiscal 2021. The increase in general and administrative expenses was primarily due to impairment charges associated with the reduction of the Company's real estate footprint of \$2.8 million in fiscal 2022. Consulting general and administrative expenses, as a percentage of fee revenue, decreased to 8% in fiscal 2022 from 9% in fiscal 2021.

Digital general and administrative expenses increased by \$1.9 million, or 7%, to \$31.0 million in fiscal 2022 compared to \$29.1 million in fiscal 2021. The increase in general and administrative expenses was primarily due to impairment charges associated with the reduction of the Company's real estate footprint of \$1.5 million in fiscal 2022. Digital general and administrative expenses, as a percentage of fee revenue, decreased to 9% in fiscal 2022 from 10% in fiscal 2021.

Executive Search North America general and administrative expenses increased by \$3.9 million, or 14%, to \$30.8 million in fiscal 2022 from \$26.9 million in fiscal 2021. The increase in general and administrative expenses was primarily due to increases in business development expenses of \$2.4 million and bad debt expense of \$0.7 million. Executive Search North America general and administrative expenses, as a percentage of fee revenue, was 5% in fiscal 2022 compared to 7% in fiscal 2021.

Executive Search EMEA general and administrative expenses increased by \$2.0 million, or 13%, to \$18.0 million in fiscal 2022 from \$16.0 million in fiscal 2021. The increase in general and administrative expenses was primarily due to impairment charges associated with the reduction of the Company's real estate footprint of \$1.1 million and the impact of foreign currency with foreign exchange losses of \$0.7 million in fiscal 2022 compared to foreign currency gains of \$0.3 million in fiscal 2021. Executive Search EMEA general and administrative expenses, as a percentage of fee revenue was 10% in fiscal 2022 compared to 12% in fiscal 2021.

Executive Search Asia Pacific general and administrative expenses increased by \$2.4 million, or 28%, to \$11.0 million in fiscal 2022 from \$8.6 million in fiscal 2021. The increase in general and administrative expenses was primarily due to higher bad debt expense of \$1.0 million in fiscal 2022 compared to fiscal 2021. Executive Search



Asia Pacific general and administrative expenses, as a percentage of fee revenue, was 9% in fiscal 2022 compared to 10% in fiscal 2021

Executive Search Latin America general and administrative expenses decreased by \$1.3 million, or 59%, to \$0.9 million in fiscal 2022 from \$2.2 million in fiscal 2021. The decrease in general and administrative expenses was primarily due to lower premise and office expenses of \$1.4 million in fiscal 2022 compared to fiscal 2021. Executive Search Latin America general and administrative expenses, as a percentage of fee revenue, was 3% in fiscal 2022 compared to 12% in fiscal 2021.

RPO & Professional Search general and administrative expenses increased by \$15.8 million, or 64%, to \$40.6 million in fiscal 2022 from \$24.8 million in fiscal 2021. The increase in general and administrative expenses was primarily due to an increase in premise and office expense \$5.3 million, higher bad debt expense of \$3.7 million, impairment charges associated with the reduction of the Company's real estate footprint of \$3.9 million and integration and acquisition costs associated with the Acquisitions of \$1.8 million. RPO & Professional Search general and administrative expenses, as a percentage of fee revenue, was 6% in fiscal 2022 compared to 7% in fiscal 2021.

Corporate general and administrative expenses increased by \$18.0 million, or 51%, to \$53.5 million in fiscal 2022 compared to \$35.5 million in fiscal 2021. The increase in general and administrative expenses was primarily due to higher marketing expense of \$7.2 million, integration and acquisition costs of \$4.2 million incurred with the Acquisitions in fiscal 2022, legal and other professional fees of \$3.8 million and an increase of \$1.5 million in charitable contributions in fiscal 2022 compared to fiscal 2021.

Cost of Services Expense

Cost of services expense consists primarily of contractor and product costs related to the delivery of various services and products, primarily in RPO & Professional Search, Consulting and Digital. Cost of services expense was \$114.4 million in fiscal 2022 compared to \$72.0 million in fiscal 2021. The increase was due to an increase in fee revenue and the Acquisitions. Cost of services expense, as a percentage of fee revenue, was 4% in both fiscal 2022 and fiscal 2021.

Depreciation and Amortization Expenses

Depreciation and amortization expenses were \$63.5 million in fiscal 2022, an increase of \$1.7 million, or 3%, compared to \$61.8 million in fiscal 2021. The increase was primarily due to the technology investments made in the current and prior year in software for our Digital business and the Acquisitions.

Restructuring Charges, Net

There were no restructuring charges, net during fiscal 2022. In April 2020, we implemented a restructuring plan in response to the uncertainty caused by COVID-19 that resulted in reductions in our workforce in the fourth quarter of fiscal 2020. We continued the implementation of this plan in fiscal 2021 and as a result recorded restructuring charges, net of \$30.7 million of severance costs in fiscal 2021.

Net Income Attributable to Korn Ferry

Net income attributable to Korn Ferry increased by \$211.9 million to \$326.4 million in fiscal 2022 compared to \$114.5 million in fiscal 2021. The increase in net income attributable to Korn Ferry was driven by the increase in fee revenue of \$816.7 million, which was driven by the factors discussed above, and restructuring charges, net of \$30.7 million incurred in fiscal 2021. This was partially offset by increases in compensation and benefits expense of \$443.6 million, cost of services expense of \$42.4 million associated with the higher levels of business demand, a higher income tax provision of \$54.0 million and general and an increase in administrative expenses of \$45.5 million. The rest of the change is due to other loss, net of \$11.9 million in fiscal 2022 compared to other income, net of \$37.2 million in fiscal 2021. Net income attributable to Korn Ferry, as a percentage of fee revenue, was 12% in fiscal 2022 as compared to 6% in fiscal 2021.

Adjusted EBITDA

Adjusted EBITDA increased by \$252.6 million to \$538.9 million in fiscal 2022 compared to \$286.3 million in fiscal 2021. The increase in Adjusted EBITDA was driven by the increase in fee revenue, partially offset by increases in compensation and benefits expense (excluding integration/acquisition costs), cost of services expense, and general and administrative expenses (excluding integration/acquisition costs and impairment charges). Adjusted EBITDA, as a percentage of fee revenue, was 21% and 16% in fiscal 2022 and 2021.

Consulting Adjusted EBITDA was \$116.1 million in fiscal 2022, an increase of \$34.6 million, or 42%, compared to \$81.5 million in fiscal 2021. The increase in Adjusted EBITDA was driven by higher fee revenue in the segment, as well as cost savings realized from work being conducted virtually. These changes were partially offset by increases in compensation and benefits expense and cost of services expense. Consulting Adjusted EBITDA, as a percentage of fee revenue, was 18% in fiscal 2022 compared to 16% in fiscal 2021.



Digital Adjusted EBITDA was \$110.1 million in fiscal 2022, an increase of \$24.0 million, or 28% compared to \$86.1 million in fiscal 2021. The increase in Adjusted EBITDA was mainly driven by the increase in fee revenue in the segment, as well as cost savings realized from work being conducted virtually. These changes were partially offset by increases in compensation and benefits expense (excluding integration/acquisition costs) and cost of services expense in fiscal 2022 compared to fiscal 2021. Digital Adjusted EBITDA, as a percentage of fee revenue, was 32% in fiscal 2022 as compared to 30% in fiscal 2021.

Executive Search North America Adjusted EBITDA increased by \$83.5 million, or 85%, to \$181.6 million in fiscal 2022 compared to \$98.1 million in fiscal 2021. The increase was driven by higher fee revenue in the segment, partially offset by an increase in compensation and benefits expense and general and administrative expenses. Executive Search North America Adjusted EBITDA, as a percentage of fee revenue, was 30% in fiscal 2022 compared to 25% in fiscal 2021.

Executive Search EMEA Adjusted EBITDA increased by \$20.1 million, or 172%, to \$31.8 million in fiscal 2022 compared to \$11.7 million in fiscal 2021. The increase in Adjusted EBITDA was driven by higher fee revenue in the segment, partially offset by increases in compensation and benefits expense and general and administrative expenses (excluding impairment charges). Executive Search EMEA Adjusted EBITDA, as a percentage of fee revenue, was 17% in fiscal 2022 compared to 8% in fiscal 2021.

Executive Search Asia Pacific Adjusted EBITDA increased by \$18.4 million, or 110%, to \$35.1 million in fiscal 2022 compared to \$16.7 million in fiscal 2021. The increase in Adjusted EBITDA was driven by higher fee revenue in the segment, partially offset by increases in the compensation and benefits expense and general and administrative expenses. Executive Search Asia Pacific Adjusted EBITDA, as a percentage of fee revenue, was 30% in fiscal 2022 compared to 20% in fiscal 2021.

Executive Search Latin America Adjusted EBITDA increased by \$7.8 million to \$9.1 million in fiscal 2022 compared to \$1.3 million in fiscal 2021. The increase in Adjusted EBITDA was driven by higher fee revenue in the segment, partially offset by an increase in compensation and benefit expense. Executive Search Latin America Adjusted EBITDA, as a percentage of fee revenue, was 31% in fiscal 2022 compared to 7% in fiscal 2021.

RPO & Professional Search Adjusted EBITDA was \$165.1 million in fiscal 2022, an increase of \$95.7 million, or 138%, compared to \$69.4 million in fiscal 2021. The increase in Adjusted EBITDA was mainly driven by higher fee revenue in the segment, partially offset by increases in compensation and benefits expense (excluding integration/acquisition costs), cost of services expense, and general and administrative expenses (excluding impairment charges and integration and acquisition costs). RPO & Professional Search Adjusted EBITDA, as a percentage of fee revenue, was 24% in fiscal 2022 compared to 19% in fiscal 2021.

Other (Loss) Income Net,

Other loss, net was \$11.9 million in fiscal 2022 compared to other income, net of \$37.2 million in fiscal 2021. The difference was primarily due to losses from the fair value of our marketable securities in fiscal 2022 compared to gains in fiscal 2021.

Interest Expense, Net

Interest expense, net primarily relates to our Notes issued in December 2019 and borrowings under our COLI policies, which are partially offset by interest earned on cash and cash equivalent balances. Interest expense, net was \$25.3 million in fiscal 2022 compared to \$29.3 million in fiscal 2021. Interest expense, net decreased due to interest income earned on the death benefits received from our COLI policies in fiscal 2022 and lower interest expense on borrowings under our COLI policies in fiscal 2022 compared to fiscal 2021 due to the lower amount of borrowings outstanding.

Income Tax Provision

The provision for income tax was \$102.1 million in fiscal 2022 compared to \$48.1 million in fiscal 2021. This reflects a 24% effective tax rate for fiscal 2022 compared to a 29% effective tax rate for fiscal 2021. In addition to the impact of U.S. state income taxes and jurisdictional mix of earnings, which generally create variability in our effective tax rate over time, the lower effective tax rate in fiscal 2022 was partially attributable to a tax benefit recorded in connection with tax credits claimed in the current year for eligible research and development expenditures. The fiscal 2021 effective tax rate was higher due to a tax expense recorded for withholding taxes on intercompany dividends that are not eligible for credit and a shortfall recorded in connection with stock-based awards that vested in fiscal 2021. The shortfall is the amount by which the Company's tax deduction for these awards, based on the fair market value of the awards on the date of vesting, is less than the expense recorded in the Company's financial statements over the awards' vesting period. Conversely, the Company recorded a tax benefit for a windfall in connection with stock-based awards that vested in fiscal 2022.



Net Income Attributable to Noncontrolling Interest

Net income attributable to noncontrolling interest represents the portion of a subsidiary's net earnings that are attributable to shares of such subsidiary not held by Korn Ferry that are included in the consolidated results of income. Net income attributable to noncontrolling interest was \$4.5 million and \$1.1 million in fiscal 2022 and fiscal 2021, respectively.

Liquidity and Capital Resources

The Company and its Board of Directors endorse a balanced approach to capital allocation. The Company's long-term priority is to invest in growth initiatives, such as the hiring of consultants, the continued development of IP and derivative products and services, and the investment in synergistic, accretive merger and acquisition transactions that earn a return that is superior to the Company's cost of capital. Next, the Company's capital allocation approach contemplates the return of a portion of excess capital to stockholders, in the form of a regular quarterly dividend, subject to the factors discussed below and in the "Risk Factors" section of this Annual Report on Form 10-K. Additionally, the Company considers share repurchases on an opportunistic basis and subject to the terms of our Amended Credit Agreement (defined below) as well as using excess cash to repay the Notes.

On April 1, 2022, we completed the acquisition of Patina Solutions Group for \$42.9 million, net of cash acquired. We believe Patina Solutions Group contributes a substantial interim executive solutions expertise across multiple industry verticals as well as offers ideal solutions for today's nomadic labor market. Patina Solutions Group's vast network of C-suite, top-tier, and professional interim talent spans functional areas of expertise such as finance, operations, legal, human resources, IT and more. This combination presents real, tangible opportunity for Korn Ferry and our clients looking for the right talent, who are highly agile, with specialized skills and expertise, to help them drive superior performance, including on an interim basis. Patina Solutions Group offers.

On November 1, 2021, we completed the acquisition of The Lucas Group for \$90.9 million, net of cash acquired. The Lucas Group contributes a substantial professional search and interim expertise that is expected to enhance our search portfolio. The Lucas Group is a professional search and interim staffing firm, targeting middle market businesses. The addition of The Lucas Group to Korn Ferry's broader talent acquisition portfolio – spanning Executive Search, RPO & Professional Search – is expected to accelerate our ability to capture additional share of this significant market.

On December 16, 2019, we completed a private placement of the Notes with a \$400 million principal amount pursuant to Rule 144A and Regulation S under the Securities Act of 1933, as amended. The Notes were issued with a \$4.5 million discount and will mature December 15, 2027, with interest payable semi-annually in arrears on June 15 and December 15 of each year, that commenced on June 15, 2020. The Notes represent senior unsecured obligations that rank equally in right of payment to all existing and future senior unsecured indebtedness. We may redeem the Notes prior to maturity, subject to certain limitations and premiums defined in the indenture governing the Notes. The Notes are guaranteed by each of our existing and future wholly owned domestic subsidiaries to the extent such subsidiaries guarantee our obligations under the Credit Agreement (defined below). The indenture governing the Notes requires that, upon the occurrence of both a Change of Control and a Rating Decline (each as defined in the indenture), we shall make an offer to purchase all of the Notes at 101% of their principal amount, and accrued and unpaid interest. We used the proceeds from the offering of the Notes to repay \$276.9 million outstanding under our prior revolving credit facility (the "Prior Credit Agreement") and to pay expenses and fees in connection therewith. As of April 30, 2022, the fair value of the Notes was \$379.5 million, which is based on borrowing rates currently required of notes with similar terms, maturity and credit risk.



On December 16, 2019, we also entered into a senior secured \$650.0 million credit agreement (the "Credit Agreement") with a syndicate of banks and Bank of America, National Association as administrative agent to among other things, provide for enhanced financial flexibility. See Note 11—*Long-Term Debt* for a description of the Credit Agreement. We had a total of \$645.3 million and \$646.0 million available under our \$650.0 million five-year senior secured revolving credit facility (the "Revolver") after \$4.7 million and \$4.0 million of standby letters of credit had been issued as of April 30, 2022 and 2021, respectively. We had a total of \$10.0 million and \$11.0 million of standby letters of credits with other financial institutions as of April 30, 2022 and 2021, respectively. The standby letters of credits were generally issued as a result of entering into office premise leases.

On June 24, 2022, we entered into an Amendment to the Credit Agreement (as amended by the Amendment, the "Amended Credit Agreement") with the lenders party thereto and Bank of America, National Association as administrative agent, to, among other things, extend the existing maturity date and provide for a new delayed draw term loan facility. The Amended Credit Agreement provides for five-year senior secured credit facilities in an aggregate amount of \$1,150 million comprised of a \$650.0 million revolving credit facility and a \$500 million delayed draw term loan facility. The Amended Credit Agreement also provides that, under certain circumstances, the Company may incur term loans or increase the aggregate principal amount of revolving commitments by an aggregate amount of up to \$250 million. See Note 18—*Subsequent Events – Credit Facility* for a further description of the Amended Credit Agreement.

On December 8, 2014, the Board of Directors adopted a dividend policy to distribute to our stockholders a regular quarterly cash dividend of \$0.10 per share. Every quarter since the adoption of the dividend policy, the Company has declared a quarterly dividend. On June 21, 2021, the Board of Directors increased the quarterly dividend to \$0.12 per share. On June 21, 2022, the Board of Directors approved a 25% increase in the quarterly dividend, which increased the quarterly dividend to \$0.15 per share. The Amended Credit Agreement permits us to pay dividends to our stockholders and make share repurchases so long as there is no default under the Amended Credit Agreement, our total funded debt to adjusted EBITDA ratio (as set forth in the Amended Credit Agreement, the "consolidated net leverage ratio") is no greater than 5.00 to 1.00, and we are in pro forma compliance with our financial covenant. Furthermore, our Notes allow us to pay \$25 million of dividends per fiscal year with no restrictions plus an unlimited amount of dividends so long as our consolidated total leverage ratio is not greater than 3.50 to 1.00, and there is no default under the indenture governing the Notes. The declaration and payment of future dividends under the quarterly dividend program will be at the discretion of the Board of Directors and will depend upon many factors, including our earnings, capital requirements, financial conditions, the terms of our indebtedness and other factors our Board of Directors may deem to be relevant. Our Board of Directors may, however, amend, revoke or suspend our dividend policy at any time and for any reason.

On June 21, 2022, our Board of Directors approved an increase to the share repurchase program of approximately \$300 million, which at the time brought our available capacity to repurchase shares in the open market or privately negotiated transactions to \$318 million. The Company repurchased approximately \$98.8 million and \$30.4 million of the Company's stock during fiscal 2022 and 2021, respectively. Any decision to continue to execute our currently outstanding share repurchase program will depend on our earnings, capital requirements, financial condition and other factors considered relevant by our Board of Directors.

Our performance is subject to the general level of economic activity in the geographic regions and the industries we service. We believe, based on current economic conditions, that our cash on hand and funds from operations and the Amended Credit Agreement will be sufficient to meet anticipated working capital, capital expenditures, general corporate requirements, debt repayments, share repurchases and dividend payments under our dividend policy during the next 12 months. However, if the national or global economy, credit market conditions and/or labor markets were to deteriorate in the future, such changes could put negative pressure on demand for our services and affect our operating cash flows. If these conditions were to persist over an extended period of time, we may incur negative cash flows and it might require us to access additional borrowings under the Amended Credit Agreement to meet our capital needs and/or discontinue our share repurchases and dividend policy.

Cash and cash equivalents and marketable securities were \$1,211.1 million and \$1,097.1 million as of April 30, 2022 and 2021, respectively. Net of amounts held in trust for deferred compensation plans and accrued bonuses, cash and cash equivalents and marketable securities were \$605.4 million and \$642.1 million at April 30, 2022 and 2021, respectively. As of April 30, 2022 and 2021, we held \$416.7 million and \$382.8 million, respectively of cash and cash equivalents and marketable securities in foreign locations, net of amounts held in trust for deferred compensation plans and to pay accrued bonuses. Cash and cash equivalents consist of cash and highly liquid investments purchased with original maturities of three months or less. Marketable securities consist of mutual funds and investments in commercial paper, corporate notes/bonds and U.S. Treasury and Agency securities. The primary objectives of our investment in mutual funds are to meet the obligations under certain of our deferred compensation plans, while the commercial paper, corporate notes/bonds and U.S. Treasury and Agency securities are available for general corporate purposes.



As of April 30, 2022 and 2021, marketable securities of \$233.0 million and \$246.4 million, respectively, included equity securities of \$168.7 million (net of gross unrealized gains of \$10.7 million and gross unrealized losses of \$6.1 million) and \$175.6 million (net of gross unrealized gains of \$30.0 million and gross unrealized losses of \$0.1 million), respectively, and were held in trust for settlement of our obligations under certain deferred compensation plans, of which \$158.7 million and \$166.5 million, respectively, are classified as non-current. These marketable securities were held to satisfy vested obligations totaling \$160.8 million and \$157.3 million as of April 30, 2022 and 2021, respectively. Unvested obligations under the deferred compensation plans totaled \$24.0 million and \$26.5 million as of April 30, 2022 and 2021, respectively.

The net increase in our working capital of \$38.6 million as of April 30, 2022 compared to April 30, 2021 is primarily attributable to increases in cash and cash equivalents and accounts receivables, partially offset by increases in compensation and benefits payable and other accrued liabilities. Cash and cash equivalents increased primarily due to cash from operations, partially offset by the Acquisitions, purchase of property and equipment, repurchase of common stock and dividends issued to shareholders. The increase in accounts receivable was due to higher revenue in the fourth quarter of fiscal 2022 compared to fiscal 2021. Compensation and benefits payable increased due to higher performance-related bonus liability as a result of higher fee revenue while the increase in other accrued liabilities was due to higher levels of new business. Cash provided by operating activities was \$501.7 million in fiscal 2022, an increase of \$250.3 million, compared to \$251.4 million in fiscal 2021.

Cash used in investing activities was \$184.3 million in fiscal 2022 compared to \$61.4 million in fiscal 2021. An increase in cash used in investing activities was primarily due to \$133.8 million in cash paid for the Acquisitions, an increase in the purchase of property and equipment of \$18.3 million and a decrease in proceeds received from life insurance policies of \$15.3 million. This was partially offset by an increase of proceeds received from sales of marketable securities for \$22.8 million and a decrease in purchase of marketable securities for \$21.5 million in fiscal 2022 compared to fiscal 2021.

Cash used in financing activities was \$137.4 million in fiscal 2022 compared to cash used in financing activities of \$66.9 million in fiscal 2021. The increase in cash used in financing activities was primarily due to an increase in repurchases of shares of the Company's common stock of \$65.9 million in fiscal 2022 compared to fiscal 2021, higher cash used to repurchase shares of common stock to satisfy tax withholding requirements upon the vesting of restricted stock of \$18.5 million in fiscal 2022 compared to \$5.0 million in fiscal 2021 and an increase of \$4.3 million in dividends paid to our shareholders. This was partially offset by less payments made on life insurance policy loans of \$12.1 million in fiscal 2022 compared to fiscal 2021.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements and have not entered into any transactions involving unconsolidated, special purpose entities.

Contractual Obligations

Contractual obligations represent future cash commitments and liabilities under agreements with third parties and exclude contingent liabilities for which we cannot reasonably predict future payment. The following table represents our contractual obligations as of April 30, 2022:

	Note (1)	Payments Due in:				
		Total	Less Than 1 Year	1-3 Years (in thousands)	3-5 Years	More Than 5 Years
Operating lease commitments	15	\$ 222,862	\$ 55,890	\$ 87,643	\$ 55,345	\$ 23,984
Finance lease commitments	15	2,835	1,115	1,299	421	—
Accrued restructuring charges	13	1,502	1,001	—	—	501
Interest payments on COLI loans (2)	11	35,855	4,421	8,832	8,621	13,981
Long-term debt	11	400,000	—	—	—	400,000
Estimated interest on long-term debt (3)	11	111,000	18,500	37,000	37,000	18,500
Total		<u>\$ 774,054</u>	<u>\$ 80,927</u>	<u>\$ 134,774</u>	<u>\$ 101,387</u>	<u>\$ 456,966</u>

(1) See the corresponding Note in the accompanying consolidated financial statements in Item 15.

(2) Assumes COLI loans remain outstanding until receipt of death benefits on COLI policies and applies current interest rates on COLI loans ranging from 4.76% to 8.00% with total death benefits payable, net of loans under COLI contracts of \$449.3 million at April 30, 2022.

(3) Interest on the Notes payable semi-annually in arrears on June 15 and December 15 of each year, commenced on June 15, 2020.

In addition to the contractual obligations above, we have liabilities related to certain employee benefit plans. These liabilities are recorded in our consolidated balance sheets. The obligations related to these employee benefit plans



are described in Note 6—*Deferred Compensation and Retirement Plans*, in the Notes to our Consolidated Financial Statements in this Annual Report on Form 10-K.

Lastly, we have contingent commitments under certain employment agreements that are payable upon involuntary termination without cause, as described in Note 17—*Commitments and Contingencies*, in the Notes to our Consolidated Financial Statements in this Annual Report on Form 10-K.

Cash Surrender Value of Company Owned Life Insurance Policies, Net of Loans

We purchased COLI policies or contracts insuring the lives of certain employees eligible to participate in the deferred compensation and pension plans as a means of funding benefits under such plans. As of April 30, 2022 and 2021, we held contracts with gross cash surrender value (“CSV”) of \$263.2 million and \$241.3 million, respectively. Total outstanding borrowings against the CSV of COLI contracts were \$79.8 million and \$80.0 million as of April 30, 2022 and 2021, respectively. Such borrowings do not require annual principal repayments, bear interest primarily at variable rates and are secured by the CSV of COLI contracts. At April 30, 2022 and 2021, the net cash value of these policies was \$183.3 million and \$161.3 million, respectively. Total death benefits payable, net of loans under COLI contracts, were \$449.3 million and \$443.9 million at April 30, 2022 and 2021, respectively.

Other than the factors discussed in this section, we are not aware of any other trends, demands or commitments that would materially affect liquidity or those that relate to our resources as of April 30, 2022.

Accounting Developments

Recently Adopted Accounting Standards

In March 2020, the Financial Accounting Standards Board (the “FASB”) issued guidance on Facilitation of the Effects of Reference Rate Reform on Financial Reporting. This guidance provides optional expedients and exceptions to the guidance on contract modifications and hedge accounting related to the expected market transition from the London Interbank Offered Rate (“LIBOR”) and other interbank offered rates to alternative rates. Entities can elect to adopt this guidance as of any date within an interim period that includes or is subsequent to March 12, 2020 and can adopt it for new contracts and contract modifications entered into through December 31, 2022. We adopted this guidance in our fiscal year beginning May 1, 2021 and we elected to apply the amendments prospectively through December 12, 2022. The adoption of this guidance did not have a material impact on the consolidated financial statements.

Recently Proposed Accounting Standards - Not Yet Adopted

In October 2021, the FASB issued an amendment in accounting for contract assets and contract liabilities from contracts with customers, which clarifies that an acquirer of a business should recognize and measure contract assets and contract liabilities in a business combination in accordance with ASC 606, *Revenue from Contracts with Customers*. The amendment of this standard becomes effective in fiscal years beginning after December 15, 2022. The amendment should be applied prospectively to business combinations that occur after the effective date. We will adopt this guidance in our fiscal year beginning May 1, 2023. We are currently evaluating the impact of this accounting guidance but do not anticipate that it will have a material impact on the consolidated financial statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

As a result of our global operating activities, we are exposed to certain market risks, including foreign currency exchange fluctuations and fluctuations in interest rates. We manage our exposure to these risks in the normal course of our business as described below.

Foreign Currency Risk

Substantially all our foreign subsidiaries’ operations are measured in their local currencies. Assets and liabilities are translated into U.S. dollars at the rates of exchange in effect at the end of each reporting period and revenue and expenses are translated at daily rates of exchange during the reporting period. Resulting translation adjustments are reported as a component of accumulated other comprehensive loss, net on our consolidated balance sheets.

Transactions denominated in a currency other than the reporting entity’s functional currency may give rise to foreign currency gains or losses that impact our results of operations. Historically, we have not realized significant foreign currency gains or losses on such transactions. During fiscal 2022, 2021 and 2020, we recorded foreign currency losses of \$1.2 million, \$2.7 million and \$4.1 million, respectively, in general and administrative expenses in the consolidated statements of income.

Our exposure to foreign currency exchange rates is primarily driven by fluctuations involving the following currencies — U.S. Dollar, Pound Sterling, Euro, Canadian Dollar, Singapore Dollar, Brazilian Real, Mexican Peso, Danish Krone, Swiss Franc, Korean Won and South African Rand. Based on balances exposed to fluctuation in exchange rates between these currencies as of April 30, 2022, a 10% increase or decrease in the value of these currencies could result in a foreign exchange gain or loss of \$13.0 million. We have a program that primarily utilizes foreign currency forward contracts to offset the risks associated with the effects of certain foreign currency exposures. These foreign currency forward contracts are neither used for trading purposes nor are they designated as hedging.



instruments pursuant to Accounting Standards Codification 815, *Derivatives and Hedging*.

Interest Rate Risk

Our exposure to interest rate risk is limited to our Revolver, borrowings against the CSV of COLI contracts and to a lesser extent our fixed income debt securities. As of April 30, 2022 and 2021, there were no amounts outstanding under the Revolver. At our option, loans issued under the Credit Agreement bear interest at either LIBOR or an alternate base rate, in each case plus the applicable interest rate margin. The interest rate applicable to loans outstanding under the Amended Credit Agreement may fluctuate between Term Secured Overnight Financing Rate ("SOFR") plus a SOFR adjustment of 0.10%, plus 1.125% per annum to 2.00% per annum, in the case of SOFR borrowings (or between the alternate base rate plus 0.125% per annum and the alternate base rate plus 1.00% per annum, in the alternative), based upon our total funded debt to adjusted EBITDA ratio (as set forth in the Amended Credit Agreement, the "consolidated net leverage ratio") at such time. In addition, we are required to pay the lenders a quarterly commitment fee ranging from 0.175% to 0.300% per annum on the average daily unused amount of the Revolver, based upon our consolidated net leverage ratio at such time, a ticking fee of 0.20% per annum on the actual daily unused portion of the Delayed Draw Facility during the availability period of the Delayed Draw Facility, and fees relating to the issuance of letters of credit. During fiscal 2020, the average interest rate on current and previous term loans was 3.34%.

We had \$79.8 million and \$80.0 million of borrowings against the CSV of COLI contracts as of April 30, 2022 and 2021, respectively, bearing interest primarily at variable rates. The risk of fluctuations in these variable rates is minimized by the fact that we receive a corresponding adjustment to our borrowed funds crediting rate which has the effect of increasing the CSV on our COLI contracts.

Item 8. Financial Statements and Supplementary Data

See Consolidated Financial Statements beginning on page F-1 of this Annual Report on Form 10-K.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

Not applicable.

Item 9A. Controls and Procedures

a) Evaluation of Disclosure Controls and Procedures.

As of the end of the period covered by this Annual Report on Form 10-K, management, our Chief Executive Officer and Chief Financial Officer evaluated the effectiveness of the design and operation of our disclosure controls and procedures and internal controls over financial reporting. Based on their evaluation of our disclosure controls and procedures conducted as of the end of the period covered by this Annual Report on Form 10-K, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act of 1934 (the "Exchange Act")) were effective as of April 30, 2022.

b) Changes in Internal Control over Financial Reporting.

There were no changes in our internal control over financial reporting during the fourth fiscal quarter that have materially affected or are reasonably likely to materially affect our internal control over financial reporting. See Management's Report on Internal Control Over Financial Reporting and Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting on pages F-2 and F-3, respectively.

Item 9B. Other Information

None.

Item 9C. Disclosures Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.



PART III.

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this Item will be included under the captions "The Board of Directors" and, when applicable, "Delinquent Section 16(a) Reports" and elsewhere in our 2022 Proxy Statement and is incorporated herein by reference. The information under the heading "Information about our Executive Officers" in Part I of this Annual Report on Form 10-K is also incorporated by reference in this section.

We have adopted a "Code of Business Conduct and Ethics" that applies to all of our directors, officers and employees, including our principal executive officer (who is our Chief Executive Officer), principal financial officer, and principal accounting officer (who is our Chief Financial Officer) and senior financial officers, or persons performing similar functions. The Code of Business Conduct and Ethics is available on the Investor Relations portion of our website at <http://ir.kornferry.com>. If, or when, applicable we will disclose amendments to certain provisions of the Code of Business Conduct and Ethics and waivers of the Code of Business Conduct and Ethics granted to executive officers and directors on our website within four business days following the date of the amendment or waiver.

Item 11. Executive Compensation

The information required by this Item will be included under the captions "Compensation Discussion and Analysis" and "Compensation of Executive Officers and Directors" and elsewhere in our 2022 Proxy Statement and is incorporated herein by reference.

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

The information required by this Item will be included under the caption "Security Ownership of Certain Beneficial Owners and Management" and elsewhere in our 2022 Proxy Statement and is incorporated herein by reference.

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

The information required by this Item will be included under the caption "Certain Relationships and Related Transactions" and elsewhere in our 2022 Proxy Statement and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by this Item will be included under the captions "Fees Paid to Ernst & Young LLP" and "Audit Committee Pre-Approval Policies and Procedures," and elsewhere in our 2022 Proxy Statement, and is incorporated herein by reference.



PART IV.

Item 15. Exhibits and Financial Statement Schedules

Financial Statements.

a) The following documents are filed as part of this report:

1.	<i>Index to Financial Statements:</i> See Consolidated Financial Statements included as part of this Annual Report on Form 10-K.	Page F-1
2.	<i>Index to Financial Statement Schedules:</i> All schedules have been omitted because the required information is included in the financial statements or notes thereto, or because it is not required.	—
3.	<i>Index to Exhibits:</i> See exhibits listed under Part (b) below.	46

b) Exhibits:

Exhibit Number	Description
2.1+	Stock Purchase Agreement by and between HG (Bermuda) Limited and Korn/Ferry International, dated as of September 23, 2015, filed as Exhibit 2.1 to the Company's Form 8-K, filed September 24, 2015.
2.2+	Letter Agreement dated November 30, 2015, by and between Korn/Ferry International and HG (Bermuda) Limited, filed as Exhibit 2.1 to the Company's Form 8-K, filed December 2, 2015.
2.3+	Letter Agreement dated April 19, 2018, by and between Korn/Ferry International and HG (Bermuda) Limited.
3.1+	Restated Certificate of Incorporation of the Company, dated January 7, 2019, filed as Exhibit 3.3 to the Company's Quarterly Report on Form 10-Q, filed March 11, 2019.
3.2+	Seventh Amended and Restated Bylaws, effective January 1, 2019, filed as Exhibit 3.2 to the Company's Report on Form 8-K, filed December 13, 2018.
4.1+	Form of Common Stock Certificate of the Company, filed as Exhibit 4.1 to the Company's Annual Report on Form 10-K, filed June 28, 2019.
4.2+	Description of Securities, filed as Exhibit 4.2 to the Company's Annual Report on Form 10-K, filed June 28, 2019.
4.3+	Indenture, dated as of December 16, 2019, by and among Korn Ferry, an issuer, certain subsidiaries of Korn Ferry, as guarantors thereto, and Wells Fargo Bank, National Association, as trustee, filed as Exhibit 4.1 to the Company's Form 8-K, filed December 16, 2019.
10.1*+	Form of Indemnification Agreement between the Company and some of its executive officers and directors, filed as Exhibit 10.1 to the Company's Registration Statement on Form S-1/A (No. 333-61697), filed December 24, 1998.
10.2*+	Form of U.S. and International Worldwide Executive Benefit Retirement Plan, filed as Exhibit 10.3 to the Company's Registration Statement on Form S-1/A (No. 333-61697), filed September 4, 1998.
10.3*+	Form of U.S. and International Worldwide Executive Benefit Life Insurance Plan, filed as Exhibit 10.4 to the Company's Registration Statement on Form S-1 (No. 333-61697), filed September 4, 1998.
10.4*+	Worldwide Executive Benefit Disability Plan (in the form of Long-Term Disability Insurance Policy), filed as Exhibit 10.5 to the Company's Registration Statement on Form S-1 (No. 333-61697), filed September 4, 1998.
10.5*+	Form of U.S. and International Enhanced Executive Benefit and Wealth Accumulation Plan, filed as Exhibit 10.6 to the Company's Registration Statement on Form S-1 (No. 333-61697), filed September 4, 1998.
10.6*+	Form of U.S. and International Senior Executive Incentive Plan, filed as Exhibit 10.7 to the Company's Registration Statement on Form S-1 (No. 333-61697), filed September 4, 1998.
10.7*+	Executive Salary Continuation Plan, filed as Exhibit 10.8 to the Company's Registration Statement on Form S-1 (No. 333-61697), filed September 4, 1998.
10.8*+	Form of Amended and Restated Stock Repurchase Agreement, filed as Exhibit 10.10 to the Company's Registration Statement on Form S-1 (No. 333-61697), filed September 4, 1998.



10.9*+	<u>Form of Standard Employment Agreement, filed as Exhibit 10.11 to the Company's Registration Statement on Form S-1 (No. 333-61697), filed September 4, 1998.</u>
10.10*+	<u>Form of U.S. and Foreign Executive Participation Program, filed as Exhibit 10.27 to the Company's Registration Statement on Form S-1 (No. 333-61697), filed September 4, 1998.</u>
10.11*+	<u>Korn/Ferry International Second Amended and Restated Performance Award Plan, filed as Appendix A to the Company's Definitive Proxy Statement, filed August 12, 2004.</u>
10.12*+	<u>Form of Indemnification Agreement between the Company and some of its executive officers and directors, filed as Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q, filed March 12, 2004.</u>
10.13*+	<u>Form of Restricted Stock Unit Award Agreement to Directors Under the Performance Award Plan, filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q, filed December 10, 2007.</u>
10.14*+	<u>Form of Stock Option Agreement to Employees and Non-Employee Directors Under the Korn/Ferry International 2008 Stock Incentive Plan, filed as Exhibit 10.3 to the Company's Form 8-K, filed June 12, 2009.</u>
10.15*+	<u>Korn/Ferry International Executive Capital Accumulation Plan, filed as Exhibit 4.1 to the Company's Registration Statement on Form S-8 (No. 333-111038), filed December 10, 2003.</u>
10.16*+	<u>Korn Ferry Amended and Restated Employee Stock Purchase Plan, filed as Exhibit 10.17 to the Company's Annual Report on Form 10-K, filed June 28, 2019.</u>
10.17*+	<u>Second Amended and Restated Korn/Ferry International 2008 Stock Incentive Plan, filed as Exhibit 10.1 to the Company's Form 8-K, filed October 2, 2012.</u>
10.18*+	<u>Form of Restricted Stock Unit Award Agreement to Non-Employee Directors Under the 2008 Stock Incentive Plan, filed as Exhibit 10.38 to the Company's Annual Report on Form 10-K, filed June 25, 2013.</u>
10.19*+	<u>Form of Restricted Stock Unit Award Agreement to Employees Under the 2008 Stock Incentive Plan, filed as Exhibit 10.39 to the Company's Annual Report on Form 10-K, filed June 25, 2013.</u>
10.20*+	<u>Amended and Restated Korn Ferry Executive Capital Accumulation Plan, as of January 1, 2019, filed as Exhibit 10.23 to the Company's Annual Report on Form 10-K, filed June 28, 2019.</u>
10.21*+	<u>Amended and Restated Korn Ferry Executive Capital Accumulation Plan, as of December 4, 2019, filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed March 11, 2020.</u>
10.22*+	<u>Form of Indemnification Agreement between the Company and some of its directors and executive officers, filed as Exhibit 10.1 to the Company's Form 8-K, filed June 15, 2015.</u>
10.23*+	<u>Korn Ferry Long Term Performance Unit Plan, filed as Exhibit 10.26 to the Company's Annual Report on Form 10-K, filed June 28, 2019.</u>
10.24*+	<u>Korn Ferry Long Term Performance Unit Plan Form of Unit Award Agreement, filed as Exhibit 10.27 to the Company's Annual Report on Form 10-K, filed June 28, 2019.</u>
10.25*+	<u>Amended and Restated Korn Ferry Long Term Performance Unit Plan, as of December 4, 2019, filed as Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q, filed March 11, 2020.</u>
10.26*+	<u>Third Amendment and Restated Korn Ferry 2008 Stock Incentive Plan, filed as Exhibit 10.28 to the Company's Annual Report on Form 10-K, filed June 28, 2019.</u>
10.27*+	<u>Fourth Amended and Restated Korn Ferry 2008 Stock Incentive Plan, filed as Exhibit 10.1 to the Company's Form 8-K, filed October 7, 2019.</u>
10.28*+	<u>Summary of Non-Employee Director Compensation Program Effective December 7, 2016, filed as Exhibit 10.1 to the Company's 10-Q, filed March 10, 2017.</u>
10.29*+	<u>Form of Restricted Stock Unit Award Agreement to Non-Employee Directors under the 2008 Stock Incentive Plan, filed as Exhibit 10.31 to the Company's Annual Report on Form 10-K, filed June 28, 2019.</u>
10.30*+	<u>Form of Performance Restricted Stock Unit Award Agreement Under the 2008 Stock Incentive Plan, filed as Exhibit 10.32 to the Company's Annual Report on Form 10-K, filed June 28, 2019.</u>
10.31*+	<u>Form of Restricted Stock Unit Award Agreement to Employees Under the 2008 Stock Incentive Plan, filed as Exhibit 10.33 to the Company's Annual Report on Form 10-K, filed June 28, 2019.</u>
10.32*+	<u>Form of Restricted Stock Award Agreement to Employees Under the 2008 Stock Incentive Plan, filed as Exhibit 10.34 to the Company's Annual Report on Form 10-K, filed June 28, 2019.</u>
10.33+	<u>Credit Agreement, dated December 16, 2019, by and among Korn Ferry, Bank of America, N.A., as administrative agent, and other lender parties thereto, filed as Exhibit 10.1 to the Company's Form 8-K, filed December 16, 2019.</u>



10.34*+	Amended and Restated Korn Ferry Long Term Performance Unit Plan, effective June 1, 2020, filed as Exhibit 10.44 to the Company's Annual Report on Form 10-K, filed July 15, 2020.
10.35*+	Korn Ferry Amended and Restated Employee Stock Purchase Plan, effective July 1, 2020, filed as Exhibit 10.45 to the Company's Annual Report on Form 10-K, filed July 15, 2020.
10.36*+	Amended and Restated Korn Ferry Executive Capital Accumulation Plan, effective July 1, 2021, filed as Exhibit 10.50 to the Company's Annual Report on Form 10-K, filed June 28, 2021.
10.37*+	Amended and Restated Korn Ferry Long Term Performance Unit Plan, effective July 1, 2021, filed as Exhibit 10.51 to the Company's Annual Report on Form 10-K, filed June 28, 2021.
10.38*+	Form of Unit Award Agreement under Amended and Restated Korn Ferry Long Term Performance Unit Plan, filed as Exhibit 10.52 to the Company's Annual Report on Form 10-K.
10.39*+	Amended and Restated Employment Agreement dated June 28, 2021 between the Company and Gary Burnison, filed as Exhibit 10.53 to the Company's Annual Report on Form 10-K.
10.40*+	Amended and Restated Employment Agreement dated June 28, 2021 between the Company and Robert Rozek, filed as Exhibit 10.54 to the Company's Annual Report on Form 10-K.
10.41*+	Employment Agreement dated June 28, 2021 between the Company and Byrne Mulrooney, filed as Exhibit 10.55 to the Company's Annual Report on Form 10-K.
10.42*+	Employment Agreement dated June 28, 2021 between the Company and Mark Arian, filed as Exhibit 10.56 to the Company's Annual Report on Form 10-K.
10.43	First Amendment to Credit Agreement, dated June 24, 2022, by and among Korn Ferry, Bank of America, N.A., as administrative agent, and other lender parties thereto.
21.1	Subsidiaries of Korn Ferry.
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm.
24.1	Power of Attorney (contained on signature page).
31.1	Chief Executive Officer Certification pursuant to Rule 13a-14(a) under the Exchange Act.
31.2	Chief Financial Officer Certification pursuant to Rule 13a-14(a) under the Exchange Act.
32.1	Chief Executive Officer and Chief Financial Officer Certification pursuant to 18 U.S.C. Section 1350.
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	This cover page from the Company's Annual Report on Form 10-K for the year ended April 30, 2022, had been formatted in Inline XBRL and included as Exhibit 101.

* Management contract, compensatory plan or arrangement.

+ Incorporated herein by reference.

Item 16. Form 10-K Summary

None



SIGNATURES

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

Korn Ferry

By: /s/ Robert P. Rozek
Robert P. Rozek

Executive Vice President, Chief Financial Officer and Chief Corporate Officer

Date: June 28, 2022

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each of the undersigned officers and directors of the registrant hereby constitutes and appoints Jonathan M. Kuai and Gary D. Burnison, and each of them, as lawful attorney-in-fact and agent for each of the undersigned (with full power of substitution and resubstitution, for and in the name, place and stead of each of the undersigned officers and directors), to sign and file with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, any and all amendments, supplements and exhibits to this report and any and all other documents in connection therewith, hereby granting unto said attorneys-in-fact, and each of them, full power and authority to do and perform each and every act and thing necessary or desirable to be done in order to effectuate the same as fully and to all intents and purposes as each of the undersigned might or could do if personally present, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or any of their substitutes, may do or cause to be done by virtue hereof.

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

Signature	Title	Date
<u>/s/ CHRISTINA A. GOLD</u> Christina A. Gold	Chairman of the Board and Director	June 28, 2022
<u>/s/ GARY D. BURNISON</u> Gary D. Burnison	President & Chief Executive Officer (Principal Executive Officer) and Director	June 28, 2022
<u>/s/ ROBERT P. ROZEK</u> Robert P. Rozek	Executive Vice President, Chief Financial Officer and Chief Corporate Officer (Principal Financial Officer and Principal Accounting Officer)	June 28, 2022
<u>/s/ DOYLE N. BENEBY</u> Doyle N. Beneby	Director	June 28, 2022
<u>/s/ LAURA BISHOP</u> Laura Bishop	Director	June 28, 2022
<u>/s/ JERRY LEAMON</u> Jerry Leamon	Director	June 28, 2022
<u>/s/ ANGEL MARTINEZ</u> Angel Martinez	Director	June 28, 2022
<u>/s/ DEBRA J. PERRY</u> Debra J. Perry	Director	June 28, 2022
<u>/s/ LORI ROBINSON</u> Lori Robinson	Director	June 28, 2022
<u>/s/ GEORGE T. SHAHEEN</u> George T. Shaheen	Director	June 28, 2022



KORN FERRY AND SUBSIDIARIES

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APRIL 30, 2022

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MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of Korn Ferry (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting and for the assessment of the effectiveness of internal control over financial reporting. As defined by the Securities and Exchange Commission, internal control over financial reporting is a process designed by, or supervised by, the issuer's principal executive and principal financial officers, and effected by the issuer's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

The Company's internal control over financial reporting is supported by written 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 Company's assets; (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 the Company's management and directors; 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. 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.

In connection with the preparation of the Company's annual financial statements, management of the Company has undertaken an assessment of the effectiveness of the Company's internal control over financial reporting as of April 30, 2022 based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Management's assessment included an evaluation of the design of the Company's internal control over financial reporting and testing of the operational effectiveness of the Company's internal control over financial reporting.

Based on this assessment, management did not identify any material weakness in the Company's internal control over financial reporting, and management has concluded that the Company's internal control over financial reporting was effective as of April 30, 2022.

Ernst & Young LLP, the independent registered public accounting firm that audited the Company's financial statements for the year ended April 30, 2022 included in this Annual Report on Form 10-K, has issued an audit report on the effectiveness of the Company's internal control over financial reporting as of April 30, 2022, a copy of which is included in this Annual Report on Form 10-K.

June 28, 2022



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON INTERNAL CONTROL OVER FINANCIAL REPORTING

To the Stockholders and Board of Directors of Korn Ferry:

Opinion on Internal Control over Financial Reporting

We have audited Korn Ferry and subsidiaries' internal control over financial reporting as of April 30, 2022, 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, Korn Ferry and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of April 30, 2022, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of April 30, 2022 and 2021, the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended April 30, 2022 and the related notes and our report dated June 28, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

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

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

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

Definition and Limitations of Internal Control Over Financial Reporting

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

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

/s/ Ernst & Young LLP

Los Angeles, California

June 28, 2022



**REPORT OF INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM**

To the Stockholders and Board of Directors of Korn Ferry

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Korn Ferry and subsidiaries (the "Company") as of April 30, 2022 and 2021, the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended April 30, 2022 and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at April 30, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended April 30, 2022, 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 April 30, 2022, 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 June 28, 2022 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.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue recognition

Description of the Matter

As described in Note 1 to the consolidated financial statements, the Company recognizes revenue when control of the goods and services are transferred to the customer. Revenue recognition includes management estimates of uptick fee variable consideration for Search engagements and estimates of the total hours at completion used to recognize revenue as services are rendered under Consulting contracts.

Auditing revenue recognition was complex due to the volume of transactions within the various revenue streams with each revenue stream representing a different pattern of revenue recognition. Auditing revenue recognition also incorporates testing the underlying data supporting management estimates mentioned above that are used in recognizing revenues under Search and Consulting contracts.



*How We Addressed the
Matter in Our Audit*

We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's processes and controls related to the recognition of each revenue stream, including, among others, controls over management review of contractual terms, management's determination of when control of goods and services are transferred to customers as well as management's review of the accuracy and completeness of underlying data used in the estimates mentioned above.

Our audit procedures included, among others, testing a sample of contracts to determine whether terms that may affect revenue recognition were identified and properly considered, performance obligations were appropriately identified in the Company's evaluation of the accounting for the contracts and revenue was recognized when control of the goods or services is transferred to the customer. In addition, we tested management estimates mentioned above. For Search contracts, we compared the estimates of uptick fee revenues to historical actual data for a portfolio of similar contracts. For Consulting contracts, we compared the data used in the estimate of the total hours at completion to time reports for work completed to date, recalculated the percentage of completion and assessed the reasonableness of management's estimates to complete based on an understanding of the current status of the contracts. We also performed analysis over contracts completed during the year to determine whether there are significant changes in the estimate from initiation to completion of contracts.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2002.
Los Angeles, California
June 28, 2022



KORN FERRY AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

	April 30,	
	2022	2021
	(in thousands, except per share data)	
ASSETS		
Cash and cash equivalents	\$ 978,070	\$ 850,778
Marketable securities	57,244	63,667
Receivables due from clients, net of allowance for doubtful accounts of \$36,384 and \$29,324 at April 30, 2022 and 2021, respectively	590,260	448,733
Income taxes and other receivables	31,884	40,024
Unearned compensation	60,749	53,206
Prepaid expenses and other assets	41,763	30,724
Total current assets	1,759,970	1,487,132
Marketable securities, non-current	175,783	182,692
Property and equipment, net	138,172	131,778
Operating lease right-of-use assets, net	167,734	174,121
Cash surrender value of company-owned life insurance policies, net of loans	183,308	161,295
Deferred income taxes	84,712	73,106
Goodwill	725,592	626,669
Intangible assets, net	89,770	92,949
Unearned compensation, non-current	118,238	102,356
Investments and other assets	21,267	24,428
Total assets	\$ 3,464,546	\$ 3,056,526
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	\$ 50,932	\$ 44,993
Income taxes payable	34,450	23,041
Compensation and benefits payable	547,826	394,606
Operating lease liability, current	48,609	47,986
Other accrued liabilities	302,408	239,444
Total current liabilities	984,225	750,070
Deferred compensation and other retirement plans	357,175	346,455
Operating lease liability, non-current	151,212	155,998
Long-term debt	395,477	394,794
Deferred tax liabilities	2,715	3,832
Other liabilities	24,153	36,602
Total liabilities	1,914,957	1,687,751
Commitments and contingencies		
Stockholders' equity		
Common stock: \$0.01 par value, 150,000 shares authorized, 75,409 and 74,915 shares issued and 53,190 and 54,008 shares outstanding at April 30, 2022 and 2021, respectively	502,008	583,260
Retained earnings	1,134,523	834,949
Accumulated other comprehensive loss, net	(92,185)	(51,820)
Total Korn Ferry stockholders' equity	1,544,346	1,366,389
Noncontrolling interest	5,243	2,386
Total stockholders' equity	1,549,589	1,368,775
Total liabilities and stockholders' equity	\$ 3,464,546	\$ 3,056,526

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



KORN FERRY AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME

	Year Ended April 30,		
	2022	2021	2020
	(in thousands, except per share data)		
Fee revenue	\$ 2,626,718	\$ 1,810,047	\$ 1,932,732
Reimbursed out-of-pocket engagement expenses	16,737	9,899	44,598
Total revenue	<u>2,643,455</u>	<u>1,819,946</u>	<u>1,977,330</u>
Compensation and benefits	1,741,452	1,297,880	1,297,994
General and administrative expenses	237,272	191,776	258,957
Reimbursed expenses	16,737	9,899	44,598
Cost of services	114,399	72,030	85,886
Depreciation and amortization	63,521	61,845	55,311
Restructuring charges, net	—	30,732	58,559
Total operating expenses	<u>2,173,381</u>	<u>1,664,162</u>	<u>1,801,305</u>
Operating income	470,074	155,784	176,025
Other (loss) income, net	(11,880)	37,194	(2,879)
Interest expense, net	<u>(25,293)</u>	<u>(29,278)</u>	<u>(22,184)</u>
Income before provision for income taxes	432,901	163,700	150,962
Income tax provision	<u>102,056</u>	<u>48,138</u>	<u>43,945</u>
Net income	330,845	115,562	107,017
Net income attributable to noncontrolling interest	<u>(4,485)</u>	<u>(1,108)</u>	<u>(2,071)</u>
Net income attributable to Korn Ferry	<u>\$ 326,360</u>	<u>\$ 114,454</u>	<u>\$ 104,946</u>
Earnings per common share attributable to Korn Ferry:			
Basic	\$ 6.04	\$ 2.11	\$ 1.91
Diluted	<u>\$ 5.98</u>	<u>\$ 2.09</u>	<u>\$ 1.90</u>
Weighted-average common shares outstanding:			
Basic	52,807	52,928	54,342
Diluted	<u>53,401</u>	<u>53,405</u>	<u>54,767</u>
Cash dividends declared per share:	<u>\$ 0.48</u>	<u>\$ 0.40</u>	<u>\$ 0.40</u>

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



KORN FERRY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year Ended April 30,		
	2022	2021	2020
	(in thousands)		
Net income	\$ 330,845	\$ 115,562	\$ 107,017
Other comprehensive (loss) income:			
Foreign currency translation adjustments	(59,227)	50,069	(23,764)
Deferred compensation and pension plan adjustments, net of tax	19,096	5,419	(6,716)
Net unrealized (loss) gain on marketable securities, net of tax	(410)	(53)	34
Net unrealized loss on interest rate swap, net of tax	—	—	(456)
Comprehensive income	290,304	170,997	76,115
Less: comprehensive income attributable to noncontrolling interest	(4,309)	(1,191)	(1,689)
Comprehensive income attributable to Korn Ferry	<u>\$ 285,995</u>	<u>\$ 169,806</u>	<u>\$ 74,426</u>

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



KORN FERRY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock		Retained Earnings	Accumulated Other Comprehensive	Total Korn Ferry	Noncontrolling Interest	Total Stockholders'
	Shares	Amount		Loss, Net	Stockholders' Equity		Equity
	(in thousands)						
Balance at May 1, 2019	56,431	\$ 656,463	\$ 660,845	\$ (76,652)	\$ 1,240,656	\$ 2,731	\$ 1,243,387
Net income	—	—	104,946	—	104,946	2,071	107,017
Other comprehensive loss	—	—	—	(30,520)	(30,520)	(382)	(30,902)
Dividends paid to shareholders	—	—	(22,798)	—	(22,798)	—	(22,798)
Dividends paid to noncontrolling interest	—	—	—	—	—	(2,110)	(2,110)
Purchase of stock	(2,839)	(101,439)	—	—	(101,439)	—	(101,439)
Issuance of stock	858	9,041	—	—	9,041	—	9,041
Stock-based compensation	—	21,495	—	—	21,495	—	21,495
Balance at April 30, 2020	54,450	585,560	742,993	(107,172)	1,221,381	2,310	1,223,691
Net income	—	—	114,454	—	114,454	1,108	115,562
Other comprehensive income	—	—	—	55,352	55,352	83	55,435
Dividends paid to shareholders	—	—	(22,498)	—	(22,498)	—	(22,498)
Dividends paid to noncontrolling interest	—	—	—	—	—	(1,115)	(1,115)
Purchase of stock	(1,146)	(35,376)	—	—	(35,376)	—	(35,376)
Issuance of stock	704	6,560	—	—	6,560	—	6,560
Stock-based compensation	—	26,516	—	—	26,516	—	26,516
Balance at April 30, 2021	54,008	583,260	834,949	(51,820)	1,366,389	2,386	1,368,775
Net income	—	—	326,360	—	326,360	4,485	330,845
Other comprehensive loss	—	—	—	(40,365)	(40,365)	(176)	(40,541)
Dividends paid to shareholders	—	—	(26,786)	—	(26,786)	—	(26,786)
Dividends paid to noncontrolling interest	—	—	—	—	—	(1,452)	(1,452)
Purchase of stock	(1,743)	(117,301)	—	—	(117,301)	—	(117,301)
Issuance of stock	925	7,688	—	—	7,688	—	7,688
Stock-based compensation	—	28,361	—	—	28,361	—	28,361
Balance at April 30, 2022	53,190	\$ 502,008	\$ 1,134,523	\$ (92,185)	\$ 1,544,346	\$ 5,243	\$ 1,549,589

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



KORN FERRY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended April 30,		
	2022	2021	2020
	(in thousands)		
Cash flows from operating activities:			
Net income	\$ 330,845	\$ 115,562	\$ 107,017
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	63,521	61,845	55,311
Stock-based compensation expense	29,210	27,157	22,818
Impairment of right to use assets	7,392	—	2,282
Impairment of fixed assets	1,915	—	372
Provision for doubtful accounts	21,552	15,763	14,644
Gain on cash surrender value of life insurance policies	(5,819)	(13,017)	(6,551)
Loss (gain) on marketable securities	11,978	(38,529)	2,066
Deferred income taxes	(16,963)	(14,140)	(9,330)
Change in other assets and liabilities:			
Deferred compensation	27,197	64,005	23,496
Receivables due from clients	(138,627)	(67,331)	34,152
Income taxes and other receivables	3,969	5,798	(6,421)
Prepaid expenses and other assets	(9,534)	(3,902)	(956)
Unearned compensation	(23,425)	(32,935)	300
Income taxes payable	12,751	(1,824)	1,246
Accounts payable and accrued liabilities	191,447	122,687	(6,011)
Other	(5,751)	10,294	1,914
Net cash provided by operating activities	<u>501,658</u>	<u>251,433</u>	<u>236,349</u>
Cash flows from investing activities:			
Purchase of property and equipment	(49,406)	(31,122)	(41,460)
Purchase of marketable securities	(82,015)	(103,499)	(83,563)
Proceeds from sales/maturities of marketable securities	92,472	69,683	47,936
Cash paid for acquisitions, net of cash acquired	(133,802)	—	(108,602)
Premium on company-owned life insurance policies	(15,218)	(15,353)	(15,699)
Proceeds from life insurance policies	3,382	18,707	2,280
Dividends received from unconsolidated subsidiaries	255	205	346
Net cash used in investing activities	<u>(184,332)</u>	<u>(61,379)</u>	<u>(198,762)</u>
Cash flows from financing activities:			
Repurchases of common stock	(96,258)	(30,387)	(92,446)
Payments of tax withholdings on restricted stock	(18,532)	(4,989)	(8,993)
Proceeds from issuance of common stock upon exercise of employee stock options and in connection with an employee stock purchase plan	6,919	5,706	7,684
Payments on life insurance policy loans	(178)	(12,279)	(943)
Principal payments on finance leases	(1,157)	(1,324)	(1,833)
Dividends paid to shareholders	(26,786)	(22,498)	(22,798)
Dividends paid to noncontrolling interest	(1,452)	(1,115)	(2,110)
Proceeds from long term debt	—	—	1,045,500
Principal payments on long term debt	—	—	(876,875)
Payment of debt issuance costs	—	—	(3,050)
Payment of contingent consideration from acquisitions	—	—	(455)
Net cash (used in) provided by financing activities	<u>(137,444)</u>	<u>(66,886)</u>	<u>43,681</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(52,590)</u>	<u>38,366</u>	<u>(18,384)</u>
Net increase in cash and cash equivalents	127,292	161,534	62,884
Cash and cash equivalents at beginning of year	850,778	689,244	626,360
Cash and cash equivalents at end of the period	<u>\$ 978,070</u>	<u>\$ 850,778</u>	<u>\$ 689,244</u>
Supplemental cash flow information:			
Cash used to pay interest	\$ 24,607	\$ 25,207	\$ 12,526
Cash used to pay income taxes, net of refunds	<u>\$ 107,602</u>	<u>\$ 55,317</u>	<u>\$ 54,914</u>

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



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022

1. Organization and Summary of Significant Accounting Policies

Nature of Business

Korn Ferry, a Delaware corporation, and its subsidiaries (the “Company”) is a global organizational consulting firm. The Company helps clients synchronize strategy and talent to drive superior performance. The Company works with organizations to design their structures, roles, and responsibilities. The Company helps organizations hire the right people to bring their strategy to life and advise them on how to reward, develop, and motivate their people.

The Company is pursuing a strategy that will help Korn Ferry to focus on clients and collaborate intensively across the organization. This approach builds on the best of the Company’s past and gives the Company a clear path to the future with focused initiatives to increase its client and commercial impact. Korn Ferry is transforming how clients address their talent management needs. The Company has evolved from a mono-line to a diversified business, giving its consultants more frequent and expanded opportunities to engage with clients.

The Company has seven reportable segments that operate through the following four lines of business:

1. **Consulting** aligns organization structure, culture, performance and people to drive sustainable growth by addressing four fundamental needs: Organizational Strategy, Assessment and Succession, Leadership and Professional Development and Total Rewards. This work is supported by a comprehensive range of some of the world’s leading intellectual property (“IP”) and data. The Consulting teams employ an integrated approach across core solutions each one strengthening our work and thinking in the next, to help clients execute their strategy in a digitally enabled world.
2. **Digital** delivers scalable tech-enabled solutions that identify the best structures, roles, capabilities and behaviors to drive businesses forward. Powered by the Korn Ferry Intelligence Cloud, the end-to-end system combines Korn Ferry proprietary data, client data and external market data to deliver clear insights with the training tools needed to align organizational structure with business strategy.
3. **Executive Search** helps organizations recruit board level, chief executive and other senior executive and general management talent to deliver lasting impact. Korn Ferry’s approach to placing talent brings together our research-based IP, proprietary assessments, and behavioral interviewing with our practical experience to determine the ideal organizational fit. Salary benchmarking then builds appropriate frameworks for compensation and retention. This business is managed and reported on a geographic basis and represents four of the Company’s reportable segments (Executive Search North America, Executive Search EMEA, Executive Search Asia Pacific and Executive Search Latin America).
4. **Recruitment Process Outsourcing (“RPO”) & Professional Search** focuses on delivering enterprise talent acquisition solutions to our clients, at the professional level. The Company leverages the power of people, process expertise, IP-enabled technology, and compensation information to do this. Transaction sizes range from single professional searches to team, department, line of business projects, and global outsource recruiting solutions.

Basis of Consolidation and Presentation

The consolidated financial statements include the accounts of the Company and its wholly and majority owned/controlled domestic and international subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. The preparation of the consolidated financial statements conform with United States (“U.S.”) generally accepted accounting principles (“GAAP”) and prevailing practice within our different industries. The consolidated financial statements include all adjustments, consisting of normal recurring accruals and any other adjustments that management considers necessary for a fair presentation of the results for these periods.

The Company has control of a Mexican subsidiary and consolidates the operations of this subsidiary. Noncontrolling interest, which represents the Mexican partners’ 51% interest in the Mexican subsidiary, is reflected on the Company’s consolidated financial statements.



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

The Company considers events or transactions that occur after the balance sheet date but before the consolidated financial statements are issued to provide additional evidence relative to certain estimates or to identify matters that require additional disclosures.

Use of Estimates and Uncertainties

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates, and changes in estimates are reported in current operations as new information is learned or upon the amounts becoming fixed or determinable. The most significant areas that require management's judgment are revenue recognition, deferred compensation, annual performance-related bonuses, evaluation of the carrying value of receivables, goodwill and other intangible assets, share-based payments, leases and the recoverability of deferred income taxes.

Revenue Recognition

Substantially all fee revenue is derived from talent and organizational consulting services and digital sales, stand-alone or as part of a solution, fees for professional services related to executive and professional recruitment performed on a retained basis and RPO, either stand-alone or as part of a solution.

Revenue is recognized when control of the goods and services are transferred to the customer in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods and services. Revenue contracts with customers are evaluated based on the five-step model outlined in Accounting Standards Codification ("ASC") 606 ("ASC 606"), Revenue from Contracts with Customers: 1) identify the contract with a customer; 2) identify the performance obligation(s) in the contract; 3) determine the transaction price; 4) allocate the transaction price to the separate performance obligation(s); and 5) recognize revenue when (or as) each performance obligation is satisfied.

Consulting fee revenue is primarily recognized as services are rendered, measured by total hours incurred as a percentage of the total estimated hours at completion. It is possible that updated estimates for consulting engagements may vary from initial estimates with such updates being recognized in the period of determination. Depending on the timing of billings and services rendered, the Company accrues or defers revenue as appropriate.

Digital fee revenue is generated from IP platforms enabling large-scale, technology-based talent programs for pay, talent development, engagement, and assessment and is consumed directly by an end user or indirectly through a consulting engagement. Revenue is recognized as services are delivered and the Company has a legally enforceable right to payment. Revenue also comes from the sale of the Company's proprietary IP subscriptions, which are considered symbolic IP due to the dynamic nature of the content. As a result, revenue is recognized over the term of the contract. Functional IP licenses grant customers the right to use IP content via the delivery of a flat file. Because the IP content license has significant stand-alone functionality, revenue is recognized upon delivery and when an enforceable right to payment exists. Revenue for tangible and digital products sold by the Company, such as books and digital files, is recognized when these products are shipped.

Fee revenue from executive and professional search activities is generally one-third of the estimated first-year cash compensation of the placed candidate, plus a percentage of the fee to cover indirect engagement-related expenses. In addition to the search retainer, an uptick fee is billed when the actual compensation awarded by the client for a placement is higher than the estimated compensation. In the aggregate, upticks have been a relatively consistent percentage of the original estimated fee; therefore, the Company estimates upticks using the expected value method based on historical data on a portfolio basis. In a standard search engagement, there is one performance obligation, which is the promise to undertake a search. The Company generally recognizes such revenue over the course of a search and when it is legally entitled to payment as outlined in the billing terms of the contract. Any revenues associated with services that are provided on a contingent basis are recognized once the contingency is resolved, as this is when control is transferred to the customer. These assumptions determine the timing of revenue recognition for the reported period.

RPO fee revenue is generated through two distinct phases: 1) the implementation phase and 2) the post-implementation recruitment phase. The fees associated with the implementation phase are recognized over the period that the related implementation services are provided. The post-implementation recruitment phase represents end-to-end recruiting services to clients for which there are both fixed and variable fees, which are recognized over the period that the related recruiting services are performed.



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

Reimbursements

The Company incurs certain out-of-pocket expenses that are reimbursed by its clients, which are accounted for as revenue in the consolidated statements of income.

Allowance for Doubtful Accounts

An allowance is established for doubtful accounts by taking a charge to general and administrative expenses. The Company's expected credit loss allowance methodology for accounts receivable is developed using historical collection experience, current and future economic and market conditions and a review of the current status of customers' trade accounts receivable. Due to the short-term nature of such receivables, the estimate of amount of accounts receivable that may not be collected is primarily based on historical loss-rate experience. When required, the Company adjusts the loss-rate methodology to account for current conditions and reasonable and supportable expectations of future economic and market conditions. The Company generally assesses future economic condition for a period of sixty to ninety days, which corresponds with the contractual life of its accounts receivables. After the Company exhausts all collection efforts, the amount of the allowance is reduced for balances written off as uncollectible.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less from the date of purchase to be cash equivalents. As of April 30, 2022 and 2021, the Company's investments in cash equivalents consisted of money market funds and commercial paper with initial maturity of less than 90 days for which market prices are readily available.

Marketable Securities

The Company currently has investments in marketable securities and mutual funds that are classified as either equity securities or available-for-sale debt securities. The classification of the investments in these marketable securities and mutual funds is assessed upon purchase and reassessed at each reporting period. These investments are recorded at fair value and are classified as marketable securities in the accompanying consolidated balance sheets. The investments that the Company may sell within the next 12 months are carried as current assets.

The Company invests in mutual funds (for which market prices are readily available) that are held in trust to satisfy obligations under the Company's deferred compensation plans. Such investments are classified as equity securities and mirror the employees' investment elections in their deemed accounts in the Executive Capital Accumulation Plan and similar plans in Asia Pacific and Canada ("ECAP") from a pre-determined set of securities. Realized gains (losses) on marketable securities are determined by specific identification. Interest is recognized on an accrual basis; dividends are recorded as earned on the ex-dividend date. Interest, dividend income and the changes in fair value in marketable securities are recorded in the accompanying consolidated statements of income in other (loss) income, net.

The Company also invests cash in excess of its daily operating requirements and capital needs primarily in marketable fixed income (debt) securities in accordance with the Company's investment policy, which restricts the type of investments that can be made. The Company's investment portfolio includes commercial paper, corporate notes/bonds and US Treasury and Agency securities as of April 30, 2022 and 2021. These marketable fixed income (debt) securities are classified as available-for-sale securities based on management's decision, at the date such securities are acquired, not to hold these securities to maturity or actively trade them. The Company carries these marketable debt securities at fair value based on the market prices for these marketable debt securities or similar debt securities whose prices are readily available. The changes in fair values, net of applicable taxes, are recorded as unrealized gains or losses as a component of comprehensive income unless the change is due to credit loss. A credit loss is recorded in the statements of income in other (loss) income, net; any amount in excess of the credit loss is recorded as unrealized gains or losses as a component of comprehensive income. Generally, the amount of the loss is the difference between the cost or amortized cost and its then current fair value; a credit loss is the difference between the discounted expected future cash flows to be collected from the debt security and the cost or amortized cost of the debt security. During fiscal 2022, 2021 and 2020, no amount was recognized as a credit loss for the Company's available for sales debt securities.



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

Fair Value of Financial Instruments

Fair value is the price the Company would receive to sell an asset or transfer a liability (exit price) in an orderly transaction between market participants. For those assets and liabilities recorded or disclosed at fair value, the Company determines the fair value based upon the quoted market price, if available. If a quoted market price is not available for identical assets, the fair value is based upon the quoted market price of similar assets. The fair values are assigned a level within the fair value hierarchy as defined below:

- **Level 1:** Observable inputs such as quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- **Level 2:** Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.
- **Level 3:** Unobservable inputs that reflect the reporting entity's own assumptions.

As of April 30, 2022 and 2021, the Company held certain assets that are required to be measured at fair value on a recurring basis. These included cash, cash equivalents, accounts receivable, marketable securities and foreign currency forward contracts. The carrying amount of cash, cash equivalents and accounts receivable approximates fair value due to the short-term maturity of these instruments. The fair values of marketable securities classified as equity securities are obtained from quoted market prices, and the fair values of marketable securities classified as available-for-sale and foreign currency forward contracts are obtained from a third party, which are based on quoted prices or market prices for similar assets and financial instruments.

Foreign Currency Forward Contracts Not Designated as Hedges

The Company has established a program that primarily utilizes foreign currency forward contracts to offset the risks associated with the effects of certain foreign currency exposures primarily originating from intercompany balances due to cross border work performed in the ordinary course of business. These foreign currency forward contracts are neither used for trading purposes nor are they designated as hedging instruments pursuant to ASC 815, *Derivatives and Hedging*. Accordingly, the fair value of these contracts is recorded as of the end of the reporting period in the accompanying consolidated balance sheets, while the change in fair value is recorded to the accompanying consolidated statements of income.

Business Acquisitions

Business acquisitions are accounted for under the acquisition method. The acquisition method requires the reporting entity to identify the acquirer, determine the acquisition date, recognize and measure the identifiable assets acquired, the liabilities assumed and any noncontrolling interest in the acquired entity, and recognize and measure goodwill or a gain from the purchase. The acquiree's results are included in the Company's consolidated financial statements from the date of acquisition. Assets acquired and liabilities assumed are recorded at their fair values and the excess of the purchase price over the amounts assigned is recorded as goodwill, or if the fair value of the assets acquired exceeds the purchase price consideration, a bargain purchase gain is recorded. Adjustments to fair value assessments are generally recorded to goodwill over the measurement period (not longer than 12 months). The acquisition method also requires that acquisition-related transaction and post-acquisition restructuring costs be charged to expense as committed and requires the Company to recognize and measure certain assets and liabilities including those arising from contingencies and contingent consideration in a business combination. During fiscal 2021, the Company recorded an adjustment of \$2.6 million to increase goodwill as a result of additional tax liabilities from the Miller Heiman Group, Achieve Forum and Strategy Execution (the "Acquired Companies") acquisition completed on November 1, 2019.

Leases

The Company determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets and current and non-current operating lease liability, in the consolidated balance sheets. Finance leases are included in property and equipment, net, other accrued liabilities and other liabilities in the consolidated balance sheets.



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

ROU assets represent the Company's right to use an underlying asset for the lease term, and the lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease ROU assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term on the commencement date. As most of the Company's leases do not provide an implicit rate, the Company uses its estimated incremental borrowing rate based on the information available at commencement date in determining the present value of future payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives and initial direct costs incurred. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term, with variable lease payments recognized in the periods in which they are incurred.

The Company has lease agreements with lease and non-lease components. For all leases with non-lease components the Company accounts for the lease and non-lease components as a single lease component.

Property and Equipment, Net

Property and equipment is carried at cost less accumulated depreciation. Leasehold improvements are amortized on a straight-line basis over the estimated useful life of the asset, or the lease term, whichever is shorter. Software development costs incurred for internal use projects are capitalized and once placed in service, amortized using the straight-line method over the estimated useful life, generally three to ten years. All other property and equipment is depreciated or amortized on a straight-line basis over the estimated useful lives of three to ten years.

Impairment of Long-Lived Assets

Long-lived assets include property, equipment, ROU assets and software developed or obtained for internal use. In accordance with ASC 360, Property, Plant and Equipment, management reviews the Company's recorded long-lived assets for impairment annually or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. Events relating to recoverability may include significant unfavorable changes in business conditions, recurring losses, or a forecasted inability to achieve break-even operating results over an extended period. The Company determines the extent to which an asset may be impaired based upon its expectation of the asset's future usability, as well as on a reasonable assurance that the future cash flows associated with the asset will be in excess of its carrying amount. If the total of the expected undiscounted future cash flows is less than the carrying amount of the asset, a loss is recognized for the difference between fair value and the carrying value of the asset. During fiscal 2022, the Company reduced its real estate footprint and as a result, the Company took an impairment charge of ROU assets of \$7.4 million and an impairment of leasehold improvements and furniture and fixtures of \$.9 million, both recorded in the consolidated statements of income in general and administrative expenses. During fiscal 2020, the Company decided that it would exit 16 office leases as part of the integration of the Acquired Companies. This resulted in an impairment charge of the ROU asset of \$2.3 million and impairment of leasehold improvements and furniture and fixtures of \$.4 million, both recorded in the consolidated statements of income in general and administrative expenses in the Digital reportable segment. During fiscal 2021, there were no impairment charges recorded.

Goodwill and Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of assets acquired. Goodwill is tested for impairment annually and more frequently if events or changes in circumstances indicate that it is more likely than not that the asset is impaired. Results of the annual qualitative impairment test performed as of January 31, 2022, indicated that the fair value of each of the reporting units exceeded its carrying amount and no reporting units were at risk of failing the impairment test. As a result, no impairment charge was recognized. There was also no indication of potential impairment during the fourth quarter of fiscal 2022 that would require further testing.

Intangible assets primarily consist of customer lists, non-compete agreements, proprietary databases and IP. Intangible assets are recorded at their estimated fair value at the date of acquisition and are amortized in a pattern in which the asset is consumed if that pattern can be reliably determined, or using the straight-line method over their estimated useful lives, which range from one to 24 years. For intangible assets subject to amortization, an impairment loss is recognized if the carrying amount of the intangible assets is not recoverable and exceeds fair value. The carrying amount of the intangible assets is considered not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from use of the asset. The Company reviewed its intangible assets and noted no impairment as of April 30, 2022, 2021 and 2020.

Compensation and Benefits Expense

Compensation and benefits expense in the accompanying consolidated statements of income consist of compensation and benefits paid to consultants (employees who originate business), executive officers and



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

administrative and support personnel. The most significant portions of this expense are salaries and the amounts paid under the annual performance-related bonus plan to employees. The portion of the expense applicable to salaries is comprised of amounts earned by employees during a reporting period. The portion of the expenses applicable to annual performance-related bonuses refers to the Company's annual employee performance-related bonus with respect to a fiscal year, the amount of which is communicated and paid to each eligible employee following the completion of the fiscal year.

Each quarter, management makes its best estimate of its annual performance-related bonuses, which requires management to, among other things, project annual consultant productivity (as measured by engagement fees billed and collected by Executive Search consultants and revenue and other performance/profitability metrics for Consulting, Digital and RPO & Professional Search consultants), the level of engagements referred by a consultant in one line of business to a different line of business, and Company performance, including profitability, competitive forces and future economic conditions and their impact on the Company's results. At the end of each fiscal year, annual performance-related bonuses take into account final individual consultant productivity (including referred work), Company/line of business results including profitability, the achievement of strategic objectives, the results of individual performance appraisals, and the current economic landscape. Accordingly, each quarter the Company reevaluates the assumptions used to estimate annual performance-related bonus liability and adjusts the carrying amount of the liability recorded on the consolidated balance sheet and reports any changes in the estimate in current operations.

Because annual performance-based bonuses are communicated and paid only after the Company reports its full fiscal year results, actual performance-based bonus payments may differ from the prior year's estimate. Such changes in the bonus estimate historically have been immaterial and are recorded in current operations in the period in which they are determined. The performance-related bonus expense was \$447.6 million, \$287.3 million and \$197.1 million for the years ended April 30, 2022, 2021 and 2020, respectively, included in compensation and benefits expense in the consolidated statements of income.

Other expenses included in compensation and benefits expense are due to changes in deferred compensation and pension plan liabilities, changes in cash surrender value ("CSV") of company-owned life insurance ("COLI") contracts, amortization of stock-based compensation awards, payroll taxes and employee insurance benefits. Unearned compensation on the consolidated balance sheets includes long-term retention awards that are generally amortized over four-to-five years.

Deferred Compensation and Pension Plans

For financial accounting purposes, the Company estimates the present value of the future benefits payable under the deferred compensation and pension plans as of the estimated payment commencement date. The Company also estimates the remaining number of years a participant will be employed by the Company. Then, each year during the period of estimated employment, the Company accrues a liability and recognizes expense for a portion of the future benefit using the unit credit cost method for the Senior Executive Incentive Plan ("SEIP"), Wealth Accumulation Plan ("WAP"), Enhanced Wealth Accumulation Plan ("EWAP") and Worldwide Executive Benefit Plan ("WEB") and the pension plan acquired under Hay Group, while the medical and life insurance plan and Long Term Performance Unit Plan ("LTPU Plan") uses the projected unit credit cost method. The amounts charged to operations are made up of service and interest costs and the expected return on plan assets. Actuarial gains and losses are initially recorded in accumulated other comprehensive loss. The actuarial gains/losses included in accumulated other comprehensive loss are amortized to the consolidated statements of income, if at the beginning of the year, the amount exceeds 10% of the greater of the projected benefit obligation and market-related plan assets. The amortization included in periodic benefit cost is divided by the average remaining service of inactive plan participants, or the period for which benefits will be paid, if shorter. The expected return on plan assets takes into account the current fair value of plan assets and reflects the Company's estimate for trust asset returns given the current asset allocation and any expected changes to the asset allocation and current and future market conditions.

In calculating the accrual for future benefit payments, management has made assumptions regarding employee turnover, participant vesting, violation of non-competition provisions and the discount rate. Management periodically reevaluates all assumptions. If assumptions change in future reporting periods, the changes may impact the measurement and recognition of benefit liabilities and related compensation expense.

Executive Capital Accumulation Plan

The Company, under the ECAP, makes discretionary contributions and such contributions may be granted to key employees annually based on the employee's performance. Certain key management may also receive Company contributions upon commencement of employment. The Company amortizes these contributions on a straight-line basis as they vest, generally over a five-year period. The amounts that are expected to be paid to employees over the



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

next 12 months are classified as a current liability included in compensation and benefits payable in the accompanying consolidated balance sheets.

The ECAP is accounted for whereby the changes in the fair value of the vested amounts owed to the participants are adjusted with a corresponding charge (or credit) to compensation and benefits costs.

Cash Surrender Value of Life Insurance

The Company purchased COLI policies or contracts insuring the lives of certain employees eligible to participate in certain of the deferred compensation and pension plans as a means of funding benefits under such plans. The Company purchased both fixed and variable life insurance contracts and does not purchase "split-dollar" life insurance policy contracts. The Company only holds contracts or policies that provide for a fixed or guaranteed rate of return. The CSV of these COLI contracts are carried at the amounts that would be realized if the contract were surrendered at the balance sheet date, net of the outstanding loans from the insurer. The Company has the intention and ability to continue to hold these COLI policies and contracts. Additionally, the loans secured by the policies do not have any scheduled payment terms and the Company also does not intend to repay the loans outstanding on these policies until death benefits under the policy have been realized. Accordingly, the investment in COLI is classified as long-term in the accompanying consolidated balance sheets.

The change in the CSV of COLI contracts, net of insurance premiums paid and gains realized, is reported net in compensation and benefits expense. As of April 30, 2022 and 2021, the Company held contracts with net CSV of \$183.3 million and \$161.3 million, respectively. If the issuing insurance companies were to become insolvent, the Company would be considered a general creditor; therefore, these assets are subject to credit risk. Management, together with its outside advisors, routinely monitors the claims paying abilities of these insurance companies.

Restructuring Charges, Net

The Company accounts for its restructuring charges as a liability when the obligations are incurred and records such charges at fair value. Changes in the estimates of the restructuring charges are recorded in the period the change is determined.

Stock-Based Compensation

The Company has employee compensation plans under which various types of stock-based instruments are granted. These instruments principally include restricted stock units, restricted stock and an Employee Stock Purchase Plan ("ESPP"). The Company recognizes compensation expense related to restricted stock units, restricted stock and the estimated fair value of stock purchases under the ESPP on a straight-line basis over the service period for the entire award.

Translation of Foreign Currencies

Generally, financial results of the Company's foreign subsidiaries are measured in their local currencies. Assets and liabilities are translated into U.S. dollars at exchange rates in effect at the balance sheet date, while revenue and expenses are translated at weighted-average exchange rates during the fiscal year. Resulting translation adjustments are recorded as a component of accumulated comprehensive loss. Gains and losses from foreign currency transactions of the Company's foreign subsidiaries and the translation of the financial results of subsidiaries operating in highly inflationary economies are included in general and administrative expense in the period incurred. During fiscal 2022, 2021 and 2020, the Company recorded foreign currency losses of \$1.2 million, \$2.7 million and \$4.1 million respectively, in general and administrative expenses in the consolidated statements of income.

Income Taxes

There are two components of income tax expense: current and deferred. Current income tax expense (benefit) approximates taxes to be paid or refunded for the current period. Deferred income tax expense (benefit) results from changes in deferred tax assets and liabilities between periods. These gross deferred tax assets and liabilities represent decreases or increases in taxes expected to be paid in the future because of future reversals of temporary differences in the basis of assets and liabilities as measured by tax laws and their basis as reported in the consolidated financial statements. Deferred tax assets are also recognized for tax attributes such as net operating loss carryforwards and tax credit carryforwards. Deferred tax assets and deferred tax liabilities are presented net on the consolidated balance sheets by tax jurisdiction. Valuation allowances are then recorded to reduce deferred tax assets to the amounts management concludes are more likely than not to be realized.



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

Income tax benefits are recognized and measured based upon a two-step model: (1) a tax position must be more-likely-than-not to be sustained based solely on its technical merits in order to be recognized and (2) the benefit is measured as the largest dollar amount of that position that is more-likely-than-not to be sustained upon settlement. The difference between the benefit recognized for a position and the tax benefit claimed on a tax return is referred to as an unrecognized tax benefit. The Company records income tax-related interest and penalties within income tax expense.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, cash equivalents, investments, foreign currency forward contracts, receivables due from clients and net CSV due from insurance companies, which are discussed above. Cash equivalents include investments in money market securities and commercial papers while investments include mutual funds, commercial papers, corporate notes/bonds and US Treasury and Agency securities. Investments are diversified throughout many industries and geographic regions. The Company conducts periodic reviews of its customers' financial condition and customer payment practices to minimize collection risk on accounts receivable. At April 30, 2022 and 2021, the Company had no other significant credit concentrations.

Recently Adopted Accounting Standards

In March 2020, the Financial Accounting Standards Board (the "FASB") issued guidance on Facilitation of the Effects of Reference Rate Reform on Financial Reporting. This guidance provides optional expedients and exceptions to the guidance on contract modifications and hedge accounting related to the expected market transition from the London Interbank Offered Rate ("LIBOR") and other interbank offered rates to alternative rates. Entities can elect to adopt this guidance as of any date within an interim period that includes or is subsequent to March 12, 2020 and can adopt it for new contracts and contract modifications entered into through December 31, 2022. The Company adopted this guidance in its fiscal year beginning May 1, 2021 and the Company elected to apply the amendments prospectively through December 12, 2022. The adoption of this guidance did not have a material impact on the consolidated financial statements.

Recently Proposed Accounting Standards - Not Yet Adopted

In October 2021, the FASB issued an amendment in accounting for contract assets and contract liabilities from contracts with customers, which clarifies that an acquirer of a business should recognize and measure contract assets and contract liabilities in a business combination in accordance with ASC 606, *Revenue from Contracts with Customers*. The amendment of this standard becomes effective in fiscal years beginning after December 15, 2022. The amendment should be applied prospectively to business combinations that occur after the effective date. The Company will adopt this guidance in its fiscal year beginning May 1, 2023. The Company is currently evaluating the impact of this accounting guidance but does not anticipate that it will have a material impact on the consolidated financial statements.

2. Basic and Diluted Earnings Per Share

ASC 260, *Earnings Per Share*, requires companies to treat unvested share-based payment awards that have non-forfeitable rights to dividends prior to vesting as a separate class of securities in calculating earnings per share. The Company has granted and expects to continue to grant to certain employees under its restricted stock agreements, grants that contain non-forfeitable rights to dividends. Such grants are considered participating securities. Therefore, the Company is required to apply the two-class method in calculating earnings per share. The two-class method of computing earnings per share is an earnings allocation formula that determines earnings per share for each class of common stock and participating security according to dividends declared (or accumulated) and participation rights in undistributed earnings. The dilutive effect of participating securities is calculated using the more dilutive of the treasury method or the two-class method.



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

Basic earnings per common share was computed using the two-class method by dividing basic net earnings attributable to common stockholders by the weighted-average number of common shares outstanding. Diluted earnings per common share was computed using the two-class method by dividing diluted net earnings attributable to common stockholders by the weighted-average number of common shares outstanding plus dilutive common equivalent shares. Dilutive common equivalent shares include all in-the-money outstanding options or other contracts to issue common stock as if they were exercised or converted. Financial instruments that are not in the form of common stock, but when converted into common stock increase earnings per share, are anti-dilutive and are not included in the computation of diluted earnings per share.

During fiscal 2022, 2021 and 2020, restricted stock awards of 1.2 million shares, 1.3 million shares and 0.7 million shares, respectively, were outstanding but not included in the computation of diluted earnings per share because they were anti-dilutive.

The following table summarizes basic and diluted earnings per common share attributable to common stockholders:

	Year Ended April 30,		
	2022	2021	2020
	(in thousands, except per share data)		
Net income attributable to Korn Ferry	\$ 326,360	\$ 114,454	\$ 104,946
Less: distributed and undistributed earnings to nonvested restricted stockholders	7,343	2,763	1,140
Basic net earnings attributable to common stockholders	<u>319,017</u>	<u>111,691</u>	<u>103,806</u>
Add: undistributed earnings to nonvested restricted stockholders	6,750	2,185	901
Less: reallocation of undistributed earnings to nonvested restricted stockholders	6,676	2,165	894
Diluted net earnings attributable to common stockholders	<u>\$ 319,091</u>	<u>\$ 111,711</u>	<u>\$ 103,813</u>
Weighted-average common shares outstanding:			
Basic weighted-average number of common shares outstanding	52,807	52,928	54,342
Effect of dilutive securities:			
Restricted stock	580	476	367
ESPP	14	1	58
Diluted weighted-average number of common shares outstanding	<u>53,401</u>	<u>53,405</u>	<u>54,767</u>
Net earnings per common share:			
Basic earnings per share	\$ 6.04	\$ 2.11	\$ 1.91
Diluted earnings per share	<u>\$ 5.98</u>	<u>\$ 2.09</u>	<u>\$ 1.90</u>

3. Comprehensive Income

Comprehensive income is comprised of net income and all changes to stockholders' equity, except those changes resulting from investments by stockholders (changes in paid-in capital) and distributions to stockholders (dividends) and is reported in the accompanying consolidated statements of comprehensive income. Accumulated other comprehensive loss, net of taxes, is recorded as a component of stockholders' equity.

The components of accumulated other comprehensive loss, net were as follows:

	April 30,	
	2022	2021
	(in thousands)	
Foreign currency translation adjustments	\$ (92,717)	\$ (33,666)
Deferred compensation and pension plan adjustments, net of taxes	961	(18,135)
Marketable securities unrealized loss, net of tax	(429)	(19)
Accumulated other comprehensive loss, net	<u>\$ (92,185)</u>	<u>\$ (51,820)</u>



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

The following table summarizes the changes in each component of accumulated other comprehensive loss, net:

	Foreign Currency Translation	Deferred Compensation and Pension Plan (1)	Unrealized Gains (Losses) on Marketable Securities (2)	Unrealized Gains on Interest Rate Swap (3)	Accumulated Other Comprehensive Loss
			(in thousands)		
Balance as of May 1, 2019	\$ (60,270)	\$ (16,838)	\$ —	\$ 456	\$ (76,652)
Unrealized (losses) gains arising during the period	(23,382)	(8,883)	37	(678)	(32,906)
Reclassification of realized net losses (gains) to net income	—	2,167	(3)	222	2,386
Balance as of April 30, 2020	(83,652)	(23,554)	34	—	(107,172)
Unrealized gains (losses) arising during the period	49,986	2,660	(53)	—	52,593
Reclassification of realized net losses to net income	—	2,759	—	—	2,759
Balance as of April 30, 2021	(33,666)	(18,135)	(19)	—	(51,820)
Unrealized (losses) gains arising during the period	(59,051)	17,747	(411)	—	(41,715)
Reclassification of realized net losses to net income	—	1,349	1	—	1,350
Balance as of April 30, 2022	<u>\$ (92,717)</u>	<u>\$ 961</u>	<u>\$ (429)</u>	<u>\$ —</u>	<u>\$ (92,185)</u>

(1) The tax effects on unrealized gains (losses) were \$6.0 million, \$1.1 million and \$(3.1) million as of April 30, 2022, 2021 and 2020, respectively. The tax effects on reclassifications of realized net losses were \$0.5 million, \$1.0 million and \$0.8 million as of April 30, 2022, 2021 and 2020, respectively.

(2) The tax effects on unrealized (losses) were \$(0.1) million as of April 30, 2022.

(3) The tax effects on unrealized (losses) were \$(0.2) million as of April 30, 2020. The tax effects on the reclassification of realized net losses to net income was \$0.1 million as of April 30, 2020.

4. Employee Stock Plans

Stock-Based Compensation

The following table summarizes the components of stock-based compensation expense recognized in the Company's consolidated statements of income for the periods indicated:

	Year Ended April 30,		
	2022	2021	2020
		(in thousands)	
Restricted stock	\$ 28,361	\$ 26,516	\$ 21,495
ESPP	849	641	1,323
Total stock-based compensation expense	<u>\$ 29,210</u>	<u>\$ 27,157</u>	<u>\$ 22,818</u>

Stock Incentive Plan

At the Company's 2019 Annual Meeting of Stockholders, held on October 3, 2019, the Company's stockholders approved an amendment and restatement to the Korn Ferry Amended and Restated 2008 Stock Incentive Plan (the 2019 amendment and restatement being the "Fourth A&R 2008 Plan"), which, among other things, eliminated the fungible share counting provision and decreased the total number of shares of the Company's common stock available for stock-based awards by 2,141,807 shares, leaving 3,600,000 shares available for issuance, subject to certain changes in the Company's capital structure and other extraordinary events. The Fourth A&R 2008 Plan was also amended to generally require a minimum one-year vesting for all future awards and provides for the grant of awards to eligible participants, designated as either nonqualified or incentive stock options, restricted stock and restricted stock units, any of which are market-based, and incentive bonuses, which may be paid in cash or stock or a combination thereof.



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

Restricted Stock

The Company grants time-based restricted stock awards to executive officers and other senior employees generally vesting over a four-year period. In addition, certain key management members typically receive time-based restricted stock awards upon commencement of employment and may receive them annually in conjunction with the Company's performance review. Time-based restricted stock awards are granted at a price equal to fair value, which is determined based on the closing price of the Company's common stock on the grant date. The Company recognizes compensation expense for time-based restricted stock awards on a straight-line basis over the vesting period.

The Company also grants market-based restricted stock units to executive officers and other senior employees. The market-based units vest after three years depending upon the Company's total stockholder return over the three-year performance period relative to other companies in its selected peer group. The fair value of these market-based restricted stock units are determined by using extensive market data that is based on historical Company and peer group information. The Company recognizes compensation expense for market-based restricted stock units on a straight-line basis over the vesting period.

Restricted stock activity is summarized below:

	2022		April 30, 2021		2020	
	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value
	(in thousands, except per share data)					
Non-vested, beginning of year	2,370	\$ 34.34	1,365	\$ 44.59	1,460	\$ 38.42
Granted	483	\$ 65.05	1,606	\$ 27.63	608	\$ 38.38
Vested	(821)	\$ 43.76	(516)	\$ 39.78	(638)	\$ 25.42
Forfeited	(52)	\$ 34.30	(85)	\$ 22.35	(65)	\$ 33.48
Non-vested, end of year	<u>1,980</u>	<u>\$ 40.32</u>	<u>2,370</u>	<u>\$ 34.34</u>	<u>1,365</u>	<u>\$ 44.59</u>

As of April 30, 2022, there were 0.4 million shares outstanding relating to market-based restricted stock units with total unrecognized compensation totaling \$0.3 million.

As of April 30, 2022, there was \$51.9 million of total unrecognized compensation cost related to all non-vested awards of restricted stock, which is expected to be recognized over a weighted-average period of 2.4 years. During fiscal 2022 and 2021, 271,794 shares of restricted stock for \$18.5 million and 172,749 shares for \$5.0 million, respectively, were repurchased by the Company, at the option of the employee, to pay for taxes related to the vesting of restricted stock.

Employee Stock Purchase Plan

The Company has an ESPP that, in accordance with Section 423 of the Internal Revenue Code, allows eligible employees to authorize payroll deductions of up to 15% of their salary to purchase shares of the Company's common stock. On June 3, 2020, the Company amended the plan so that the purchase price of the shares purchased could not be less than 85%, or more than 100% of the fair market price of the common stock on the last day of the enrollment period. This amendment became effective July 1, 2020. Employees may not purchase more than \$25,000 in stock during any calendar year. The maximum number of shares that may be issued under the ESPP is 3.0 million shares. During fiscal 2022, 2021, and 2020, employees purchased 103,826 shares at an average price of \$66.64 per share, 188,608 shares at an average price of \$30.25 per share and 220,161 shares at an average price of \$34.90 per share, respectively. As of April 30, 2022, the ESPP had approximately 0.4 million shares remaining available for future issuance.

Common Stock

During fiscal 2022, 2021 and 2020, the Company repurchased (on the open market or privately negotiated transactions) 1,470,983 shares of the Company's common stock for \$98.8 million, 973,451 shares for \$30.4 million and 2,606,861 shares for \$92.4 million, respectively.



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

5. Financial Instruments

The following tables show the Company's financial instruments and balance sheet classification as of April 30, 2022 and 2021:

	April 30, 2022							
	Fair Value Measurement				Balance Sheet Classification			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cash and Cash Equivalents	Marketable Securities, Current	Marketable Securities, Non-current	Other Accrued Liabilities
	(in thousands)							
Changes in Fair Value Recorded in Other Comprehensive Loss								
Level 2:								
Commercial paper	\$ 41,627	\$ —	\$ (126)	\$ 41,501	\$ 15,489	\$ 26,012	\$ —	\$ —
Corporate notes/bonds	37,736	—	(450)	37,286	—	20,242	17,044	—
U.S. Treasury and Agency Securities	995	—	(8)	987	—	987	—	—
Total debt investments	<u>\$ 80,358</u>	<u>\$ —</u>	<u>\$ (584)</u>	<u>\$ 79,774</u>	<u>\$ 15,489</u>	<u>\$ 47,241</u>	<u>\$ 17,044</u>	<u>\$ —</u>
Changes in Fair Value Recorded in Net Income								
Level 1:								
Mutual funds (1)				\$ 168,742	\$ —	\$ 10,003	\$ 158,739	\$ —
Total equity investments				<u>\$ 168,742</u>	<u>\$ —</u>	<u>\$ 10,003</u>	<u>\$ 158,739</u>	<u>\$ —</u>
Cash				\$ 874,490	\$ 874,490	\$ —	\$ —	\$ —
Money market funds				88,091	88,091	—	—	—
Level 2:								
Foreign currency forward contracts				(204)	—	—	—	(204)
Total				<u>\$ 1,210,893</u>	<u>\$ 978,070</u>	<u>\$ 57,244</u>	<u>\$ 175,783</u>	<u>\$ (204)</u>

	April 30, 2021							
	Fair Value Measurement				Balance Sheet Classification			
	Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cash and Cash Equivalents	Marketable Securities, Current	Marketable Securities, Non-current	Other Accrued Liabilities
	(in thousands)							
Changes in Fair Value Recorded in Other Comprehensive Income								
Level 2:								
Commercial paper	\$ 51,979	\$ 1	\$ (7)	\$ 51,973	\$ 9,499	\$ 42,474	\$ —	\$ —
Corporate notes/bonds	26,371	—	(20)	26,351	—	10,134	16,217	—
U.S. Treasury and Agency Securities	1,975	—	—	1,975	—	1,975	—	—
Total debt investments	<u>\$ 80,325</u>	<u>\$ 1</u>	<u>\$ (27)</u>	<u>\$ 80,299</u>	<u>\$ 9,499</u>	<u>\$ 54,583</u>	<u>\$ 16,217</u>	<u>\$ —</u>
Changes in Fair Value Recorded in Net Income								
Level 1:								
Mutual funds (1)				\$ 175,559	\$ —	\$ 9,084	\$ 166,475	\$ —
Total equity investments				<u>\$ 175,559</u>	<u>\$ —</u>	<u>\$ 9,084</u>	<u>\$ 166,475</u>	<u>\$ —</u>
Cash				\$ 752,737	\$ 752,737	\$ —	\$ —	\$ —
Money market funds				88,542	88,542	—	—	—
Level 2:								
Foreign currency forward contracts				(12)	—	—	—	(12)
Total				<u>\$ 1,097,125</u>	<u>\$ 850,778</u>	<u>\$ 63,667</u>	<u>\$ 182,692</u>	<u>\$ (12)</u>



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

- (1) These investments are held in trust for settlement of the Company's vested obligations of \$160.8 million and \$157.3 million as of April 30, 2022 and 2021, respectively, under the ECAP (see Note 6 — *Deferred Compensation and Retirement Plans*). Unvested obligations under the deferred compensation plans totaled \$24.0 million and \$26.5 million as of April 30, 2022 and 2021, respectively. During fiscal 2022 and 2020, the fair value of the investments decreased; therefore, the Company recognized a loss of \$12.0 million and \$1.8 million, respectively, which was recorded in other (loss) income, net. During fiscal 2021, the fair value of the investments increased; therefore, the Company recognized income of \$38.5 million which was recorded in other (loss) income, net.

Investments in marketable securities classified as available-for-sale securities are made based on the Company's investment policy, which restricts the types of investments that can be made. As of April 30, 2022 and 2021, marketable securities classified as available-for-sale consisted of commercial paper, corporate notes/bonds and US Treasury and Agency securities, for which market prices for similar assets are readily available. Investments that have an original maturity of 90 days or less and are considered highly liquid investments are classified as cash equivalents. As of April 30, 2022, available-for-sale marketable securities had remaining maturities ranging from one to twenty-one months. During fiscal 2022, 2021 and 2020, there were \$9.3 million, \$60.6 million and \$4.8 million in sales/maturities of available-for-sale marketable securities, respectively. Investments in marketable securities that are held in trust for settlement of the Company's vested obligations under the ECAP are equity securities and are based upon the investment selections the employee elects from a pre-determined set of securities in the ECAP and the Company invests in equity securities to mirror these elections. As of April 30, 2022 and 2021, the Company's investments in equity securities consisted of mutual funds for which market prices are readily available. Unrealized losses that relate to equity securities still held as of April 30, 2022 and 2020, was \$27.3 million and \$8.2 million while unrealized gains that relate to equity securities held as of April 30, 2021, was \$32.7 million.

Foreign Currency Forward Contracts Not Designated as Hedges

The fair value of derivatives not designated as hedge instruments are as follows:

	April 30,	
	2022	2021
	(in thousands)	
Derivative assets:		
Foreign currency forward contracts	\$ 1,639	\$ 822
Derivative liabilities:		
Foreign currency forward contracts	\$ 1,843	\$ 834

As of April 30, 2022, the total notional amounts of the forward contracts purchased and sold were \$99.7 million and \$35.8 million, respectively. As of April 30, 2021, the total notional amounts of the forward contracts purchased and sold were \$69.4 million and \$44.9 million, respectively. The Company recognizes forward contracts as a net asset or net liability on the consolidated balance sheets as such contracts are covered by master netting agreements. During fiscal 2022 and 2020, the Company incurred losses of \$0.2 million and \$0.3 million, respectively, related to forward contracts which is recorded in general and administrative expenses in the accompanying consolidated statements of income. These foreign currency losses offset foreign currency gains that result from transactions denominated in a currency other than the Company's functional currency. During fiscal 2021, the Company incurred gains of \$2.7 million related to forward contracts which is recorded in general and administrative expenses in the accompanying consolidated statements of income. These foreign currency gains offset foreign currency losses that result from transactions denominated in a currency other than the Company's functional currency. The cash flows related to foreign currency forward contracts are included in cash flows from operating activities.

6. Deferred Compensation and Retirement Plans

The Company has several deferred compensation and retirement plans for eligible consultants and vice presidents that provide defined benefits to participants based on the deferral of current compensation or contributions made by the Company subject to vesting and retirement or termination provisions.



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

The total benefit obligations for these plans were as follows:

	Year Ended April 30,	
	2022	2021
	(in thousands)	
Deferred compensation and pension plans	\$ 189,608	\$ 178,994
Medical and Life Insurance plan	5,365	6,584
International retirement plans	14,395	15,633
Executive Capital Accumulation Plan	166,723	163,582
Total benefit obligation	376,091	364,793
Less: current portion of benefit obligation ⁽¹⁾	(18,916)	(18,338)
Non-current benefit obligation	\$ 357,175	\$ 346,455

(1) Current portion of benefit obligation is included in Compensation and benefits payable in the consolidated balance sheet.

Deferred Compensation and Pension Plans

The EWAP was established in fiscal 1994, which replaced the WAP. Certain vice presidents elected to participate in a "deferral unit" that required the participant to contribute a portion of their compensation for an eight year period, or in some cases, make an after-tax contribution, in return for defined benefit payments from the Company over a fifteen year period at retirement age of 65 or later. Participants were able to acquire additional "deferral units" every five years. Vice presidents who did not choose to roll over their WAP units into the EWAP continue to be covered under the earlier version in which participants generally vest and commence receipt of benefit payments at retirement age of 65. In June 2003, the Company amended the EWAP and WAP, so as not to allow new participants or the purchase of additional deferral units by existing participants.

In conjunction with the acquisition of Hay Group, the Company acquired multiple pension and savings plans covering certain of its employees worldwide. Among these plans is a defined benefit pension plan for certain employees in the U.S. The assets of this plan are held separately from the assets of the sponsors in self-administered funds.

On July 8, 2016, the Company established the LTPI Plan in order to promote the success of the Company by providing a select group of management and highly compensated employees with nonqualified supplemental retirement benefits as an additional means to attract, motivate and retain such employees. A unit award has a base value of either \$25,000 or \$50,000 for the purpose of determining the payment that would be made upon early termination for a partially vested unit award. The units vest 25% on each anniversary date with the unit becoming fully vested on the fourth anniversary of the grant date, subject to the participant's continued service as of each anniversary date. Each vested unit award will pay out an annual benefit of either \$12,500 or \$25,000 for each of five years commencing on the seventh anniversary of the grant date.



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

Deferred Compensation and Pension Plans

The following tables reconcile the benefit obligation for the deferred compensation and pension plans:

	Year Ended April 30,	
	2022	2021
	(in thousands)	
Change in benefit obligation:		
Benefit obligation, beginning of year	\$ 205,740	\$ 180,821
Service cost	37,952	31,947
Interest cost	4,028	4,035
Actuarial gain	(25,757)	(590)
Administrative expenses paid	(196)	(265)
Benefits paid from plan assets	(2,543)	(2,327)
Benefits paid from cash	(7,626)	(7,881)
Benefit obligation, end of year	<u>211,598</u>	<u>205,740</u>
Change in fair value of plan assets:		
Fair value of plan assets, beginning of year	26,746	24,235
Actual return on plan assets	(2,113)	4,523
Benefits paid from plan assets	(2,543)	(2,327)
Administrative expenses paid	(196)	(265)
Employer contributions	96	580
Fair value of plan assets, end of year	<u>21,990</u>	<u>26,746</u>
Funded status and balance, end of year (1)	<u>\$ (189,608)</u>	<u>\$ (178,994)</u>
Current liability	\$ 8,833	\$ 9,074
Non-current liability	180,775	169,920
Total liability	<u>\$ 189,608</u>	<u>\$ 178,994</u>
Plan Assets - weighted-average asset allocation:		
Debt securities	42 %	36 %
Equity securities	55 %	62 %
Other	3 %	2 %
Total	<u>100 %</u>	<u>100 %</u>

- (1) The Company purchased COLI contracts insuring the lives of certain employees eligible to participate in the deferred compensation and pension plans as a means of funding benefits under such plans. As the COLI contracts are held in trust and are not separated from our general corporate assets, they are not included in the funded status. As of April 30, 2022 and 2021, the Company held contracts with gross CSV of \$263.2 million and \$241.3 million, offset by outstanding policy loans of \$79.8 million and \$80.0 million, respectively.

The pension obligation in fiscal 2022 increased compared to fiscal 2021 due to the ongoing accruals for the LTPU Plan for additional awards issued in fiscal 2022. Additionally, the change in mortality assumption from the MP-2020 to the MP-2021 mortality projection scale, and the actual return on plan assets being lower than the assumed return caused our funded position to deteriorate. The increase in pension benefit obligations was partially offset by the actuarial gain which was primarily due to an increase in discount rates. The fair value measurements of the defined benefit plan assets fall within the following levels of the fair value hierarchy as of April 30, 2022 and 2021:



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

	Level 1	Level 2	Level 3	Total
	(in thousands)			
April 30, 2022:				
Mutual funds	\$ —	\$ 21,353	\$ —	\$ 21,353
Money market funds	637	—	—	637
Total	<u>\$ 637</u>	<u>\$ 21,353</u>	<u>\$ —</u>	<u>\$ 21,990</u>
April 30, 2021:				
Mutual funds	\$ —	\$ 26,140	\$ —	\$ 26,140
Money market funds	606	—	—	606
Total	<u>\$ 606</u>	<u>\$ 26,140</u>	<u>\$ —</u>	<u>\$ 26,746</u>

Plan assets are invested in various asset classes that are expected to produce a sufficient level of diversification and investment return over the long term. The investment goal is a return on assets that is at least equal to the assumed actuarial rate of return over the long term within reasonable and prudent levels of risk. Investment policies reflect the unique circumstances of the respective plans and include requirements designed to mitigate risk including quality and diversification standards. Asset allocation targets are reviewed periodically with investment advisors to determine the appropriate investment strategies for acceptable risk levels. Our target allocation ranges are as follows: equity securities 40% to 60% and debt securities 40% to 60%. We establish our estimated long-term return on plan assets considering various factors, including the targeted asset allocation percentages, historic returns and expected future returns.

The components of net periodic benefits costs are as follows:

	Year Ended April 30,		
	2022	2021	2020
	(in thousands)		
Service cost	\$ 37,952	\$ 31,947	\$ 24,939
Interest cost	4,028	4,035	5,433
Amortization of actuarial loss	2,170	4,117	3,261
Net prior service credit amortization	(97)	(97)	(24)
Expected return on plan assets	(1,554)	(1,404)	(1,452)
Net periodic benefit cost (1)	<u>\$ 42,499</u>	<u>\$ 38,598</u>	<u>\$ 32,157</u>

(1) The service cost, interest cost and other components of net periodic benefit costs are included in compensation and benefits expense, interest expense, net and other (loss) income, net, respectively, on the consolidated statements of income.

The weighted-average assumptions used in calculating the benefit obligations were as follows:

	Year Ended April 30,		
	2022	2021	2020
Discount rate, beginning of year	2.17 %	2.29 %	3.57 %
Discount rate, end of year	4.08 %	2.17 %	2.29 %
Rate of compensation increase	0.00 %	0.00 %	0.00 %
Expected long-term rates of return on plan assets	5.50 %	6.00 %	6.00 %

Benefit payments, which reflect expected future service, as appropriate, are expected to be paid over the next ten years as follows:

Year Ending April 30,	Deferred Retirement Plans
	(in thousands)
2023	\$ 11,078
2024	16,216
2025	25,772
2026	34,109
2027	43,923
2028-2032	222,200



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

Medical and Life Insurance Plan

In conjunction with the acquisition of Hay Group, the Company inherited a benefit plan which offers medical and life insurance coverage to 11 participants. The medical and life insurance benefit plan is closed to new entrants and is unfunded.

The following table reconciles the benefit obligation for the medical and life insurance plan:

	Year End April 30,	
	2022	2021
	(in thousands)	
Change in benefit obligation:		
Benefit obligation, beginning of year	\$ 6,584	\$ 7,527
Interest cost	110	140
Actuarial gain	(857)	(549)
Benefits paid	(472)	(534)
Benefit obligation, end of year	<u>\$ 5,365</u>	<u>\$ 6,584</u>
Current liability	\$ 585	\$ 601
Non-current liability	4,780	5,983
Total liability	<u>\$ 5,365</u>	<u>\$ 6,584</u>

The components of net periodic benefits costs are as follows:

	Year Ended April 30,		
	2022	2021	2020
	(in thousands)		
Service cost	\$ —	\$ —	\$ —
Interest cost	110	140	227
Net periodic service credit amortization	(308)	(308)	(308)
Amortization of actuarial gain	—	—	—
Net periodic benefit cost (1)	<u>\$ (198)</u>	<u>\$ (168)</u>	<u>\$ (81)</u>

(1) The service cost, interest cost and the other components of net periodic benefit costs are included in compensation and benefits expense, interest expense, net and other (loss) income, net, respectively, on the consolidated statements of income.

The weighted-average assumptions used in calculating the medical and life insurance plan were as follows:

	Year Ended April 30,		
	2022	2021	2020
Discount rate, beginning of year	2.54 %	2.45 %	3.67 %
Discount rate, end of year	4.25 %	2.54 %	2.45 %
Healthcare care cost trend rate	6.00 %	6.25 %	6.50 %

Benefit payments, which reflect expected future service, as appropriate, are expected to be paid over the next ten years as follows:

Year Ending April 30,	Medical and Life Insurance	
	(in thousands)	
2023	\$	592
2024		571
2025		545
2026		519
2027		481
2028-2032		1,980



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

International Retirement Plans

The Company also maintains various retirement plans and other miscellaneous deferred compensation arrangements in 25 foreign jurisdictions. The aggregate of the long-term benefit obligation accrued at April 30, 2022 and 2021 is \$14.4 million for 3,568 participants and \$15.6 million for 2,557 participants, respectively. The Company's contribution to these plans was \$14.8 million and \$12.7 million in fiscal 2022 and 2021, respectively.

Executive Capital Accumulation Plan

The Company's ECAP is intended to provide certain employees an opportunity to defer their salary and/or bonus on a pre-tax basis. In addition, the Company, as part of its compensation philosophy, makes discretionary contributions into the ECAP and such contributions may be granted to key employees annually based on the employee's performance. Certain key management may also receive Company ECAP contributions upon commencement of employment. The Company amortizes these contributions on a straight-line basis over the service period, generally a five year period. Participants have the ability to allocate their deferrals among a number of investment options and may receive their benefits at termination, retirement or 'in service' either in a lump sum or in quarterly installments over one-to-15 years. The ECAP amounts that are expected to be paid to employees over the next 12 months are classified as a current liability included in compensation and benefits payable on the accompanying consolidated balance sheets.

The Company issued ECAP awards during fiscal 2022, 2021 and 2020 of \$7.5 million, \$8.2 million and \$9.0 million, respectively.

The ECAP is accounted for whereby the changes in the fair value of the vested amounts owed to the participants are adjusted with a corresponding charge (or credit) to compensation and benefits costs. During both fiscal 2022 and 2020, the deferred compensation liability decreased; therefore, the Company recognized a reduction in compensation expense of \$10.6 million and \$0.8 million, respectively. Offsetting the decreases in compensation and benefits expense in fiscal 2022 and 2020 was decreases in the fair value of marketable securities (held in trust to satisfy obligations of the ECAP liabilities) of \$12.0 million and \$1.8 million in fiscal 2022 and 2020, respectively, recorded in other (loss) income, net on the consolidated statements of income. During fiscal 2021, deferred compensation liability increased; therefore, the Company recognized a compensation expense of \$37.3 million. Offsetting the increase in compensation and benefits expense in fiscal 2021 was an increase in the fair value of marketable securities (held in trust to satisfy obligations of the ECAP liabilities) of \$38.5 million in fiscal 2021, recorded in other (loss) income, net on the consolidated statement of income.

Changes in ECAP liability were as follows:

	Year Ended April 30,	
	2022	2021
	(in thousands)	
Balance, beginning of year	\$ 163,582	\$ 129,315
Employee contributions	8,541	4,935
Amortization of employer contributions	7,060	6,287
(Loss) gain on investment	(10,602)	37,323
Employee distributions	(10,880)	(15,652)
Acquisition of Lucas Group	9,620	—
Exchange rate fluctuations	(598)	1,374
Balance, end of year	166,723	163,582
Less: current portion	(9,498)	(8,663)
Non-current portion	\$ 157,225	\$ 154,919

As of April 30, 2022 and 2021, the unamortized portion of the Company contributions to the ECAP was \$8.2 million and \$20.2 million, respectively.

Defined Contribution Plan

The Company has a defined contribution plan ("401(k) plan") for eligible employees. Participants may contribute up to 50% of their base compensation as defined in the plan agreement. In addition, the Company has the option to make matching contributions. Beginning in fiscal 2022, the Company began to match a portion of the employee contributions each pay period and made \$2.1 million matching contributions during fiscal 2022. In addition the Company intends to make an additional matching contribution relating to fiscal 2022 of \$3.2 million in fiscal 2023, which are accrued in compensation and benefits payable on the consolidated balance sheet. The Company made a



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

\$3.0 million matching contribution in fiscal 2022 related to contributions made by employees in fiscal 2021. Due to the impact of COVID-19, the Company did not make a matching contribution related to fiscal 2020.

Company Owned Life Insurance

The Company purchased COLI contracts insuring the lives of certain employees eligible to participate in the deferred compensation and pension plans as a means of funding benefits under such plans. The gross CSV of these contracts of \$263.2 million and \$241.3 million as of April 30, 2022 and 2021, respectively, is offset by outstanding policy loans of \$79.8 million and \$80.0 million in the accompanying consolidated balance sheets as of April 30, 2022 and 2021, respectively. Total death benefits payable, net of loans under COLI contracts, were \$449.3 million and \$443.9 million at April 30, 2022 and 2021, respectively. Management intends to use the future death benefits from these insurance contracts to fund the deferred compensation and pension arrangements; however, there may not be a direct correlation between the timing of the future cash receipts and disbursements under these arrangements. The CSV of the underlying COLI investments increased by \$5.8 million, \$13.0 million and \$6.6 million during fiscal 2022, 2021 and 2020, respectively, recorded as a decrease in compensation and benefits expense. In addition, certain policies are held in trusts to provide additional benefit security for the deferred compensation and pension plans. As of April 30, 2022, COLI contracts with a net CSV of \$162.8 million and death benefits, net of loans, of \$400.6 million were held in trust for these purposes.

7. Fee Revenue

Contract Balances

A contract asset (unbilled receivables) is recorded when the Company transfers control of products or services before there is an unconditional right to payment. A contract liability (deferred revenue) is recorded when cash is received in advance of performance of the obligation. Deferred revenue represents the future performance obligations to transfer control of products or services for which we have already received consideration. Deferred revenue is presented in other accrued liabilities on the consolidated balance sheets.

The following table outlines the Company's contract asset and liability balances as of April 30, 2022 and 2021:

	April 30,	
	2022	2021
	(in thousands)	
Contract assets-unbilled receivables	\$ 100,652	\$ 82,842
Contract liabilities-deferred revenue	\$ 244,149	\$ 184,610

During fiscal 2022, 2021, and 2020 we recognized revenue of \$31.3 million, \$92.4 million and \$94.1 million, respectively, that were included in the contract liabilities balance at the beginning of the period.

Performance Obligations

The Company has elected to apply the practical expedient to exclude the value of unsatisfied performance obligations for contracts with a duration of one year or less, which applies to all executive search and professional search fee revenue. As of April 30, 2022, the aggregate transaction price allocated to the performance obligations that are unsatisfied for contracts with an expected duration of greater than one year at inception was \$1,034.9 million. Of the \$1,034.9 million of remaining performance obligations, the Company expects to recognize approximately \$541.2 million in fiscal 2023, \$295.6 million in fiscal 2024, \$128.1 million in fiscal 2025 and the remaining \$70.0 million in fiscal 2026 and thereafter. However, this amount should not be considered an indication of the Company's future revenue as contracts with an initial term of one year or less are not included. Further, our contract terms and conditions allow for clients to increase or decrease the scope of services and such changes do not increase or decrease a performance obligation until the Company has an enforceable right to payment.

Disaggregation of Revenue

The Company disaggregates its revenue by line of business and further by region for Executive Search. This information is presented in Note 12-Segments.



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

The following table provides further disaggregation of fee revenue by industry:

	Year Ended April 30,					
	2022		2021		2020	
	Dollars	%	Dollars	%	Dollars	%
	(dollars in thousands)					
Industrial	\$ 688,902	26.2 %	\$ 490,863	27.1 %	\$ 556,189	28.8 %
Life Sciences/Healthcare	501,463	19.1	355,668	19.7	343,955	17.8
Financial Services	475,326	18.1	331,976	18.3	334,433	17.3
Consumer Goods	372,720	14.2	239,457	13.2	285,927	14.8
Technology	456,498	17.4	275,510	15.2	285,562	14.8
Education/Non-Profit/General	131,809	5.0	116,573	6.5	126,666	6.5
Fee Revenue	<u>\$ 2,626,718</u>	<u>100.0 %</u>	<u>\$ 1,810,047</u>	<u>100.0 %</u>	<u>\$ 1,932,732</u>	<u>100.0 %</u>

8. Credit Losses

The Company is exposed to credit losses primarily through the provision of its Executive Search, Consulting, Digital and RPO & Professional Search services. The Company's expected credit loss allowance methodology for accounts receivable is developed using historical collection experience, current and future economic and market conditions and a review of the current status of customers' trade accounts receivables. Due to the short-term nature of such receivables, the estimate of the amount of accounts receivable that may not be collected is primarily based on historical loss-rate experience. When required, the Company adjusts the loss-rate methodology to account for current conditions and reasonable and supportable expectations of future economic and market conditions. The Company generally assesses future economic conditions for a period of sixty to ninety days, which corresponds with the contractual life of its accounts receivables. Additionally, specific allowance amounts are established to record the appropriate provision for customers that have a higher probability of default. The Company's monitoring activities include timely account reconciliation, dispute resolution, payment confirmation, consideration of customers' financial condition and macroeconomic conditions. Balances are written off when determined to be uncollectible.

The activity in the allowance for credit losses on the Company's trade receivables is as follows:

	(in thousands)
Balance at May 1, 2019	\$ 21,582
Provision for credit losses	14,644
Write-offs	(12,518)
Recoveries of amounts previously written off	398
Foreign currency translation	(311)
Balance at April 30, 2020	23,795
Provision for credit losses	15,763
Write-offs	(12,073)
Recoveries of amounts previously written off	311
Foreign currency translation	1,528
Balance at April 30, 2021	29,324
Provision for credit losses	21,552
Write-offs	(14,052)
Recoveries of amounts previously written off	702
Foreign currency translation	(1,142)
Balance at April 30, 2022	<u>\$ 36,384</u>

The fair value and unrealized losses on available for sale debt securities, aggregated by investment category and the length of time the security has been in an unrealized loss position as of April 30, 2022 and 2021, are as follows:



KORN FERRY AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

	Less Than 12 Months		12 Months or longer		Balance Sheet Classification			
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Cash and Cash Equivalents	Marketable Securities, Current	Marketable Securities, Non-Current	
(in thousands)								
Balance at April 30, 2021								
Commercial paper	\$ 36,378	\$ 7	\$ —	\$ —	\$ 5,749	\$ 30,629	\$ —	
Corporate notes/bonds	\$ 26,351	\$ 20	\$ —	\$ —	\$ —	\$ 10,134	\$ 16,217	
Balance at April 30, 2022								
Commercial paper	\$ 37,002	\$ 125	\$ 4,499	\$ 1	\$ 15,489	\$ 26,012	\$ —	
Corporate notes/bonds	\$ 32,186	\$ 446	\$ 3,800	\$ 4	\$ —	\$ 18,942	\$ 17,044	
U.S. Treasury and Agency Securities	\$ 987	\$ 8	\$ —	\$ —	\$ —	\$ 987	\$ —	

The unrealized losses on 27 and 18 investments in commercial paper securities, 23 and 15 investments in corporate notes/bonds, and 1 investment and no investments in U.S. treasury and agency securities on April 30, 2022 and 2021, respectively, were caused by fluctuations in market interest rates. The Company only purchases high grade bonds that have a maturity from the date of purchase of no more than two years. The Company monitors the credit worthiness of its investments on a quarterly basis. The Company does not intend to sell the investments and does not believe it will be required to sell the investments before the investments mature and therefore recover the amortized cost basis.

9. Income Taxes

Income from continuing operations before provision for income taxes was as follows:

	Year Ended April 30,		
	2022	2021	2020
	(in thousands)		
Domestic	\$ 184,877	\$ 34,661	\$ 40,736
Foreign	248,024	129,039	110,226
Income before provision for income taxes	<u>\$ 432,901</u>	<u>\$ 163,700</u>	<u>\$ 150,962</u>

The provision for domestic and foreign income taxes was as follows:

	Year Ended April 30,		
	2022	2021	2020
	(in thousands)		
Current income taxes:			
Federal	\$ 43,993	\$ 16,913	\$ 14,336
State	15,962	4,719	4,974
Foreign	59,064	40,646	33,965
Current provision for income taxes	<u>119,019</u>	<u>62,278</u>	<u>53,275</u>
Deferred income taxes:			
Federal	(13,858)	(5,809)	(6,862)
State	(3,936)	(5,025)	(784)
Foreign	831	(3,306)	(1,684)
Deferred benefit for income taxes	<u>(16,963)</u>	<u>(14,140)</u>	<u>(9,330)</u>
Total provision for income taxes	<u>\$ 102,056</u>	<u>\$ 48,138</u>	<u>\$ 43,945</u>



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

The reconciliation of the statutory federal income tax rate to the effective consolidated tax rate is as follows:

	Year Ended April 30,		
	2022	2021	2020
U.S. federal statutory income tax rate	21.0 %	21.0 %	21.0 %
State tax, net of federal effect	2.5	1.0	2.2
Foreign tax rates differential	2.5	4.5	4.5
Non-deductible officers compensation	0.7	2.3	0.5
Excess tax (benefit) expense on stock-based compensation	(0.6)	0.8	(1.0)
Change in valuation allowance	(0.7)	0.3	—
COLI increase, net	(0.3)	(1.7)	(0.9)
Change in uncertain tax positions	0.3	1.1	0.2
R&D tax credit	(1.3)	(0.9)	—
Other	(0.5)	1.0	2.6
Effective income tax rate	23.6 %	29.4 %	29.1 %

Components of deferred tax assets and liabilities were as follows:

	April 30,	
	2022	2021
	(in thousands)	
Deferred tax assets:		
Deferred compensation	\$ 111,133	\$ 107,834
Operating lease liability	35,158	34,183
Loss carryforwards	33,360	39,704
Reserves and accruals	20,887	16,393
Allowance for doubtful accounts	5,645	4,885
Deferred revenue	6,207	—
Gross deferred tax assets	212,390	202,999
Deferred tax liabilities:		
Operating lease, right-of-use, assets	(27,513)	(27,777)
Intangibles and goodwill	(28,388)	(26,570)
Property and equipment	(24,063)	(20,590)
Prepaid expenses	(24,453)	(23,928)
Marketable securities	(1,260)	(7,003)
Other	(691)	(2,684)
Gross deferred tax liabilities	(106,368)	(108,552)
Valuation allowances	(24,025)	(25,173)
Net deferred tax asset	\$ 81,997	\$ 69,274

Deferred tax assets are reduced by a valuation allowance if it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized. Management believes uncertainty exists regarding the realizability of certain deferred tax assets and has, therefore, established a valuation allowance offsetting deferred tax assets that are not more-likely-than-not to be realized. Realization of the deferred tax asset is dependent on the Company generating enough taxable income of the appropriate nature in future years. Although realization is not assured, management believes that it is more likely than-not that the net deferred tax assets will be realized. In fiscal 2022, the Company's valuation allowance decreased by \$1.1 million primarily due to the reversal of valuation allowance previously recorded against deferred tax assets, including net operating losses, of certain foreign subsidiaries that had returned to profitability and were now more-likely-than-not to realize those deferred tax assets. In fiscal 2021 and 2020, the Company's valuation allowance increased by \$7.3 million and \$3.8 million, respectively, primarily due to increases in net operating losses in certain foreign jurisdictions that were not more-likely-than-not to be realized. Deferred tax assets and deferred tax liabilities are presented net on the consolidated balance sheets by tax jurisdiction.

As of April 30, 2022, the Company had U.S. federal net operating loss carryforwards of \$4.6 million, which if unutilized, will begin to expire in fiscal2030. The Company has state net operating loss carryforwards of \$34.2 million, which, if unutilized, will begin to expire in fiscal2023. The Company also has foreign net operating loss carryforwards of \$112.5 million, which, if unutilized, will begin to expire in fiscal2023.

We continue to consider approximately \$662.1 million of undistributed earnings of our foreign subsidiaries to be indefinitely reinvested, and, accordingly, have provided no state, local or foreign withholding income taxes on such



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

earnings. While we do not anticipate a need to repatriate funds to the U.S. to satisfy domestic liquidity needs, we review our cash positions regularly and, to the extent we determine that all or a portion of our foreign earnings are not indefinitely reinvested, we provide additional state, local and foreign withholding income taxes. Under current U.S. federal tax law, we do not expect to incur a U.S. federal income tax liability on the undistributed earnings in the event they are repatriated to the United States.

The Company elected to treat taxes due on future U.S. inclusions in taxable income related to Global Intangible Low-Taxed Income as an expense when incurred (the "period cost method") as opposed to factoring such amounts in the Company's measurement of its deferred taxes (the "deferred method").

The Company and its subsidiaries file federal and state income tax returns in the U.S. as well as in foreign jurisdictions. These income tax returns are subject to audit by the Internal Revenue Service (the "IRS") and various state and foreign tax authorities. Currently, income tax returns of the Company's subsidiaries are under audit in Brazil, Germany, Switzerland, Japan, and India. The Company's income tax returns are not otherwise under examination in any material jurisdictions. The statute of limitations varies by jurisdiction in which the Company operates. With few exceptions, however, the Company's tax returns for years prior to fiscal 2016 are no longer open to examination by tax authorities (including U.S. federal, state and foreign).

Unrecognized tax benefits are the differences between the amount of benefits of tax positions taken, or expected to be taken, on a tax return and the amount of benefits recognized for financial reporting purposes. As of April 30, 2022, the Company had a liability of \$10.7 million for unrecognized tax benefits. A reconciliation of the beginning and ending balances of the unrecognized tax benefits is as follows:

	Year Ended April 30,		
	2022	2021	2020
	(in thousands)		
Unrecognized tax benefits, beginning of year	\$ 9,954	\$ 6,037	\$ 7,794
Settlement with tax authority	—	—	(1,767)
Additions based on tax positions related to the current year	456	1,716	10
Additions based on tax positions related to prior years	272	2,201	—
Unrecognized tax benefits, end of year	<u>\$ 10,682</u>	<u>\$ 9,954</u>	<u>\$ 6,037</u>

The full amount of unrecognized tax benefits would impact the effective tax rate if recognized. In the next 12 months, it is reasonably possible that the Company's unrecognized tax benefits could change due to the resolution of certain tax matters either because the tax positions are sustained on audit or the Company agrees to their disallowance. These resolutions could reduce the Company's liability for unrecognized tax benefits by approximately \$2.9 million.

The Company classifies interest and penalties related to unrecognized tax benefits as a component of the provision for income taxes. The Company had accruals of \$0.4 million, \$0.9 million, and \$0.6 million for interest related to unrecognized tax benefits as of April 30, 2022, 2021, and 2020 respectively. The Company had an accrual of \$0.5 million and \$0.5 million as of April 30, 2022 and 2021, respectively, for penalties related to unrecognized tax benefits. The Company recognized tax expense of \$0.4 million, \$0.8 million, and \$0.2 million for interest and penalties related to unrecognized tax benefits during fiscal 2022, 2021, and 2020, respectively.

10. Property and Equipment, Net

Property and equipment include the following:

	April 30,	
	2022	2021
	(in thousands)	
Computer equipment and software (1)	\$ 331,371	\$ 290,417
Leasehold improvements	81,743	89,276
Furniture and fixtures	41,999	44,033
Automobiles	3,460	3,356
	458,573	427,082
Less: accumulated depreciation and amortization	(320,401)	(295,304)
Property and equipment, net	<u>\$ 138,172</u>	<u>\$ 131,778</u>

- (1) Depreciation expense for capitalized software was \$28.0 million, \$25.4 million and \$18.8 million during fiscal 2022, 2021 and 2020, respectively. The net book value of the Company's computer software costs included in property and equipment, net was \$94.7 million and \$85.6 million as of April 30, 2022 and 2021, respectively.



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

Depreciation expense for property and equipment was \$43.2 million, \$42.6 million and \$39.0 million during fiscal 2022, 2021 and 2020, respectively.

11. Long-Term Debt

4.625% Senior Unsecured Notes due 2027

On December 16, 2019, the Company completed a private placement of 4.625% Senior Unsecured Notes due 2027 (the "Notes") with a \$400 million principal amount pursuant to Rule 144A and Regulation S under the Securities Act of 1933, as amended. The Notes were issued with a \$4.5 million discount and will mature December 15, 2027, with interest payable semi-annually in arrears on June 15 and December 15 of each year, commencing on June 15, 2020. The Notes represent senior unsecured obligations that rank equally in right of payment to all existing and future senior unsecured indebtedness. The Company may redeem the Notes prior to maturity, subject to certain limitations and premiums defined in the indenture governing the Notes. At any time prior to December 15, 2022, the Company may redeem the Notes at a redemption price equal to 100% of the principal plus the Applicable Premium (as defined in the indenture governing the Notes), and accrued and unpaid interest. At any time prior to December 15, 2022, the Company may use the proceeds of certain equity offerings to redeem up to 35% of the aggregate principal amount of the Notes, including any permitted additional notes, at a redemption price equal to 104.625% of the principal amount and accrued and unpaid interest. At any time and from time to time on or after December 15, 2022, the Company may redeem the Notes at the applicable redemption prices set forth in the table below, plus accrued and unpaid interest, if redeemed during the 12-month period beginning on December 15 of each of the years indicated:

Year	Percentage
2022	102.313%
2023	101.156%
2024 and thereafter	100.000%

The Notes allow the Company to pay \$25 million of dividends per fiscal year with no restrictions, plus an unlimited amount of dividends so long as the Company's consolidated total leverage ratio is not greater than 3.50 to 1.00, and the Company is not in default under the indenture governing the Notes. The Notes are guaranteed by each of the Company's existing and future wholly owned domestic subsidiaries to the extent such subsidiaries guarantee the Company's revolving credit facility. The indenture governing the Notes requires that, upon the occurrence of both a Change of Control and a Rating Decline (each as defined in the indenture), the Company shall make an offer to purchase all of the Notes at 101% of their principal amount and accrued and unpaid interest. The Company used the proceeds from the offering of the Notes to repay \$276.9 million outstanding under the Company's prior revolving credit facility and to pay expenses and fees in connection therewith. The remainder of the proceeds were used for general corporate requirements. The effective interest rate on the Notes is 4.86% as of April 30, 2022. As of April 30, 2022 and 2021, the fair value of the Notes was \$379.5 million and \$416.5 million, respectively, based on borrowing rates then required of notes with similar terms, maturity and credit risk. The fair value of the Notes was classified as a Level 2 measurement in the fair value hierarchy.

Long-term debt, at amortized cost, consisted of the following:

In thousands	April 30, 2022	April 30, 2021
Senior Unsecured Notes	\$ 400,000	\$ 400,000
Less: Unamortized discount and issuance costs	(4,523)	(5,206)
Long-term borrowings, net of unamortized discount and debt issuance costs	<u>\$ 395,477</u>	<u>\$ 394,794</u>

Credit Facility

On December 16, 2019, the Company entered into a Credit Agreement (the "Credit Agreement") with a syndicate of banks and Bank of America, National Association as administrative agent to among other things, provide for enhanced financial flexibility. The Credit Agreement provides for a \$650.0 million five-year senior secured revolving credit facility (the "Revolver"), and contains certain customary affirmative and negative covenants, including a maximum consolidated net leverage ratio, a maximum consolidated secured net leverage ratio and a minimum interest coverage ratio. The Credit Agreement permits the payment of dividends to stockholders and Company share repurchases so long as there is no default under the Credit Agreement, the total funded debt to adjusted EBITDA ratio (as set forth in the credit agreement, the "consolidated net leverage ratio"), is no greater than 4.25 to 1.00, and



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the pro forma liquidity is at least \$50.0 million.

The principal balance of the Revolver, if any, is due on the date of its termination. The Revolver matures on December 16, 2024 and any unpaid principal balance is payable on this date. The Revolver may also be prepaid and terminated early by the Company at any time without premium or penalty (subject to customary LIBOR breakage fees).

At the Company's option, loans issued under the Credit Agreement will bear interest at either LIBOR or an alternate base rate, in each case plus the applicable interest rate margin. The interest rate applicable to loans outstanding under the Credit Agreement may fluctuate between LIBOR plus 1.125% per annum to LIBOR plus 2.00% per annum, in the case of LIBOR borrowings (or between the alternate base rate plus 0.125% per annum and the alternate base rate plus 1.00% per annum, in the alternative), based upon the Company's consolidated net leverage ratio at such time. In addition, the Company will be required to pay to the lenders a quarterly commitment fee ranging from 0.175% to 0.35% per annum on the average daily unused amount of the Revolver, based upon the Company's consolidated net leverage ratio at such time, and fees relating to the issuance of letters of credit. The average interest rate on our current and previous term loan for fiscal 2020 was 3.34%.

As of April 30, 2022 and 2021, there was no outstanding liability under the Revolver. The unamortized debt issuance costs associated with the Credit Agreement was \$2.4 million and \$3.3 million as of April 30, 2022 and 2021, respectively. The debt issuance costs were included in other current assets and other non-current assets on the consolidated balance sheets. As of April 30, 2022, the Company was in compliance with its debt covenants.

The Company had a total of \$645.3 million and \$646.0 million available under the Revolver after \$4.7 million and \$4.0 million of standby letters of credit have been issued as of April 30, 2022 and 2021, respectively. The Company had a total of \$10.0 million and \$11.0 million of standby letters with other financial institutions as of April 30, 2022 and 2021, respectively. The standby letters of credit were generally issued as a result of entering into office premise leases.

The Company has outstanding borrowings against the CSV of COLI contracts of \$79.8 million and \$80.0 million at April 30, 2022 and 2021, respectively. CSV reflected in the accompanying consolidated balance sheets is net of the outstanding borrowings, which are secured by the CSV of the life insurance policies. Principal payments are not scheduled and interest is payable at least annually at various fixed and variable rates ranging from 4.76% to 8.00%.

12. Segments

The Company has seven reportable segments: Consulting, Digital, Executive Search North America, Executive Search EMEA, Executive Search Asia Pacific, Executive Search Latin America and RPO & Professional Search. Revenues are directly attributed to a reportable segment and expenses not directly associated with a specific segment are allocated based on the most relevant measures applicable, including revenues, headcount and other factors.

The Company's seven reportable segments operate through the following four lines of business:

1. **Consulting** aligns organization structure, culture, performance and people to drive sustainable growth by addressing four fundamental needs: Organizational Strategy, Assessment and Succession, Leadership and Professional Development and Total Rewards. This work is supported by a comprehensive range of some of the world's leading IP and data. The Consulting teams employ an integrated approach across our core capabilities and integrated solutions, each one intended to strengthen our work and thinking in the next, to help clients execute their strategy in a digitally enabled world.
2. **Digital** delivers scalable tech-enabled solutions designed to identify the best structures, roles, capabilities and behaviors to drive businesses forward. Our digital products give clients direct access to our proprietary data, client data and analytics to deliver clear insights with the training and tools needed to align organizational structure with business strategy.
3. **Executive Search** helps organizations recruit board level, chief executive and other senior executive and general management talent to deliver lasting impact. The Company's approach to placing talent that brings together research-based IP, proprietary assessments, and behavioral interviewing with practical experience to determine the ideal organizational fit. Salary benchmarking then builds appropriate frameworks for compensation and retention. This business is managed and reported on a geographic basis and represents



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April 30, 2022 (continued)

four of the Company's reportable segments (Executive Search North America, Executive Search EMEA, Executive Search Asia Pacific, and Executive Search Latin America).

4. **RPO & Professional Search** focuses on delivering enterprise talent acquisition solutions to clients, at the professional level. The Company leverages the power of people, process expertise, IP-enabled technology, and compensation information to do this. Transaction sizes range from single professional searches to team, department, line of business projects, and global outsource recruiting solutions.

Executive Search is managed by geographic regional leaders. Worldwide operations for Consulting, Digital, and RPO & Professional Search are managed by their Chief Executive Officers. The Executive Search geographic regional leaders and the Chief Executive Officers of Consulting, Digital, and RPO & Professional Search report directly to the Chief Executive Officer of the Company. The Company also operates Corporate to record global expenses.

The Company evaluates performance and allocates resources based on the Company's chief operating decision maker ("CODM") review of (1) fee revenue and (2) adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"). To the extent that such costs or charges occur, Adjusted EBITDA excludes restructuring charges, integration/acquisition costs, certain separation costs and certain non-cash charges (goodwill, intangible asset and other impairment charges). The CODM is not provided asset information by reportable segment.

Financial highlights by reportable segments are as follows:

	Year Ended April 30, 2022								
	Executive Search						RPO & Professional Search	Corporate	Consolidated
	Consulting	Digital	North America	EMEA	Asia Pacific	Latin America			
	(in thousands)								
Fee revenue	\$ 650,204	\$ 349,025	\$ 605,704	\$ 182,192	\$ 118,596	\$ 29,069	\$ 691,928	\$ —	\$ 2,626,718
Total revenue	\$ 654,199	\$ 349,437	\$ 609,258	\$ 182,866	\$ 118,705	\$ 29,079	\$ 699,911	\$ —	\$ 2,643,455
Net income attributable to Korn Ferry									\$ 326,360
Net income attributable to noncontrolling interest									4,485
Other loss, net									11,880
Interest expense, net									25,293
Income tax provision									102,056
Operating income									\$ 470,074
Depreciation and amortization									63,521
Other loss, net									(11,880)
Integration/acquisition costs									7,906
Impairment of fixed assets									1,915
Impairment of right of use assets									7,392
Adjusted EBITDA ⁽¹⁾	\$ 116,108	\$ 110,050	\$ 181,615	\$ 31,804	\$ 35,105	\$ 9,089	\$ 165,141	\$ (109,984)	\$ 538,928

(1) Adjusted EBITDA refers to earnings before interest, taxes, depreciation and amortization and further excludes integration/acquisition costs and impairment charges.

	Year Ended April 30, 2021								
	Executive Search						RPO & Professional Search	Corporate	Consolidated
	Consulting	Digital	North America	EMEA	Asia Pacific	Latin America			
	(in thousands)								
Fee revenue	\$ 515,844	\$ 287,306	\$ 397,275	\$ 138,954	\$ 83,306	\$ 17,500	\$ 369,862	\$ —	\$ 1,810,047
Total revenue	\$ 517,046	\$ 287,780	\$ 399,104	\$ 139,213	\$ 83,463	\$ 17,500	\$ 375,840	\$ —	\$ 1,819,946
Net income attributable to Korn Ferry									\$ 114,454
Net income attributable to noncontrolling interest									1,108
Other income, net									(37,194)
Interest expense, net									29,278
Income tax provision									48,138
Operating income									\$ 155,784
Depreciation and amortization									61,845
Other income, net									37,194
Integration/acquisition costs									737
Restructuring charges, net									30,732
Adjusted EBITDA ⁽¹⁾	\$ 81,522	\$ 86,095	\$ 98,099	\$ 11,742	\$ 16,676	\$ 1,289	\$ 69,411	\$ (78,542)	\$ 286,292



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(1) Adjusted EBITDA refers to earnings before interest, taxes, depreciation and amortization and further excludes integration/acquisition costs and net restructuring charges.

	Year Ended April 30, 2020								
	Executive Search						RPO & Professional Search	Corporate	Consolidated
	Consulting	Digital	North America	EMEA	Asia Pacific	Latin America			
	(in thousands)								
Fee revenue	\$ 543,095	\$ 292,366	\$ 434,624	\$ 170,314	\$ 98,132	\$ 29,400	\$ 364,801	\$ —	\$ 1,932,732
Total revenue	\$ 557,255	\$ 294,261	\$ 447,528	\$ 172,978	\$ 99,209	\$ 29,493	\$ 376,606	\$ —	\$ 1,977,330
Net income attributable to Korn Ferry									\$ 104,946
Net income attributable to noncontrolling interest									2,071
Other loss, net									2,879
Interest expense, net									22,184
Income tax provision									43,945
Operating income									\$ 176,025
Depreciation and amortization									55,311
Other loss, net									(2,879)
Integration/acquisition costs									12,152
Restructuring charges, net									58,559
Separation costs									1,783
Adjusted EBITDA ⁽¹⁾	\$ 61,092	\$ 83,073	\$ 120,725	\$ 31,067	\$ 22,885	\$ 6,402	\$ 60,168	\$ (84,461)	\$ 300,951

(1) Adjusted EBITDA refers to earnings before interest, taxes, depreciation and amortization and further excludes, integration/acquisition costs, net restructuring charges and separation costs.

Fee revenue attributed to an individual customer or country, other than the U.S. in fiscal year 2022 and the U.S. and United Kingdom in fiscal year 2021 and 2020, did not account for more than 10% of the total revenue in those fiscal years. Fee revenue classified by country in which the Company derives revenues are as follows:

	Year Ended April 30,		
	2022	2021	2020
	(in thousands)		
U.S.	\$ 1,348,377	\$ 837,682	\$ 875,605
United Kingdom	247,617	189,893	204,271
Other countries	1,030,724	782,472	852,856
Total fee revenue	\$ 2,626,718	\$ 1,810,047	\$ 1,932,732

Other than the U.S. in fiscal 2022 and the U.S. and United Kingdom in fiscal 2021 and 2020, no single country had over 10% of the total long-lived assets, excluding financial instruments and tax assets. Long-lived assets, excluding financial instruments and tax assets, classified by location of the controlling statutory country are as follows:

	Year Ended April 30,		
	2022	2021	2020
	(in thousands)		
U.S. (1)	\$ 185,228	\$ 182,218	\$ 199,436
United Kingdom	26,711	34,081	35,739
Other countries	93,967	89,600	102,630
Total long-lived assets	\$ 305,906	\$ 305,899	\$ 337,805

(1) Includes Corporate long-lived assets

13. Restructuring Charges, Net

There were no restructuring charges in fiscal 2022. In the fourth quarter of fiscal 2020, in light of the uncertainty in worldwide economic conditions caused by COVID-19 and, as part of a broader program aimed at further enhancing Korn Ferry's strong balance sheet and liquidity position, the Company adopted a restructuring plan intended to adjust its cost base to the then-current economic environment and to position the Company to invest in its recovery. The Company continued the implementation of this plan in the first quarter of fiscal 2021 and this resulted in restructuring charges, net of \$30.7 million and \$40.5 million during fiscal 2021 and 2020, respectively, across all lines of business relating to severance for positions that were eliminated.



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

April 30, 2022 (continued)

In the third quarter of fiscal 2020, the Company adopted a restructuring plan to rationalize its cost structure to realize the efficiencies and operational improvement that the investments in the Digital business have enabled us to realize. This plan impacted the Consulting and Digital segments which resulted in restructuring charges, net of \$18.1 million in fiscal 2020, relating to severance for redundant positions that were eliminated.

Changes in the restructuring liability were as follows:

	Restructuring Liability	
	(in thousands)	
As of May 1, 2019	\$	531
Restructuring charges, net		58,559
Reductions for cash payments		(16,737)
Non-cash payments		(8,053)
Exchange rate fluctuations		(147)
As of April 30, 2020		34,153
Restructuring charges, net		30,732
Reductions for cash payments		(56,387)
Non-cash payments		(3,968)
Exchange rate fluctuations		2,455
As of April 30, 2021		6,985
Reductions for cash payments		(4,829)
Exchange rate fluctuations		(654)
As of April 30, 2022	\$	1,502

As of April 30, 2022 and 2021, the restructuring liability is included in the current portion of other accrued liabilities on the consolidated balance sheets, except for \$0.5 million and \$0.6 million, respectively, which are included in other long-term liabilities.

14. Goodwill and Intangible Assets

Changes in the carrying value of goodwill by reportable segment were as follows:

	Executive Search					RPO & Professional Search	
	Consulting	Digital	North America	EMEA	Asia Pacific		Consolidated
	(in thousands)						
Balance as of May 1, 2020	\$ 173,014	\$ 322,727	\$ 45,721	\$ 44,494	\$ 972	\$ 27,015	\$ 613,943
Adjustments	—	2,643	—	—	—	—	2,643
Exchange rate fluctuations	396	1,258	2,777	2,955	—	2,697	10,083
Balance as of April 30, 2021	173,410	326,628	48,498	47,449	972	29,712	626,669
Additions (1)	—	—	—	—	—	104,962	104,962
Exchange rate fluctuations	(440)	(1,274)	(934)	(877)	—	(2,514)	(6,039)
Balance as of April 30, 2022	\$ 172,970	\$ 325,354	\$ 47,564	\$ 46,572	\$ 972	\$ 132,160	\$ 725,592

(1) Additions to goodwill in fiscal 2022 was due to \$ 76.8 million and \$28.2 million from the acquisition of the Lucas Group and Patina Solutions Group, respectively .

Tax deductible goodwill from the Miller Heiman acquisition was \$22.7 million and \$24.5 million as of April 30, 2022 and 2021, respectively. Tax deductible goodwill from the PIVOT Leadership acquisition was \$5.9 million and \$6.6 million as of April 30, 2022 and 2021, respectively.



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April 30, 2022 (continued)

Intangible assets include the following:

	April 30, 2022			April 30, 2021		
	(in thousands)					
Amortized intangible assets:	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Customer lists	\$ 146,799	\$ (89,024)	\$ 57,775	\$ 131,299	\$ (76,489)	\$ 54,810
Intellectual property	69,100	(40,720)	28,380	69,100	(33,623)	35,477
Proprietary databases	4,256	(4,256)	—	4,256	(4,234)	22
Non-compete agreements	910	(910)	—	910	(910)	—
Trademarks	8,986	(5,261)	3,725	7,186	(4,636)	2,550
Total (1)	<u>\$ 230,051</u>	<u>\$ (140,171)</u>	<u>89,880</u>	<u>\$ 212,751</u>	<u>\$ (119,892)</u>	<u>92,859</u>
Exchange rate fluctuations			(110)			90
Total Intangible assets			<u>\$ 89,770</u>			<u>\$ 92,949</u>

(1) In fiscal 2022 there were intangible assets additions of \$ 11.6 million and \$5.7 million from the acquisition of the Lucas Group and Patina Solutions Group, respectively.

Acquisition-related intangible assets acquired in fiscal 2022 consists of customer relationships and tradenames of \$5.5 million and \$1.8 million, respectively, with weighted-average useful lives from the date of purchase of seven years and two years, respectively.

Amortization expense for amortized intangible assets was \$20.3 million, \$19.2 million and \$16.3 million during fiscal 2022, 2021 and 2020, respectively. Estimated annual amortization expense related to amortizing intangible assets is as follows:

Year Ending April 30,	Estimated Annual Amortization Expense
	(in thousands)
2023	\$ 20,384
2024	17,583
2025	16,889
2026	16,388
2027	10,635
Thereafter	7,891
	<u>\$ 89,770</u>

All amortizable intangible assets will be fully amortized by the end of fiscal 2032.

15. Leases

The Company's lease portfolio is comprised of operating leases for office space and equipment and finance leases for equipment. Equipment leases are comprised of vehicles and office equipment. The majority of the Company's leases include both lease and non-lease components. Non-lease components primarily include maintenance, insurance, taxes and other utilities. The Company combines fixed payments for non-lease components with its lease payments and accounts for them as a single lease component, which increases its ROU assets and lease liabilities. Some of the leases include one or more options to renew or terminate the lease at the Company's discretion. Generally, the renewal and termination options are not included in the ROU assets and lease liabilities as they are not reasonably certain of exercise. The Company has elected not to recognize a ROU asset or lease liability for leases with an initial term of 12 months or less.

As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of the future minimum lease payments. The Company applies the portfolio approach when determining the incremental borrowing rate since it has a centrally managed treasury function. The Company's incremental borrowing rate is estimated to approximate the interest rate on a collateralized basis with similar terms and payments in a similar economic environment.

Operating leases contain both office and equipment leases and have remaining terms that range from less than one year to 10 years, some of which also include options to extend or terminate the lease. Finance leases are comprised



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April 30, 2022 (continued)

of equipment leases and have remaining terms that range from less than one year to five years. Finance lease assets are included in property and equipment, net while finance lease liabilities are included in other accrued liabilities and other liabilities.

During fiscal 2022, the Company reduced its real estate footprint and as a result recorded an impairment charge of the ROU assets of \$0.4 million recorded in the consolidated statements of income. On November 1, 2021, the Company acquired Lucas Group and as a result recognized ROU assets of \$3.8 million with a corresponding liability of \$9.4 million. On April 1, 2022, the Company acquired Patina Solutions Group and as a result recognized ROU asset of \$0.2 million with a corresponding liability of \$0.7 million. In both acquisitions, the ROU asset was adjusted to reflect unfavorable lease terms when compared with current market rates.

As a result of the acquisition of the Acquired Companies in fiscal 2020, the Company recognized ROU assets of \$0.2 million with a corresponding liability of \$6.7 million. The ROU asset balance was adjusted by reclassification of pre-existing prepaid expenses, restructuring liabilities and deferred rent totaling \$3.5 million. As part of the plan for integrating the Acquired Companies, the Company decided to exit 16 office leases and as a result, recorded an impairment charge of the ROU assets of \$2.3 million in fiscal 2020 recorded in the consolidated statement of income.

The components of lease expense were as follows:

	Year Ended April 30,		
	2022	2021	2020
	(in thousands)		
Finance lease cost			
Amortization of ROU assets	\$ 1,065	\$ 1,221	\$ 1,820
Interest on lease liabilities	84	114	149
	1,149	1,335	1,969
Operating lease cost	53,092	56,166	57,683
Short-term lease cost	966	474	1,111
Variable lease cost	10,986	11,592	13,562
Lease impairment cost	7,392	—	2,282
Sublease income	(1,119)	(657)	(447)
Total lease cost	\$ 72,466	\$ 68,910	\$ 76,160

Supplemental cash flow information related to leases was as follows:

	Year Ended April 30,		
	2022	2021	2020
	(in thousands)		
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	\$ 62,996	\$ 66,991	\$ 59,631
Financing cash flows from finance leases	\$ 1,157	\$ 1,324	\$ 1,833
ROU assets obtained in exchange for lease obligations:			
Operating leases	\$ 49,235	\$ 13,638	\$ 15,246
Finance leases	\$ 1,586	\$ 516	\$ 1,333

Supplemental balance sheet information related to leases was as follows:



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April 30, 2022 (continued)

	Year Ended April 30,	
	2022	2021
	(in thousands)	
Finance Leases:		
Property and equipment, at cost	\$ 5,770	\$ 4,801
Accumulated depreciation	(3,085)	(2,590)
Property and equipment, net	<u>\$ 2,685</u>	<u>\$ 2,211</u>
Other accrued liabilities	\$ 1,049	\$ 1,010
Other liabilities	1,657	1,301
Total finance lease liabilities	<u>\$ 2,706</u>	<u>\$ 2,311</u>
Weighted average remaining lease terms:		
Operating leases	5.1 years	5.0 years
Finance leases	3.3 years	2.7 years
Weighted average discount rate:		
Operating leases	4.3 %	4.8 %
Finance leases	3.2 %	4.2 %

Maturities of lease liabilities are as follows:

Year Ending April 30,	Operating	Financing
	(in thousands)	
2023	\$ 55,890	\$ 1,115
2024	47,290	776
2025	40,353	523
2026	37,427	293
2027	17,918	128
Thereafter	23,984	—
Total lease payments	<u>222,862</u>	<u>2,835</u>
Less: imputed interest	<u>23,041</u>	<u>129</u>
Total	<u>\$ 199,821</u>	<u>\$ 2,706</u>



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16. Acquisition

The following table provides a summary of the net assets acquired in the periods indicated (no acquisitions were completed in fiscal 2021):

	Year Ended April 30	
	2022 (2), (3)	2020 (4)
	(in thousands)	
Current assets (1)	\$ 36,071	\$ 44,475
Long-term assets	9,351	15,024
Intangibles assets	17,300	45,400
Current liabilities	17,672	29,503
Long-term liabilities	16,210	5,720
Net assets acquired	28,840	69,676
Purchase price	133,802	108,602
Goodwill	\$ 104,962	\$ 38,926

- (1) Included in current assets is acquired receivables in the amount of \$24.5 million and \$41.1 million for acquisitions completed in fiscal 2022 and 2020, respectively.
- (2) On April 1, 2022, the Company completed its acquisition of Patina Solutions Group for \$42.9 million, net of cash acquired. We believe Patina Solutions Group brings to the Company substantial interim executive solutions expertise across multiple industry verticals as well as offers ideal solutions for today's nomadic labor market. Patina's vast network of C-suite, top-tier, and professional interim talent spans functional area of expertise such as finance, operations, legal, human resources, IT and more. This combination presents real, tangible opportunity for Korn Ferry and our clients looking for the right talent, who are highly agile, with specialized skills and expertise, to help them drive superior performance, including on an interim basis. Actual results of operation of Patina Solution Group are included in the Company's consolidated financial statement from April 1, 2022, the effective date of the acquisition.
- (3) On November 1, 2021, the Company completed its acquisition of Lucas Group for \$90.9 million, net of cash acquired. Lucas Group has contributed a substantial professional search and interim expertise that has enhanced the Company's search portfolio. The addition of Lucas Group to Korn Ferry's broader talent acquisition portfolio – spanning Executive Search, RPO, and Professional Search – has accelerated Korn Ferry's ability to capture additional share of this significant market. Lucas Group is included in the RPO & Professional Search segment. Actual results of operations of Lucas Group are included in the Company's consolidated financial statements from November 1, 2021, the effective date of the acquisition.
- (4) On November 1, 2019, the Company completed its acquisition of the Acquired Companies for \$108.6 million, net of cash acquired. The Acquired Companies contributed a world-class portfolio of learning, development and performance improvement offerings and expertise to Korn Ferry and bolster the Company's substantial leadership development capabilities. These companies are included in the Digital segment. The addition of the Acquired Companies further expanded Korn Ferry's vast IP and content and leveraged the firm's digital delivery platforms. Actual results of operations of the Acquired Companies are included in the Company's consolidated financial statements from November 1, 2019, the effective date of the acquisition. During fiscal 2021, the Company finalized the purchase price allocation by recording an increase in goodwill of \$2.6 million as a result of additional tax liabilities.

For each acquisition, the aggregate purchase price was allocated on a preliminary basis to the assets acquired and liabilities assumed on their estimated fair values at the date of acquisition. As of April 30, 2022, the aggregate purchase price allocations for Lucas Group and Patina Solutions remain preliminary with regard to income taxes. The measurement period for purchase price allocation ends as soon as information on the facts and circumstances become available, not to exceed 12 months.



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17. Commitments and Contingencies

Employment Agreements

The Company has a policy of entering into offer letters of employment or letters of promotion with vice presidents, which provide for an annual base salary and discretionary and incentive bonus payments. Certain key vice presidents who typically have been employed by the Company for several years may also have a standard form employment agreement. Upon termination without cause, the Company is required to pay the amount of severance due under the employment agreement, if any. The Company also requires its vice presidents to agree in their employment letters and their employment agreement, if applicable, not to compete with the Company during the term of their employment and for a certain period after their employment ends.

Litigation

From time to time, the Company has been and is involved in litigation incidental to its business. The Company is currently not a party to any litigation which, if resolved adversely against the Company, would, in the opinion of management, after consultation with legal counsel, have a material adverse effect on the Company's business, financial position or results of operations.

18. Subsequent Event

Quarterly Dividend Declaration

On June 21, 2022, the Board of Directors of the Company approved an increase of 25% in the Company's quarterly dividend policy to \$0.15 per share and declared a cash dividend of \$0.15 per share with a payment date of July 29, 2022 to holders of the Company's common stock of record at the close of business on July 6, 2022. The declaration and payment of future dividends under the quarterly dividend policy will be at the discretion of the Board of Directors and will depend upon many factors, including the Company's earnings, capital requirements, financial condition, the terms of the Company's indebtedness and other factors that the Board of Directors may deem to be relevant. The Board may amend, revoke or suspend the dividend policy at any time and for any reason.

On June 21, 2022, the Board of Directors approved an increase in the Company's stock repurchase program of approximately \$500 million, which brought our available capacity to repurchase shares in the open market or privately negotiated transactions to \$318 million.

Credit Facility

On June 24, 2022, the Company entered into an amendment (the "Amendment") to its December 16, 2019 Credit Agreement (as amended by the Amendment, the "Amended Credit Agreement") with the lenders party thereto and Bank of America, National Association as administrative agent, to, among other things, extend the existing maturity date and provide for a new delayed draw term loan facility. The Amended Credit Agreement provides for five-year senior secured credit facilities in an aggregate amount of \$1,150 million comprised of a \$650.0 million revolving credit facility (the "Revolver") and a \$500 million delayed draw term loan facility (the "Delayed Draw Facility", and together with the Revolver, the "Credit Facilities"). The Amended Credit Agreement also provides that, under certain circumstances, the Company may incur term loans or increase the aggregate principal amount of revolving commitments by an aggregate amount of up to \$250 million plus an unlimited amount subject to a consolidated secured net leverage ratio of 3.25 to 1.00.

Extensions of credit under the Delayed Draw Facility are available to the Company in up to two advances through June 24, 2023. Any amounts undrawn under the Delayed Draw Facility as of June 24, 2023 will no longer be available to the Company. The Amended Credit Agreement contains certain customary affirmative and negative covenants that, among other things, restrict the Company's ability to incur additional indebtedness, grant liens and make certain acquisitions, investments, asset dispositions and restricted payments. In addition, the Amended Credit Agreement contains a covenant that requires the Company to maintain a maximum consolidated secured leverage ratio of 3.50 to 1.00 (which may be temporarily increased to 4.00 following certain material acquisitions under certain circumstances) (the "Financial Covenant").

The principal balance of the Delayed Draw Facility, if any, is subject to annual term loan amortization of 2.5% for the fiscal quarters ending September 30, 2022 through June 30, 2024, and 5.0% for the fiscal quarters ending September 30, 2024 through June 30, 2027, with the remaining principal due at maturity. The principal balance of the Revolver, if any, is due at maturity. The Credit Facilities mature on June 24, 2027 and any unpaid principal balance is payable on



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this date. The Credit Facilities may also be prepaid and terminated early by the Company at any time without premium or penalty (subject to customary breakage fees).

Amounts outstanding under the Amended Credit Agreement will bear interest at a rate equal to, at the Company's election, either Term Secured Financing Overnight Rate ("SOFR") plus a SOFR adjustment of 0.10%, plus an interest rate margin between 1.125% per annum and 2.00% per annum, depending on the Company's consolidated net leverage ratio, or base rate plus an interest rate margin between 0.125% per annum and 1.00% per annum, depending on the Company's consolidated net leverage ratio. In addition, the Company will be required to pay to the lenders ticking fee of 0.20% per annum on the actual daily unused portion of the Delayed Draw facility, and a quarterly commitment fee ranging from 0.175% to 0.300% per annum on the actual daily unused amount of the Revolver, based upon the Company's consolidated net leverage ratio at such time, and fees relating to the issuance of letters of credit.

FIRST AMENDMENT TO CREDIT AGREEMENT

THIS FIRST AMENDMENT TO CREDIT AGREEMENT (this “Amendment”), dated as of June 24, 2022 (the “First Amendment Effective Date”), is entered into among KORN FERRY, a Delaware corporation (the “Borrower”), the Subsidiary Guarantors party hereto, the Lenders party hereto (including each Additional Lender (as defined below) and each Exiting Lender (as defined below)), and BANK OF AMERICA, N.A., as the Administrative Agent, an Issuing Lender, and the Swingline Lender. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Existing Credit Agreement (as defined below) or the Amended Credit Agreement (as defined below), as applicable.

RECITALS

WHEREAS, the Borrower, the Lenders from time to time party thereto, and Bank of America, N.A., as the Administrative Agent, an Issuing Lender, and the Swingline Lender, entered into that certain Credit Agreement, dated as of December 16, 2019 (as amended, restated, amended and restated, supplemented, extended, replaced or otherwise modified from time to time prior to the First Amendment Effective Date, the “Existing Credit Agreement”);

WHEREAS, the Borrower has requested that the Existing Credit Agreement be amended as set forth below, subject to the terms and conditions specified in this Amendment; and

WHEREAS, the parties hereto are willing to amend the Existing Credit Agreement, subject to the terms and conditions specified in this Amendment.

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

1. Amendments to Existing Credit Agreement; Effect of this Amendment; No Impairment; Treatment of Existing LIBOR Rate Loans; Reallocation.

(a) Effective as of the First Amendment Effective Date, the parties hereto agree that: (i) the Existing Credit Agreement is hereby amended to (A) delete the stricken text (indicated textually in the same manner as the following example: ~~stricken-text~~ or ~~stricken-text~~), and (B) add the bold underlined text (indicated textually in the same manner as the following example: double-underlined text or double-underlined text), in each case, as set forth in the credit agreement attached hereto as Annex A (the Existing Credit Agreement, as amended as set forth on Annex A attached hereto, the “Amended Credit Agreement”); (ii) Schedules 2.1, 2.1C, 6.2, 6.16, 8.1, 8.2 and 8.6 are amended to read as set forth on Schedules 2.1, 2.1C, 6.2, 6.16, 8.1, 8.2 and 8.6 attached hereto; (iii) Exhibits B, D, E and F are amended to read as set forth on Exhibits B, D, E and F attached hereto and (iv) a new Exhibit A-3 is added to the Amended Credit Agreement to read as set forth on Exhibit A-3 attached hereto. The Amended Credit Agreement is not a novation of the Existing Credit Agreement.

(b) Except as expressly modified and amended in this Amendment, all of the terms, provisions and conditions of the Loan Documents shall remain unchanged and in full force and effect. The Loan Documents and any and all other documents heretofore, now or hereafter executed and delivered pursuant to the terms of the Existing Credit Agreement are hereby amended so that

any reference to the Existing Credit Agreement shall mean a reference to the Amended Credit Agreement.

(c) Except as expressly set forth herein this Amendment shall not (i) by implication or otherwise limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of any Secured Party under the Existing Credit Agreement or any other Loan Document and (ii) alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document, all of which, as amended, supplemented or otherwise modified hereby, are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle any Credit Party to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document in similar or different circumstances.

(d) It is understood and agreed that, with respect to any Revolving Credit Loan bearing interest by reference to clause (a) of the definition of "LIBOR Rate" set forth in the Existing Credit Agreement and outstanding immediately prior to the First Amendment Effective Date, such Revolving Credit Loan shall be prepaid and immediately reborrowed as a Revolving Credit Loan outstanding under the Amended Credit Agreement, bearing interest at Term SOFR and having Interest Periods specified in the Notice of Borrowing delivered to the Administrative Agent pursuant Section 2(l). Each Lender party to this Amendment that is a lender under the Existing Credit Agreement (including each Exiting Lender) hereby waives any right to request compensation for losses under Section 4.9 of the Existing Credit Agreement related to the prepayment of Revolving Loans in connection with the Amended Credit Agreement as contemplated by this Section 1(d). Each Lender (including each Exiting Lender) party hereto hereby agrees to waive the right to request payment of any amounts that would otherwise be required to be paid by the Borrower to such Lender in accordance with Section 4.9 of the Existing Credit Agreement in connection with the (i) prepayment and borrowing of Revolving Credit Loans pursuant to the Amended Credit Agreement as contemplated by this Section 1(d), and (ii) reallocation and restatement of Revolving Credit Loans and Revolving Credit Commitments contemplated by Section 1(e).

(e) On the First Amendment Effective Date, the loans and commitments made by the lenders under the Existing Credit Agreement shall be re-allocated and restated among the Lenders so that, and loans and commitments shall be made by the Lenders so that, as of the First Amendment Effective Date, the respective Commitments, Revolving Credit Commitment Percentages and Term Loan Percentages of the Lenders shall be as set forth on Schedule 2.1 attached hereto.

2. Conditions Precedent. This Amendment shall be effective upon satisfaction of the following conditions precedent:

(a) the Administrative Agent shall have received (i) counterparts of this Amendment executed by a Responsible Officer of each Credit Party, each Lender (including each Additional Lender and each Exiting Lender), each Issuing Lender, the Swingline Lender, and the Administrative Agent and (ii) Notes, executed by the Borrower in favor of each Additional Lender that requests a Note or Term Lender that requests a Term Note, in each case prior to the First Amendment Effective Date;

(b) the Administrative Agent shall have received the following: (i) a certificate of a Responsible Officer of each Credit Party certifying as to the incumbency and genuineness of the signature of each officer of such Credit Party executing this Amendment and other Loan

Documents to which it is a party and certifying that attached thereto is a true, correct and complete copy of (A) the articles or certificate of incorporation or formation (or equivalent), as applicable, of such Credit Party and all amendments thereto, certified as of a recent date by the appropriate Governmental Authority in its jurisdiction of incorporation, organization or formation (or equivalent), as applicable, (or, as to any articles or certificate of incorporation or formation (or equivalent), as applicable, that have not been amended, modified or terminated since the date of delivery thereof under the Existing Credit Agreement (the "Original Closing Date"), certifying that such articles or certificate of incorporation or formation (or equivalent), as applicable, have not been amended, modified or terminated since the Original Closing Date and remain in full force and effect, and true and complete, in the form delivered to the Administrative Agent on the Original Closing Date), (B) the bylaws or other governing document of such Credit Party as in effect on the First Amendment Effective Date (or, as to any such bylaws or other governing document that have not been amended, modified or terminated since the Original Closing Date, certifying that such bylaws or other governing document have not been amended, modified or terminated since the Original Closing Date and remain in full force and effect, and true and complete, in the form delivered to the Administrative Agent on the Original Closing Date), (C) resolutions duly adopted by the board of directors (or other governing body) of such Credit Party authorizing and approving the transactions contemplated hereunder and the execution, delivery and performance of this Amendment and the other Loan Documents to which it is a party, and (D) certificates as of a recent date of the good standing of each Credit Party under the laws of its jurisdiction of incorporation, organization or formation (or equivalent), as applicable, and, to the extent available, a certificate of the relevant taxing authorities of such jurisdiction certifying that such Credit Party has filed all required tax returns and owes no delinquent taxes;

(c) the Administrative Agent shall have received customary opinions of counsel to the Credit Parties (including, without limitation, opinions of special counsel and local counsel as may be reasonably requested by the Administrative Agent) addressed to the Administrative Agent and the Lenders with respect to the Credit Parties, the Loan Documents and such other matters as the Administrative Agent shall request (which such opinions shall (A) include a non-contravention opinion with respect to the Senior Unsecured Note Documents and (B) expressly permit reliance by permitted successors and assigns of the Administrative Agent and the Lenders);

(d) the Administrative Agent shall have, in form and substance satisfactory to the Administrative Agent, projections, prepared by management of the Borrower, including projections of balance sheets, income statements and cash flow statements of the Borrower and its Subsidiaries;

(e) since April 30, 2021, no event has occurred or condition arisen, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect;

(f) the Administrative Agent shall have received: (i) subject to the express limitations set forth in the Security Documents, all filings and recordations that are necessary to perfect the security interests of the Administrative Agent, on behalf of the Secured Parties, in the Collateral and the Administrative Agent shall have received evidence reasonably satisfactory to the Administrative Agent that upon such filings and recordations such security interests constitute valid and perfected first priority Liens thereon (subject to Permitted Encumbrances); (ii) subject to the express limitations set forth in the Security Documents, (A) original stock certificates or other certificates evidencing the certificated Equity Interests pledged pursuant to the Security Documents, together with an undated stock power for each such certificate duly executed in blank by the registered owner thereof and (B) each original promissory note pledged pursuant to the Security Documents together with an undated allonge for each such promissory note duly executed in blank by the holder thereof; (iii) the results of a Lien search (including a search as to filings or

recordations under the Uniform Commercial Code, federal and local judgments, federal and local tax liens and intellectual property matters), in form and substance reasonably satisfactory thereto, made against the Credit Parties under the Uniform Commercial Code (or applicable judicial docket) as in effect in each jurisdiction in which filings or recordations under the Uniform Commercial Code should be made to evidence or perfect security interests in all assets of such Credit Party, indicating among other things that the assets of each such Credit Party are free and clear of any Lien (except for Permitted Encumbrances); (iv) in each case in form and substance reasonably satisfactory to the Administrative Agent, evidence of property, business interruption and liability insurance covering each Credit Party, evidence of payment of all insurance premiums for the current policy year of each policy, and if requested by the Administrative Agent, copies of such insurance policies; (v) security agreements duly executed by the applicable Credit Parties for all federally registered copyrights, copyright applications, patents, patent applications, trademarks and trademark applications included in the Collateral, in each case in proper form for filing with the U.S. Patent and Trademark Office or U.S. Copyright Office, as applicable and (vi) any documents required by the terms of the Security Documents to evidence its security interest in the Collateral (including, without limitation, any deposit account and securities account control agreements).

(g) the Credit Parties shall have received all material governmental, shareholder and third party consents and approvals necessary (or any other material consents as determined in the reasonable discretion of the Administrative Agent) in connection with the transactions contemplated by this Amendment and the other Loan Documents and all applicable waiting periods shall have expired without any action being taken by any Person that could reasonably be expected to have a Material Adverse Effect on any of the Credit Parties or restrain, prevent or impose any material adverse conditions on the transactions contemplated by this Amendment or the other Loan Documents or that could seek or threaten any of the foregoing, and no action, proceeding or investigation shall have been instituted, threatened or proposed before any Governmental Authority to enjoin, restrain, or prohibit, or to obtain substantial damages in respect of, or which is related to or arises out of this Amendment or the other Loan Documents or the consummation of the transactions contemplated hereby or thereby, or which, in the Administrative Agent's sole discretion, would make it inadvisable to consummate the transactions contemplated by this Amendment or the other Loan Documents, or which could reasonably be expected to have a Material Adverse Effect;

(h) the Administrative Agent shall have received a certificate signed by a Responsible Officer of the Borrower certifying that the conditions specified in Sections 2(e), (g) and (i) have been satisfied;

(i) after giving effect to the transactions contemplated herein and by the Amended Credit Agreement to occur on the First Amendment Effective Date, (i) no Default or Event of Default shall have occurred and be continuing, and (ii) the representations and warranties of the Borrower and each other Credit Party contained in this Amendment, the Amended Credit Agreement or any other Loan Document shall be true and correct in all material respects, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects, on and as of the First Amendment Effective Date with the same effect as if made on and as of such date (except for any such representation and warranty that by its terms is made only as of an earlier date, which representation and warranty shall remain true and correct in all material respects as of such earlier date, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects as of such earlier date), and except that for purposes of this Section 2(i)(ii), the representations and warranties contained in the first sentence of Section 6.14 of the Amended Credit

Agreement shall be deemed to refer to the most recent statements furnished pursuant to Section 7.1 (a) or 7.1(b), as applicable, of the Existing Credit Agreement;

(j) the Borrower shall have delivered to the Administrative Agent a certificate of the chief financial officer of the Borrower, in form and substance satisfactory to the Administrative Agent, certifying that (A) after giving effect to the transactions contemplated to occur on the First Amendment Effective Date, the Credit Parties and their Subsidiaries, on a Consolidated basis, are Solvent, and (B) attached thereto are calculations evidencing compliance on a Pro Forma Basis after giving effect to the transactions contemplated to occur on the First Amendment Effective Date with the covenant contained in Section 8.11(a) of the Amended Credit Agreement;

(k) the Borrower shall have (or concurrently with the Credit Extensions to be made on the First Amendment Effective Date) (i) paid all accrued and unpaid interest on the loans outstanding under the Existing Credit Agreement to the First Amendment Effective Date, (ii) paid all accrued fees owing to the lenders under the Existing Credit Agreement to the First Amendment Effective Date and (iii) repaid in full all loans outstanding immediately prior to the First Amendment Effective Date under the Existing Credit Agreement;

(l) the Administrative Agent shall have received a Notice of Borrowing with respect to any Revolving Credit Loans and Term Loans to be advanced on, or to remain outstanding on, the First Amendment Effective Date;

(m) (i) the Borrower and each of the Subsidiary Guarantors shall have provided to the Administrative Agent and each Lender the documentation and other information requested by the Administrative Agent or such Lender in order to comply with requirements of any Anti-Money Laundering Laws, including, without limitation, the PATRIOT Act and any applicable "know your customer" rules and regulations, and, if the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, it shall have delivered to the Administrative Agent and directly to any Lender requesting the same, a Beneficial Ownership Certification as required by the Beneficial Ownership Regulation; and

(n) the Borrower shall have paid or made arrangements to pay contemporaneously with closing of this Amendment (A) to the Administrative Agent, the Arrangers and the Lenders the accrued and unpaid fees or commissions due hereunder or under the Amended Credit Agreement or under any fee letter entered into in connection herewith that are due and payable on or prior to the First Amendment Effective Date, (B) all fees, charges and disbursements of counsel to the Administrative Agent (directly to such counsel if requested by the Administrative Agent) to the extent accrued and unpaid prior to or on the First Amendment Effective 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 Borrower and the Administrative Agent) and (C) to any other Person such amount as may be due thereto in connection with the transactions contemplated hereby, including, without limitation, all Other Taxes, fees and other charges in connection with the execution, delivery, recording, filing and registration of any of the Loan Documents.

Without limiting the generality of the provisions of Section 10.3(c)(v) of the Amended Credit Agreement or the last paragraph of Section 5.1 of the Amended Credit Agreement, for purposes of determining compliance with the conditions specified in this Section 2, each Lender that has signed this Amendment 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 First Amendment Effective Date specifying its objection thereto.

3. Miscellaneous.

(a) The Loan Documents and the obligations of the Credit Parties thereunder are hereby ratified and confirmed and shall remain in full force and effect according to their terms. This Amendment is a Loan Document.

(b) Each Subsidiary Guarantor (i) acknowledges and consents to all of the terms and conditions of this Amendment, (ii) affirms all of its obligations under the Loan Documents, and (iii) agrees that this Amendment does not operate to reduce or discharge its obligations under the Loan Documents.

(c) Each Credit Party represents and warrants that: (i) such Credit Party is duly authorized to execute, deliver and perform its obligations under this Amendment; (ii) the execution, delivery and performance of this Amendment by such Credit Party have been duly authorized by all necessary action, and do not (A) require any consent or approval of any holders of Equity Interests of such Credit Party, other than those already obtained, (B) contravene the articles of incorporation or by-laws (or equivalent) of such Credit Party, (C) violate or cause a default under any Applicable Law or Material Contract, obligation, indenture or other instrument to which the Borrower or any such Credit Party is a party or by which the Borrower or such Credit Party may be bound, except to the extent such violation or default could not reasonably be expected to result in a Material Adverse Effect, or (D) result in or require the creation or imposition of any Lien upon or with respect to any property now owned or hereafter acquired by such Person other than Permitted Encumbrances; (iii) this Amendment is a legal, valid and binding obligation of such Credit Party, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally; and (iv) the Persons signing this Amendment as Subsidiary Guarantors include all of the Subsidiaries existing as of the First Amendment Effective Date that are required to become Subsidiary Guarantors pursuant to the Existing Credit Agreement on or prior to the First Amendment Effective Date.

(d) Subject to Section 11.16 of the Amended Credit Agreement, this Amendment may be in the form of an Electronic Record and may be executed using Electronic Signatures (including facsimile and .pdf) and shall be considered an original, and shall have the same legal effect, validity and enforceability as a paper record. This Amendment may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Amendment. For the avoidance of doubt, and subject to Section 11.16 of the Amended Credit Agreement, the authorization under this Section 3(d) may include use or acceptance by the Administrative Agent or any Lender Party of a manually signed paper Amendment which has been converted into electronic form (such as scanned into .pdf), or an electronically signed Amendment converted into another format, for transmission, delivery and/or retention.

(e) If any provision of this Amendment is held to be illegal, invalid or unenforceable, (i) the legality, validity and enforceability of the remaining provisions of this Amendment shall not be affected or impaired thereby, and (ii) 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.

(f) THIS AMENDMENT AND ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AMENDMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

(g) The terms of Sections 11.5(b), (c) and (d) and 11.6 of the Amended Credit Agreement with respect to submission to jurisdiction, waiver of venue and waiver of jury trial are incorporated herein by reference, *mutatis mutandis*, and the parties hereto agree to such terms.

4. Exiting Lenders.

(a) Each Person executing this Amendment under the heading "Exiting Lenders" on the signature pages hereto, in its capacity as a lender under the Existing Credit Agreement (each, an "Exiting Lender"), is signing this Amendment for the purposes of amending the Existing Credit Agreement as contemplated by Section 1 and assigning its revolving credit commitment it holds under the Existing Credit Agreement on the First Amendment Effective Date to one or more Lenders under the Amended Credit Agreement as described in the following sentence. Upon giving effect to this Amendment, (i) each Exiting Lender's revolving credit commitment under the Existing Credit Agreement shall be fully assigned to one or more Lenders under the Amended Credit Agreement, in each case so that, after giving effect to such assignments, the Lenders under the Amended Credit Agreement shall have Commitments and Revolving Credit Commitment Percentages as set forth on Schedule 2.1 attached hereto, (ii) no Exiting Lender shall be a Lender under the Amended Credit Agreement, (iii) no Exiting Lender shall have any rights, obligations or duties as a lender under the Amended Credit Agreement or any other Loan Document, except for any right, obligation or duty which by the express terms of the Existing Credit Agreement or any other Loan Document would survive termination of the Existing Credit Agreement or such other Loan Document, and (iv) the Credit Parties shall have no obligations or liabilities to any Exiting Lender, except for obligations or liabilities which by the express terms of the Existing Credit Agreement or any other Loan Document would survive termination of the Existing Credit Agreement or such other Loan Document.

(b) With respect to any obligating owing to any Exiting Lender in connection with the Existing Credit Agreement and the other Loan Documents that are not otherwise satisfied by the assignments and reallocations described in this Amendment, the Borrower hereby agrees to pay to each such Exiting Lender all such remaining outstanding obligations (other than contingent obligations not then due and owing or for which no claim has been made) owing to such Exiting Lender, if any, in connection with the Existing Credit Agreement and the other Loan Documents substantially contemporaneously with the First Amendment Effective Date. Each Exiting Lender acknowledges that, unless and until the First Amendment Effective Date occurs, it shall remain a Lender under the Existing Credit Agreement with the rights and obligations of a Lender thereunder in accordance with the terms thereof. At the expense of the Borrower, each Exiting Lender shall take such further action and execute such other documents as may be necessary to effectuate the purposes of this Section 4.

5. Joinder of Additional Lenders.

(a) Each Person that signs this Amendment as a Lender and that was not a Lender party to the Existing Credit Agreement prior to the effectiveness of this Amendment (each such Person, an “Additional Lender”) (i) represents and warrants that (A) it has full power and authority, and has taken all action necessary, to execute and deliver this Amendment and to consummate the transactions contemplated hereby and to become a Lender under the Amended Credit Agreement, (B) it meets all of the requirements of an Eligible Assignee under the Amended Credit Agreement (subject to such consents, if any, as may be required under the terms of the Amended Credit Agreement), (C) from and after the First Amendment Effective Date, it shall be bound by the provisions of the Amended Credit Agreement as a Lender thereunder and shall have the obligations of a Lender thereunder and under the Loan Documents, (D) it is sophisticated with respect to decisions to acquire assets of the type represented by the Amended Credit Agreement and either it, or the Person exercising discretion in making its decision to acquire such assets, is experienced in acquiring assets of such type, (E) it has received a copy of the Existing Credit Agreement and this Amendment, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to the terms of the Existing Credit Agreement and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Amendment, (F) it has, independently and without reliance upon the Administrative Agent, any Issuing Lender, the Swingline Lender, or any other Lender, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Amendment, and (G) if it is a Foreign Lender, it has delivered any documentation required to be delivered by it pursuant to the terms of the Amended Credit Agreement; and (ii) agrees that (A) it will, independently and without reliance on the Administrative Agent, any Issuing Lender, the Swingline Lender, or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (B) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

(b) Each of the Loan Parties, the Administrative Agent, any Issuing Lender and the Swingline Lender agree that, as of the First Amendment Effective Date, each Additional Lender shall (i) be a party to the Amended Credit Agreement (and, as applicable, the other Loan Documents), (ii) be a “Lender” for all purposes of the Amended Credit Agreement and the other Loan Documents, and (iii) have the rights and obligations of a Lender under the Amended Credit Agreement and the other Loan Documents.

(c) The address of each Additional Lender for purposes of all notices and other communications is as set forth on the Administrative Questionnaire delivered by such Additional Lender to the Administrative Agent.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

BORROWER:

Korn Ferry,
a Delaware corporation

By: /s/ Robert P. Rozek
Name: Robert P. Rozek
Title: Treasurer, Chief Financial Officer and Chief
Corporate Officer

SUBSIDIARY GUARANTORS:

KORN FERRY (US),
a Delaware corporation

By: /s/ Robert P. Rozek
Name: Robert P. Rozek
Title: President and Chief Executive Officer

SENSA SOLUTIONS, INC.,
a Virginia corporation

By: /s/ Wendy Monsen
Name: Wendy Monsen
Title: President

PATINA SOLUTIONS GROUP, INC.,
a Delaware corporation

By: /s/ Robert P. Rozek
Name: Robert P. Rozek
Title: President

PATINA EXECUTIVE SEARCH, LLC,
a Delaware limited liability company

By: Patina Solutions Group, Inc., its sole member

By: /s/ Robert P. Rozek
Name: Robert P. Rozek
Title: President

LUCAS ASSOCIATES TEMPS, INC.,
a Georgia corporation

By: /s/ Robert P. Rozek
Name: Robert P. Rozek
Title: President

KORN FERRY ISP, LLC
a Delaware limited liability company

By: Korn Ferry US, its sole member

By: /s/ Andrew M. Katz
Name: Andrew M. Katz
Title: Treasurer

KORN FERRY
FIRST AMENDMENT TO CREDIT AGREEMENT

ADMINISTRATIVE AGENT:

BANK OF AMERICA, N.A.,
as the Administrative Agent

By:
Harris
Name:
Title:

/s/ Taelitha Bonds-

Taelitha Bonds-Harris
Assistant Vice President

KORN FERRY
FIRST AMENDMENT TO CREDIT AGREEMENT

LENDERS:

BANK OF AMERICA, N.A.,
as a Lender, an Issuing Lender, and the Swingline Lender

By:
Sarnecki
Name:
Title:

/s/ Carolyn
Carolyn Sarnecki
Senior Vice President

KORN FERRY
FIRST AMENDMENT TO CREDIT AGREEMENT

WELLS FARGO BANK, NATIONAL ASSOCIATION
as a Lender and an Issuing Lender

By: /s/ Michael Kim
Name: Michael Kim
Title: Managing Director

KORN FERRY
FIRST AMENDMENT TO CREDIT AGREEMENT

CAPITAL ONE, N.A.
as a Lender

By: /s/ Kelly Fournier
Name: Kelly Fournier
Title: Duly Authorized Signatory

KORN FERRY
FIRST AMENDMENT TO CREDIT AGREEMENT

HSBC BANK USA, N.A.,
as a Lender and an Issuing Lender

By: /s/ Paul M Weeks
Name: Paul M Weeks
Title: Director & Regional Head

KORN FERRY
FIRST AMENDMENT TO CREDIT AGREEMENT

BANK OF THE WEST,
as a Lender

By: /s/ Robert Louk
Name: Robert Louk
Title: Managing Director

KORN FERRY
FIRST AMENDMENT TO CREDIT AGREEMENT

BMO HARRIS BANK, N.A.,
as a Lender

By: /s/ Tracy Martinov
Name: Tracy Martinov
Title: Authorized Signatory

KORN FERRY
FIRST AMENDMENT TO CREDIT AGREEMENT

NEW LENDERS:

CITY NATIONAL BANK,
as a New Lender

By:
Daphtary
Name:
Title:

/s/ Sanjna

Sanjna Daphtary
Senior Vice President

KORN FERRY
FIRST AMENDMENT TO CREDIT AGREEMENT

PNC BANK, NATIONAL ASSOCIATION,
as a New Lender

By: /s/ Kendall Simmons
Name: Kendall Simmons
Title: Managing Director

KORN FERRY
FIRST AMENDMENT TO CREDIT AGREEMENT

EXITING LENDER:

MUFG BANK, LTD.,
as an Exiting Lender

By:
Zhang
Name:
Title:

/s/ Meng
Meng Zhang
Vice President

KORN FERRY
FIRST AMENDMENT TO CREDIT AGREEMENT

Annex A

Amended Credit Agreement

See attached.

Published CUSIP Number: 50066UAA7
Revolver CUSIP Number: 50066UAB5

~~\$ 650,000,000~~ 1,150,000,000

CREDIT AGREEMENT

dated as of December 16, 2019,

by and among

KORN FERRY,

as the Borrower,

the Lenders referred to herein,

as Lenders,

and

BANK OF AMERICA N.A.,

as Administrative Agent,

Swingline Lender and an Issuing Lender,

~~WELLS FARGO BANK, NATIONAL ASSOCIATION;~~

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Syndication Agent

and

~~BMO HARRIS BANK~~ CAPITAL ONE, N.A.,

HSBC BANK USA, N.A.,

PNC BANK, NATIONAL ASSOCIATION

and

~~BANK OF THE WEST~~ BANK OF THE WEST,

as ~~Documentation~~ Co-Documentation Agents

BOFA SECURITIES, INC.

and

~~WELLS FARGO SECURITIES~~ WELLS FARGO SECURITIES, LLC,

as Joint Lead Arrangers and Joint Bookrunners

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CREDIT AGREEMENT, dated as of December 16, 2019, by and among KORN FERRY, a Delaware corporation, as the Borrower, the LENDERS from time to time party hereto, BANK OF AMERICA, N.A., as Administrative Agent, Swingline Lender and an Issuing Lender and the other Issuing Lenders party hereto.

STATEMENT OF PURPOSE

The Borrower has requested, and subject to the terms and conditions set forth in this Agreement, the Administrative Agent and the Lenders have agreed to extend, certain credit facilities to the Borrower.

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

DEFINITIONS

SECTION 1.1 Definitions

. The following terms when used in this Agreement shall have the meanings assigned to them below:

“Acquisition” means any transaction, or any series of related transactions, consummated on or after the date of this Agreement, by which the Borrower or any of its Material Subsidiaries (or any Subsidiary that after giving effect to such transaction would be a Material Subsidiary) (a) acquires all or substantially all of the assets of any Person, or a division or business unit thereof or location where such Person does business, whether through purchase of assets, merger or otherwise or (b) directly or indirectly acquires (in one transaction or as the most recent transaction in a series of transactions) at least a majority (in number of votes) of the securities of a corporation which have ordinary voting power for the election of directors or the equivalent governing body (other than securities having such power only by reason of the happening of a contingency) or a majority (by percentage or voting power) of the outstanding ownership interests of a partnership or limited liability company.

~~“Adjustment” has the meaning assigned thereto in Section 4.8(d) :~~

“Administrative Agent” means Bank of America, in its capacity as Administrative Agent hereunder, and any successor thereto appointed pursuant to Section 10.6.

“Administrative Agent’s Office” means the office of the Administrative Agent specified in or determined in accordance with the provisions of Section 11.1(c).

“Administrative Questionnaire” means an administrative questionnaire in a form supplied by the Administrative Agent.

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

“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.

“Agent Parties” has the meaning assigned thereto in Section 11.1(c).

“Aggregate Revolving Credit Commitment” means the aggregate commitment of all Revolving Credit Lenders to make Revolving Credit Loans to, and to purchase participations in L/C Obligations and Swingline Loans for the account of, the Borrower, as such amount may be modified at any time or from time to time pursuant to the terms hereof (including, without limitation, Section 4.13). The Aggregate Revolving Credit Commitment on the ~~Closing~~First Amendment Effective Date shall be \$650,000,000.

“Agreement” means this Credit Agreement.

“Alternative Currency” means (a) the euro, (b) Pounds Sterling and (c) with the prior written consent of the Administrative Agent and ~~Bank of America, in its capacity as an~~the applicable Issuing Lender, such consents not to be unreasonably withheld or delayed, any other lawful currency (other than Dollars); provided, that, in each case of clauses (a) through (c) above, such currency is ~~freely transferable and convertible into Dollars in the United States currency market and freely available to Bank of America, in its capacity as an Issuing Lender, in the London (or other applicable) interbank deposit market~~an Eligible Currency.

“Alternative Currency Letter of Credit” means any Letter of Credit denominated in an Alternative Currency and “Alternative Currency Letters of Credit” means the collective reference to all Letters of Credit denominated in an Alternative Currency.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Borrower or any of its Subsidiaries from time to time concerning or relating to bribery or corruption, including, without limitation, the United States Foreign Corrupt Practices Act of 1977 as amended, and the rules and regulations thereunder.

“Anti-Money Laundering Laws” means any and all laws, statutes, regulations or obligatory government orders, decrees, ordinances or rules applicable to a Credit Party, or any of its Subsidiaries or Affiliates, related to terrorism financing or money laundering, including any applicable provision of the PATRIOT Act and The Currency and Foreign Transactions Reporting Act (also known as the “Bank Secrecy Act,” 31 U.S.C. §§ 5311-5330 and 12U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

“Applicable Law” means all applicable provisions of constitutions, laws, statutes, ordinances, rules, treaties, regulations, permits, licenses, approvals, interpretations and orders of Governmental Authorities and all orders and decrees of all courts and arbitrators.

“Applicable Margin” means the corresponding percentages per annum as set forth below based on the Consolidated Net Leverage Ratio:

Pricing Level	Consolidated Net Leverage Ratio	Commitment Fee	LIBOR Rate Term SOFR Loans	Base Rate Loans
I	Less than 0.50 <u>1.00</u> to 1.00	0.175%	1.125%	0.125%
II	Greater than or equal to 0.50 <u>1.00</u> to 1.00 but less than 1.50 <u>2.00</u> to <u>1.00</u>	0.200%	1.250%	0.250%
III	Greater than or equal to 1.50 <u>2.00</u> to 1.00 but less than 2.25 <u>3.00</u> to <u>1.00</u>	0.250%	1.500%	0.500%
IV	Greater than or equal to 2.25 <u>3.00</u> to 1.00 but less than 3.00 <u>4.00</u> to <u>1.00</u>	0.300 <u>0.275</u> %	1.750%	0.750%
V	Greater than or equal to 3.00 <u>4.00</u> to 1.00	0.350 <u>0.300</u> %	2.000%	1.000%

The Applicable Margin shall be determined and adjusted quarterly on the date five (5) Business Days after the day on which the Borrower provides an Officer’s Compliance Certificate pursuant to Section 7.2(a) for the most recently ended fiscal quarter of the Borrower (each such date, a “Calculation Date”); provided, that : (a) the Applicable Margin shall be based on Pricing Level ~~HI~~ until the Calculation Date applicable to the first fiscal quarter ended after the ~~Closing~~First Amendment Effective Date and, thereafter the Pricing Level shall be determined by reference to the Consolidated Net Leverage Ratio as of the last day of the most recently ended fiscal quarter of the Borrower preceding the applicable Calculation Date, and (b) if the Borrower fails to provide an Officer’s Compliance Certificate when due as required by Section 7.2(a) for the most recently ended fiscal quarter of the Borrower preceding the applicable Calculation Date, the Applicable Margin from the date on which such Officer’s Compliance Certificate was required to have been delivered shall be based on Pricing Level V until such time as such Officer’s Compliance Certificate is delivered, at which time the Pricing Level shall be determined by reference to the Consolidated Net Leverage Ratio as of the last day of the most recently ended fiscal quarter of the Borrower preceding such Calculation Date. The applicable Pricing Level shall be effective from one Calculation Date until the next Calculation Date. Any adjustment in the Pricing Level shall be applicable to all Extensions of Credit then existing or subsequently made or issued.

Notwithstanding the foregoing, in the event that any financial statement or Officer’s Compliance Certificate delivered pursuant to Section 7.1 or Section 7.2(a) is shown to be inaccurate (regardless of whether (i) this Agreement is in effect, (ii) any ~~Revolving Credit~~ Commitments are in effect, or (iii) any Extension of Credit is outstanding when such inaccuracy is discovered or such financial statement or Officer’s Compliance Certificate was delivered), and such inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for any period (an “Applicable Period”) than the Applicable Margin applied for such Applicable Period, then (A) the Borrower shall immediately deliver to the Administrative Agent a corrected Officer’s Compliance Certificate for such Applicable Period, (B) the Applicable Margin for such Applicable Period shall be determined as if the Consolidated Net Leverage Ratio in the corrected Officer’s Compliance Certificate were applicable for such Applicable Period, and (C) the Borrower shall immediately and retroactively be obligated to pay to the Administrative Agent the accrued additional interest and fees owing as a result of such increased Applicable Margin for such Applicable Period, which payment shall be promptly applied by the Administrative Agent in accordance with Section 4.4. Nothing in this paragraph shall limit the rights of the Administrative Agent and Lenders with respect to Sections 5.1(b) and 9.2 nor any of their other rights under this Agreement or any other Loan Document. The Borrower’s obligations under this paragraph shall survive the termination of the ~~Revolving Credit~~ Commitments and the repayment of all other Obligations hereunder.

“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.

“Arranger” means each of BofA Securities and Wells Fargo Securities, LLC, each in its capacity as a joint lead arranger and joint bookrunner.

~~“Aspen Acquisition” means collectively, (a) the Acquisition by the Borrower of the issued and outstanding Equity Interests of certain entities, including (i) Miller Heiman Group, Inc., a Delaware corporation, (ii) AchieveForum, Inc., a Delaware corporation and (iii) TwentyEighty Strategy Execution, Inc., a Virginia corporation, and (b) the Acquisition by Korn Ferry Global Holdings (UK) Ltd. of 100% of the issued and outstanding Equity Interests of Boea U.K. Intermediate Holdings Limited, consummated pursuant to that certain Stock Purchase Agreement by and among the Borrower and TwentyEighty, Inc., dated as of September 30, 2019.~~

“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 11.9), and accepted by the Administrative Agent, in substantially the form attached hereto as **Exhibit G** or any other form (including electronic documentation generated by use of an electronic platform) approved by the Administrative Agent.

“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~~Affected Financial Institution.

“Bail-In Legislation” means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, rule, regulation or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule ~~7~~, and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bank Guarantee” means a bank guarantee issued by a ~~Revolving Credit~~ Lender or one of its Affiliates or branches or a correspondent bank on its behalf, for the account of the Borrower or any Subsidiary, to support obligations of such Person incurred in the ordinary course of such Person’s business.

“Bank of America” means Bank of America, N.A. and its successors.

“Bankruptcy Code” means 11 U.S.C. §§ 101 *et seq.*

“Base Rate” means for any day a fluctuating rate of interest per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1% (b) the Prime Rate, and (c) ~~the LIBOR Rate~~Term SOFR plus 1.00%. If the Base Rate is being used as an alternate rate of interest pursuant to Section 4.8, then the Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. Notwithstanding the foregoing, if the Base Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Base Rate Loan” means any Loan bearing interest at a rate based upon the Base Rate as provided in Section 4.1(a).

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

“Beneficial Ownership Regulation” means 31 CFR § 1010.230.

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

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

“BofA Securities” means BofA Securities, Inc.

“Borrower” means Korn Ferry, a Delaware corporation.

“Borrower Materials” has the meaning assigned thereto in Section 7.2.

“Business Day” means (a) for all purposes ~~other than as set forth in clause (b) below~~, any day (other than a Saturday, Sunday or legal holiday) on which banks in Charlotte, North Carolina, Los Angeles, California or New York, New York, are open for the conduct of their commercial banking business; and (b) ~~with respect to all notices and determinations in connection with, and payments of principal and interest on, any LIBOR Rate Loan, or any Base Rate Loan as to which the interest rate is determined by reference to the LIBOR Rate, any day that is a Business Day described in clause (a) and that is also a London Banking Day and (e)~~ if such day relates to any determination of the spot exchange rate for Alternative Currency, any day that is a Business Day described in clause (a) and that is also a day on which banks are open for foreign exchange business in the principal financial center of the country of the relevant Alternative Currency for which such spot exchange rate is being determined.

“Calculation Date” has the meaning assigned thereto in the definition of Applicable Margin.

“Capital Lease Obligations” of any Person means, subject to Section 1.3(c), the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as finance leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP, but excluding any obligations with respect to Operating Leases.

“Cash Collateralize” means, to deposit in a Controlled Account or to pledge and deposit with, or deliver to the Administrative Agent, or directly to the applicable Issuing Lender (with notice thereof to the Administrative Agent), for the benefit of one or more of the Issuing Lenders, the Swingline Lender or the Lenders, as collateral for L/C Obligations or obligations of the Lenders to fund participations in respect of L/C Obligations or Swingline Loans, cash or deposit account balances or, if the Administrative Agent and the applicable Issuing Lender and the Swingline Lender shall agree, in their sole discretion, other credit support, in each case pursuant to documentation in form and substance satisfactory to the Administrative Agent, such Issuing Lender and the Swingline Lender, as applicable. “Cash Collateral” shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support. Notwithstanding anything in the foregoing, in no event shall “Cash Collateral” include Excluded Assets.

“Cash Equivalents” means, when used in connection with any Person, that Person’s:

- (a) Investments in Government Securities due within one year after the date of the making of the investment;
- (b) Investments in readily marketable direct obligations of any State of the United States or any political subdivision of any such State or any public agency or instrumentality thereof given, on the date of such investment, a credit rating of at least Aa by Moody’s or AA by S&P, in each case due within one year after the date of the making of the investment;
- (c) Investments in certificates of deposit issued by, bank deposits in, ~~eurodollar deposits through~~, bankers’ acceptances of, and repurchase agreements covering Government Securities executed by, the Administrative Agent or any bank incorporated under the Applicable Laws of the United States, any State thereof or the District of Columbia and having, on the date of such investment, combined capital, surplus and undivided profits of at least \$250,000,000, or total

assets of at least \$5,000,000,000, in each case due within one year after the date of the making of the investment;

(d) Investments in certificates of deposit issued by, bank deposits in, ~~eurodollar deposits through~~, bankers' acceptances of, and repurchase agreements covering Government Securities executed by, any branch or office located in the United States of a bank incorporated under the Applicable Laws of any jurisdiction outside the United States having on the date of such investment combined capital, surplus and undivided profits of at least \$500,000,000, or total assets of at least \$15,000,000,000, in each case due within one year after the date of the making of the investment;

(e) Investments in readily marketable commercial paper or other debt securities issued by corporations doing business in and incorporated under the Applicable Laws of the United States or any State thereof or of any corporation that is the holding company for a bank described in clause (c) or (d) above given on the date of such investment a credit rating of at least P 1 by Moody's or A 1 by S&P, in each case due within one year after the date of the making of the investment;

(f) Investments in a readily redeemable "money market mutual fund" sponsored by a bank described in clause (c) or (d) hereof that has and maintains an investment policy limiting its investments primarily to instruments of the types described in clauses (a) through (e) hereof and given on the date of such investment a credit rating of at least Aa by Moody's and AA by S&P; and

(g) solely with respect to any Foreign Subsidiary, Investments equivalent to those referred to in clauses (a) through (f) of this definition, denominated in the foreign currency that is the local currency where such Foreign Subsidiary is organized or has its principal place of business which are comparable in tenor and credit quality to those referred to in clauses (a) through (f) above and customarily used in the ordinary course of business by similar companies for cash management purposes in the relevant jurisdiction to the extent reasonably required in connection with any business conducted by such Foreign Subsidiary in such jurisdiction.

"Cash Management Agreement" means any agreement to provide cash management services, including treasury, depository, overdraft, credit or debit card (including non-card electronic payables and purchasing cards), electronic funds transfer and other cash management arrangements.

"Cash Management Bank" means any Person that, (a) at the time it enters into a Cash Management Agreement with a Credit Party, is a Lender, an Affiliate of a Lender, the Administrative Agent or an Affiliate of the Administrative Agent, or (b) at the time it (or its Affiliate) becomes a Lender or the Administrative Agent (including on the Closing Date), is a party to a Cash Management Agreement with a Credit Party, in each case in its capacity as a party to such Cash Management Agreement.

"Cash Secured Credit Facility" means any credit facility incurred by one or more Foreign Subsidiaries, the principal repayment of which is fully supported by fully cash-collateralized letters of credit or Bank Guarantees issued by a Person other than the Borrower or its Subsidiaries for the account of (a) one or more other Foreign Subsidiaries or (b) the Borrower.

"CFC Debt" has the meaning assigned thereto in the definition of "Tax Preferred Subsidiary".

"Change in Control" means an event or series of events by which (a) any "person" or "group" (within the meaning of Sections 13(d) and 14(d) of the Exchange Act), becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of 30%, or more, of the Equity

Interests of the Borrower having the right to vote for the election of members of the board of directors of the Borrower, (b) ~~a majority of the members of the board of directors of the Borrower do not constitute Continuing Directors~~ [reserved], (c) except to the extent otherwise permitted pursuant to the terms of this Agreement (including, without limitation, Section 8.4), the Borrower shall cease to own and control, directly or indirectly, (i) with respect to any Material Subsidiary in existence on the ~~Closing~~ First Amendment Effective Date, all of the Equity Interests in such Material Subsidiary owned and controlled, directly or indirectly, by the Borrower on the ~~Closing~~ First Amendment Effective Date, or (ii) with respect to any Material Subsidiary acquired or formed after the ~~Closing~~ First Amendment Effective Date, all of the Equity Interests in such Material Subsidiary owned and controlled, directly or indirectly, by the Borrower on the date of such acquisition or formation or (d) there shall have occurred under any indenture or other instrument evidencing any other Indebtedness or Equity Interests in excess of \$50,000,000, any “change in control” or similar provision (as set forth in such indenture, agreement or other evidence of such Indebtedness or Equity Interest) obligating the Borrower or any of its Subsidiaries to repurchase, redeem or repay all or any part of the Indebtedness or Equity Interests prior to the scheduled maturity provided for therein.

“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, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof and (ii) 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, implemented or issued; provided further, that, the increased costs associated with a Change in Law based on the foregoing clauses (i) and (ii) may only be imposed to the extent the applicable Lender or other Recipient generally imposes the same charges on other similarly situated borrowers that are similarly affected by the circumstances giving rise to such increased costs under credit facilities comparable to the Credit Facility pursuant to provisions similar to Section 4.10 and only to the extent that the Administrative Agent, such Lender or such Recipient reasonably deems that it is afforded the legal right under such other credit facilities to impose such increased costs (it being acknowledged and agreed that nothing in this proviso shall require the Administrative Agent, any Lender or any other Recipient to disclose any information related to similarly situated customers, comparable provisions of similar agreements or otherwise that the Administrative Agent, such Lender or such Recipient (as applicable), in its sole discretion, deems proprietary, privileged or confidential, and the Administrative Agent’s, the applicable Lender’s or the applicable Recipient’s (as the case may be) failure to provide such information shall not preclude it from asserting that such other customer is, or is not, similarly situated under a similar agreement to the Borrower).

“Closing Date” means December 16, 2019.

“CME” means CME Group Benchmark Administration Limited.

“Code” means the Internal Revenue Code of 1986, and the rules and regulations promulgated thereunder.

“Collateral” means the collateral security for the Secured Obligations pledged or granted pursuant to the Security Documents. For the avoidance of doubt, Collateral shall in no event include any Excluded Assets.

“Commitment” means a Term Commitment or a Revolving Credit Commitment, as the context may require.

“Commitment Fee” has the meaning assigned thereto in Section 4.3(a).

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

“Communication” means this Agreement, any other Loan Document, and any document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to any Loan Document.

“Conforming Changes” means, with respect to the use, administration of or any conventions associated with SOFR or any proposed Successor Rate or Term SOFR, as applicable, any conforming changes to the definitions of “Base Rate”, “SOFR”, “Term SOFR” and “Interest Period”, timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters (including, for the avoidance of doubt, the definitions of “Business Day” and “U.S. Government Securities Business Day”, timing of borrowing requests or prepayment, conversion or continuation notices and length of lookback periods) as may be appropriate, in the discretion of the Administrative Agent, to reflect the adoption and implementation of such applicable rate(s) and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate exists, in such other manner of administration as the Administrative Agent determines is reasonably necessary in connection with the administration of this Agreement and any other Loan Document).

“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” means, when used with reference to financial statements or financial statement items of any Person, such statements or items on a consolidated basis in accordance with applicable principles of consolidation under GAAP.

~~“ Consolidated Adjusted EBIT ” means, with respect to any fiscal period of the Borrower and its Subsidiaries (determined on a Consolidated basis and without duplication), Consolidated Adjusted EBITDA for such period minus, to the extent included as an add-back in the computation of Consolidated Adjusted EBITDA for such fiscal period, depreciation expense and amortization expense.~~

“Consolidated Adjusted EBITDA” means, with respect to any fiscal period of the Borrower and its Subsidiaries, the total of (determined on a Consolidated basis and without duplication) the following:

(a) (i) net profit (before tax and equity in earnings of non-Consolidated Subsidiaries) for such period and (ii) the amount of dividends or other distributions paid in cash to the Borrower or one of its Consolidated Subsidiaries during such period by a non-Consolidated Subsidiary of the Borrower,

minus

(b) to the extent included in the computation of net profit under clause (a)(i) for such period, the amount of any non-recurring gains (excluding, however, cash non-recurring gains relating to previously expensed items that do not exceed in the aggregate the greater of (i) \$15,000,000 and (ii) 5.0% of Consolidated Adjusted EBITDA, determined net of any non-recurring

gains of the type described in this parenthetical, for the trailing twelve-month period ending on the last day of such period),

plus

(c) the sum of the following, to the extent deducted in the computation of net profit under clause (a)(i) above for such period: (i) Consolidated Interest Expense, plus (ii) depreciation expense and amortization expense, plus (iii) non-cash capital stock-based compensation to officers and employees (including in connection with the vesting of stock options in the Borrower), plus (iv) non-cash charges; ~~(but only excluding any such non-cash charges to the extent not reserved~~ (A) such non-cash charges represent an accrual of, or a reserve for, a future cash charge payment, or (B) there were cash payments with respect to such non-cash charges in a prior period), plus (v) non-cash charges related to fair value adjustments or minus non-cash gains related to fair value adjustments, plus (vi) any non-recurring expenses (including, without limitation, any restructuring charges) of the Borrower and its Subsidiaries, in an aggregate amount in any four consecutive fiscal quarter period that, when taken together with amounts included in Consolidated Adjusted EBITDA pursuant to clause (d) below during such four quarter period, shall not exceed the greater of (A) \$ ~~70,000,000~~ 100,000,000 and (B) ~~22.520.0%~~ 22.520.0% of Consolidated Adjusted EBITDA determined for the applicable period prior to giving effect to amounts added back pursuant to this clause (c)(vi) and amounts included pursuant to clause (d) below, plus (vii) ~~costs related to the Aspen Acquisition including, without limitation, restructuring charges, acquisition and integration costs, and retention bonuses; so long as such costs (A) are set forth in reasonable detail on a certificate of a Responsible Officer of the Borrower delivered to, and reasonably acceptable to, the Administrative Agent and (B) do not exceed \$30,000,000 during the term of this Agreement,~~ plus (viii) non-cash charges related to previously capitalized debt acquisition costs, plus (ix) ~~cash charges relating to the unwinding of existing Hedge Agreements in connection with the Transactions,~~ viii) non-cash charges representing amortization expense of prepaid cash compensation paid to employees in such period or any prior period.

plus

(d) the amount of “run rate” net cost savings, synergies and operating expense reductions projected by the Borrower in good faith to be realized as a result of specified actions taken prior to the end of such fiscal period, or with respect to any net cost savings, synergies and/or operating expense reductions arising solely as a result of a Permitted Acquisition which are expected to be taken within 6 months of the closing such Acquisition (in each case calculated on a pro forma basis as though such net cost savings, synergies and/or operating expense reductions had been realized on the first day of such fiscal period as if such net cost savings, synergies and operating expense reductions were realized during the entirety of such fiscal period), in each case net of the amount of actual benefits realized during such fiscal period from such actions; provided, that : (i) such net cost savings, synergies and operating expense reductions (x) are reasonably identifiable, factually supportable and expected to have a continuing impact on the operations of the Borrower and its Subsidiaries, (y) have been determined by the Borrower in good faith to be reasonably anticipated to be realized within 12 months following the taking of the applicable actions giving rise thereto and (z) are set forth in reasonable detail on a certificate of a Responsible Officer of the Borrower delivered to the Administrative Agent and (ii) the aggregate amount of net cost savings, synergies and operating expense reductions included in Consolidated Adjusted EBITDA pursuant to this clause (d) in any four consecutive fiscal quarter period, when taken together with any expenses added back pursuant to clause (c)(vi) above during such period, shall not exceed the greater of (A) \$ ~~70,000,000~~ 100,000,000 and (B) ~~22.520.0%~~ 22.520.0% of Consolidated

Adjusted EBITDA determined for the applicable period prior to giving effect to amounts included pursuant to this clause (d) and amounts added back pursuant to clause (c)(vi) above.

For purposes of this Agreement, Consolidated Adjusted EBITDA shall be adjusted on a Pro Forma Basis.

“Consolidated Funded Indebtedness” means, as of any date of determination with respect to the Borrower and its Subsidiaries on a Consolidated basis, without duplication, the sum of (a) all obligations for borrowed money, plus (b) all obligations with respect to the principal component of Capital Lease Obligations, plus (c) all obligations with respect to Disqualified Equity Interests plus (d) all Guarantee obligations in respect of items described in the preceding clauses (a) through (c), plus (e) all unreimbursed drawings under outstanding letters of credit.

~~“Consolidated Interest Coverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated Adjusted EBIT for the period of four (4) consecutive fiscal quarters ending on or immediately prior to such date to (b) Consolidated Interest Expense (net of non-cash interest expense) for the period of four (4) consecutive fiscal quarters ending on or immediately prior to such date. For purposes of calculating the Consolidated Interest Coverage Ratio as of any date of determination ending prior to the expiration of four (4) full fiscal quarters immediately following the Closing Date, Consolidated Interest Expense shall be deemed to be Consolidated Interest Expense for the period from the Closing Date to and including the applicable date of determination, multiplied by a fraction equal to (i) 365 divided by (ii) the number of days actually elapsed from the Closing Date to such applicable date of determination.~~

“Consolidated Interest Expense” means, for any period, interest expense of the Borrower and its Subsidiaries as determined on a Consolidated basis, without duplication, in accordance with GAAP, for such period.

“Consolidated Net Leverage Ratio” means, as of any date of determination, the ratio of (a) the total of (i) Consolidated Funded Indebtedness (excluding Cash Secured Credit Facilities permitted pursuant to Section 8.1(b)) on such date minus (ii) up to \$ ~~100,000,000~~300,000,000 of Unrestricted cash and Cash Equivalents of the Borrower and its Domestic Subsidiaries then on hand (excluding the proceeds of Indebtedness incurred substantially concurrently with the determination of such amount) (provided, that, notwithstanding the reference to “Domestic Subsidiaries” set forth in this clause (ii), it is understood and agreed that up to \$50,000,000 of the amount referenced in this clause (ii) may be comprised of Unrestricted cash and Cash Equivalents of Foreign Subsidiaries) to (b) Consolidated Adjusted EBITDA for the period of four (4) consecutive fiscal quarters ending on or immediately prior to such date.

“Consolidated Secured Net Leverage Ratio” means, as of any date of determination, the ratio of (a) the total of (i) Consolidated Funded Indebtedness (excluding Cash Secured Credit Facilities permitted pursuant to Section 8.1(b)) on such date that is secured by any Lien on any Property of the Borrower or any of its Subsidiaries, minus (ii) up to \$ ~~100,000,000~~300,000,000 of Unrestricted cash and ~~cash equivalents~~Cash Equivalents of the Borrower and its Domestic Subsidiaries then on hand (excluding the proceeds of Indebtedness incurred substantially concurrently with the determination of such amount) (provided, that, notwithstanding the reference to “Domestic Subsidiaries” set forth in this clause (ii), it is understood and agreed that up to \$50,000,000 of the amount referenced in this clause (ii) may be comprised of Unrestricted cash and Cash Equivalents of Foreign Subsidiaries), to (b) Consolidated Adjusted EBITDA for the period of four (4) consecutive fiscal quarters ending on or immediately prior to such date.

~~“Continuing Director” means (a) any member of the board of directors of the Borrower who was a director of the Borrower on the Closing Date, and (b) any individual who becomes a member of the board of directors of the Borrower after the Closing Date if such individual was approved, appointed or nominated for election to the board of directors by a majority of the Continuing Directors.~~

“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.

“Controlled Account” means each deposit account and securities account that is subject to an account control agreement in form and substance satisfactory to the Administrative Agent and each of the applicable Issuing Lenders that is entitled to Cash Collateral hereunder at the time such control agreement is executed.

“Covered Entity” means any of the following: (a) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (b) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (c) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Covered Party” has the meaning assigned thereto in Section 11.24.

“Credit Facility” means, collectively, the Term Facility, the Revolving Credit Facility, the Swingline Facility and the L/C Facility and, if applicable, any Incremental Term Loans.

“Credit Parties” means, collectively, the Borrower and the Subsidiary Guarantors.

“Daily Simple SOFR” with respect to any applicable determination date means the SOFR published on such date on the Federal Reserve Bank of New York’s website (or any successor source).

“Debtor Relief Laws” means the Bankruptcy Code of the United States, 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 of the events specified in Section 9.1 which with the passage of time, the giving of notice or any other condition, would constitute an Event of Default.

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

“Defaulting Lender” means, subject to Section 4.15(b), any Lender that (a) has failed to (i) fund all or any portion of the Loans required to be funded by it hereunder within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower 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, any Issuing Lender, the Swingline 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 Swingline Loans) within two Business Days of the date when due, (b) has notified the Borrower, the Administrative Agent, any Issuing Lender or the Swingline 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 Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower 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 Borrower), (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 FDIC or any other state or federal regulatory authority acting in such a capacity or (iii) has 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 interest 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 shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 4.15(b)) upon delivery of written notice of such determination to the Borrower, each Issuing Lender, the Swingline Lender and each Lender.

“Disposition” has the meaning assigned thereto in Section 8.4(d).

“Disqualified Equity Interests” means any Equity Interests that, by their terms (or by the terms of any security or other Equity Interest into which they are convertible or for which they are exchangeable) or upon the happening of any event or condition, (a) mature or are mandatorily redeemable (other than solely for Qualified Equity Interests), pursuant to a sinking fund obligation or otherwise (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the ~~Revolving Credit~~ Commitments), (b) are redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests) (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the ~~Revolving Credit~~ Commitments), in whole or in part, (c) provide for the scheduled payment of dividends in cash or (d) are or become convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is 91 days after the Maturity Date; provided, that, if such Equity Interests are issued pursuant to a plan for the benefit of the Borrower or its Subsidiaries or by any such plan to such officers or employees, such Equity Interests shall not constitute Disqualified Equity Interests solely because they may be required to be repurchased by the Borrower or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of any such officer’s or employee’s termination, death or disability.

“Disqualifying Event” has the meaning assigned thereto in the definition of “Eligible Currency”.

“Dollar Amount” 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 of such amount in Dollars determined by using the rate of exchange for the purchase of Dollars with the Alternative Currency last provided (either by publication or otherwise provided to the Administrative Agent or ~~Bank of America, in its capacity as an~~ the applicable Issuing Lender, as applicable) by the applicable Bloomberg source (or such other publicly available source for displaying exchange rates) on the ~~most recent Revaluation Date (date that is two (2) Business Days immediately preceding the date of determination~~ (or if such service ceases to be available or ceases to provide such rate of exchange, the equivalent of such amount in Dollars as determined by the Administrative Agent or ~~Bank of America, in its capacity as an~~ the applicable Issuing Lender, as applicable, using any method of determination it deems appropriate in its sole discretion), and (c) if such amount is denominated in any other currency, the equivalent of such amount in ~~dollars~~ Dollars as determined by the Administrative Agent or ~~Bank of America, in its capacity as an~~ the applicable Issuing Lender, as applicable, using any method of determination it deems appropriate in its sole

discretion. Any determination by the Administrative Agent or ~~Bank of America, in its capacity as an~~ the applicable Issuing Lender, pursuant to clauses (b) or (c) above shall be conclusive absent manifest error.

“Dollars” or “\$” means, unless otherwise qualified, dollars in lawful currency of the United States.

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

“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 delegate) having responsibility for the resolution of any credit institution or investment firm established in any EEA Member Country.

“Electronic Copy ” has the meaning assigned thereto in Section 11.16(b).

“Electronic Record” has the meaning assigned to that term in 15 U.S.C. § 7006.

“Electronic Signature” has the meaning assigned to that term in 15 U.S.C. § 7006.

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 11.9(b)(iii), (v) and (vi) (subject to such consents, if any, as may be required under Section 11.9(b)(iii)).

“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 applicable Issuing Lenders in such market and as to which a Dollar Amount may be readily calculated. If, after the designation by the applicable Issuing Lenders of any currency as an Alternative Currency (or if, with respect to any currency that constitutes an Alternative Currency on the First Amendment Effective Date, after the First Amendment Effective Date), 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 and the applicable Issuing Lenders, (a) such currency no longer being readily available, freely transferable and convertible into Dollars, (b) a Dollar Amount is no longer readily calculable with respect to such currency, (c) providing such currency is impracticable for the applicable Issuing Lenders or (d) no longer a currency in which the applicable Issuing Lenders are willing to issue such Letters of Credit (each of clauses (a), (b), (c), and (d) a “Disqualifying Event”), then the Administrative Agent shall promptly notify the applicable Issuing Lenders and the Borrower, and such country’s currency shall no longer be an Alternative Currency until such time as the Disqualifying Event(s) no longer exist(s).

“Environmental Claims” means any and all administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, accusations, allegations, notices of noncompliance or violation, investigations (other than internal reports prepared by any Person in the ordinary course of business and not in response to any third party action or request of any kind) or proceedings relating in any way to any actual or alleged violation of or liability under any Environmental Law or relating to any permit issued, or any approval given, under any such Environmental Law, including, without limitation, any and all claims by Governmental Authorities for enforcement, cleanup, removal, response, remedial or other actions or damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from any toxic or hazardous waste or substance or arising from alleged injury or threat of injury to public health or the environment.

“Environmental Laws” means any and all federal, foreign, state, provincial and local laws, statutes, ordinances, codes, rules, standards and regulations, permits, licenses, approvals, interpretations and orders of courts or Governmental Authorities, relating to the protection of public health or the environment, including, but not limited to, requirements pertaining to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation, handling, reporting, licensing, permitting, investigation or remediation of any toxic or hazardous waste or substance.

“Equity Interests” means (a) in the case of a corporation, capital stock, (b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of capital stock, (c) in the case of a partnership, partnership interests (whether general or limited), (d) in the case of a limited liability company, membership interests, (e) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person and (f) any and all warrants, rights or options to purchase any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, and the rules and regulations thereunder.

“ERISA Affiliate” means any Person who together with any Credit Party or any of its Subsidiaries is treated as a single employer within the meaning of Section 414(b), (c), (m) or (o) of the Code or Section 4001(b) of ERISA.

“ESG” has the meaning assigned thereto in Section 4.16(a).

“ESG Amendment” has the meaning assigned thereto in Section 4.16(a).

“ESG Applicable Margin Adjustments” has the meaning assigned thereto in Section 4.16(a).

“ESG Pricing Provisions” has the meaning assigned thereto in Section 4.16(a).

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

“euro” and “€” mean the single currency of the Participating Member States.

“Event of Default” means any of the events specified in Section 9.1; provided, that, any requirement for passage of time, giving of notice, or any other condition, has been satisfied.

“Evergreen Letter of Credit” means a Letter of Credit that is subject to automatic renewal for one year periods pursuant to the terms of the applicable Letter of Credit Application and Section 3.11.

“Exchange Act” means the Securities Exchange Act of 1934.

“Excluded Asset” has the meaning assigned thereto in the Security Agreement. For the avoidance of doubt, “Excluded Assets” shall include, in addition to such assets as are expressly excluded from the collateral pursuant to the Security Agreement, any CFC Debt.

“Excluded Swap Obligation” means, with respect to any Credit Party, any Swap Obligation if, and to the extent that, all or a portion of the liability of such Credit Party for or the guarantee of such Credit Party of, or the grant by such Credit Party of a security interest to secure, such Swap Obligation (or any liability or guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Credit Party’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder at the time the liability for or the guarantee of such Credit Party or the grant of such security interest becomes effective with respect to such Swap Obligation (such determination being made after giving effect to any applicable keepwell, support or other agreement for the benefit of the applicable Credit Party, including under the keepwell provisions in the Guaranty Agreement). If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal for the reasons identified in the immediately preceding sentence of this definition.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to a 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 applicable Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, United States 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 ~~Revolving Credit~~ Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or ~~Revolving Credit~~ Commitment (other than pursuant to an assignment request by the Borrower under Section 4.12(b)) or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 4.11, 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 4.11(g), (d) any United States federal withholding Taxes imposed under FATCA and (e) penalties and interest in respect of the foregoing.

“Existing Credit Agreement” means that certain Amended and Restated Credit Agreement dated as of December 19, 2018 (as amended prior to the ~~date hereof~~Closing Date) by and among the Borrower, the lenders party thereto and Wells Fargo Bank, National Association, as the administrative agent for the lenders thereunder.

“Existing Letters of Credit” means those letters of credit existing on the Closing Date and identified on Schedule 1.1.

“Extensions of Credit” means, as to any Lender at any time, (a) an amount equal to the sum of (i) the aggregate principal amount of all Revolving Credit Loans made by such Lender then outstanding, (ii) such Lender’s Revolving Credit Commitment Percentage of the L/C Obligations then outstanding, (iii) such Lender’s Revolving Credit Commitment Percentage of the Swingline Loans then outstanding ~~and~~, (iv) the aggregate principal amount of the Term Loans made by such Lender then outstanding and (v) if applicable, the aggregate principal amount of the Incremental Term Loans made by such Lender then outstanding, or

(b) the making of any Loan or participation in any Letter of Credit or any Swingline Loan by such Lender, as the context requires.

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

“FDIC” means the Federal Deposit Insurance Corporation.

“Federal Funds Rate” means, for any day, the rate per annum calculated by the Federal Reserve Bank of New York based on such day’s federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided, that, if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Fee Letter” means the fee letter agreement, dated ~~November 11, 2019~~ the First Amendment Effective Date, among the Borrower, and Bank of America ~~and BofA Securities~~.

“First Amendment” means that certain First Amendment to Credit Agreement, dated as of the First Amendment Effective Date, by and among the Borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto, and Bank of America, in its capacities as the Administrative Agent, an Issuing Lender and the Swingline Lender.

“First Amendment Effective Date” means June 24, 2022.

“Fiscal Year” means the fiscal year of the Borrower and its Subsidiaries ending on April 30.

“Foreign Lender” means (a) if the Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if the Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes.

“Foreign Subsidiary” means any Subsidiary of the Borrower that is organized under the laws of a country (or political subdivision thereof) other than the United States.

“Fronting Exposure” means, at any time there is a Defaulting Lender, (a) with respect to any Issuing Lender, such Defaulting Lender’s Revolving Credit Commitment Percentage of the outstanding L/C Obligations with respect to Letters of Credit issued by such Issuing Lender, other than such 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 the Swingline Lender, such Defaulting Lender’s Revolving Credit Commitment Percentage of outstanding Swingline Loans other than Swingline Loans as to which such Defaulting Lender’s participation obligation has been reallocated to other Lenders or Cash Collateralized 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, bonds 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 or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

“Government Securities” means readily marketable (a) direct full faith and credit obligations of the United States or obligations guaranteed by the full faith and credit of the United States and (b) obligations of an agency or instrumentality of, or corporation owned, controlled or sponsored by, the United States that are generally considered in the securities industry to be implicit obligations of the United States.

“Governmental Approvals” means all authorizations, consents, approvals, permits, licenses and exemptions of, and all registrations and filings with or issued by, any Governmental Authorities.

“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” of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation or (e) 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 (whether in whole or in part); provided, however, that, the term “Guarantee” shall not include any liability by endorsement of instruments for deposit or collection or similar transactions in the ordinary course of business or any customary and reasonable indemnity obligations in effect on the Closing Date or otherwise entered into in the ordinary course of business, including in connection with any Acquisition or Disposition or the incurrence of Indebtedness or the issuance of Equity Interests, in any case to the extent the subject transaction is otherwise permitted hereby.

“Guaranty Agreement” means the unconditional guaranty agreement dated as of the Closing Date executed by the Borrower and the Subsidiary Guarantors in favor of the Administrative Agent, for the ratable benefit and the Secured Parties.

“Hedge Agreement” 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.

“Hedge Bank” means any Person that, (a) at the time it enters into a Hedge Agreement with a Credit Party permitted under Article VIII, is a Lender, an Affiliate of a Lender, the Administrative Agent or an Affiliate of the Administrative Agent or (b) at the time it (or its Affiliate) becomes a Lender or the Administrative Agent (including on the Closing Date), is a party to a Hedge Agreement with a Credit Party, in each case in its capacity as a party to such Hedge Agreement.

“Hedge Termination Value” means, in respect of any one or more Hedge Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Hedge Agreements, (a) for any date on or after the date such Hedge Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Hedge Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Hedge Agreements (which may include a Lender or any Affiliate of a Lender).

“Immaterial Subsidiary” means a Subsidiary of the Borrower that is not a Material Subsidiary.

“Increased Amount Date” has the meaning assigned thereto in Section 4.13(a)(ii).

“Incremental Facilities Limit” means the sum of, as of any date of determination, (a) the total of (i) \$250,000,000 minus (ii) the aggregate initial principal amount (without duplication) of all Incremental Loan Commitments and Incremental Loans, incurred on or after the ~~Closing~~First Amendment Effective Date, in reliance on clause (a)(i) of this definition prior to such date of determination plus (b) an unlimited amount, so long as after giving effect to the incurrence of such Incremental Loan Commitments and/or Incremental Loans (without duplication, but assuming for such purpose that the full amount of any such Incremental Loan Commitments are fully drawn), the Consolidated Secured Net Leverage Ratio, recomputed as of the last day of the most recently ended fiscal quarter for which the Borrower was required to deliver financial statements pursuant to Section 7.1(a) or Section 7.1(b), is equal to or less than 3.25 to 1.00 on a Pro Forma Basis.

“Incremental Lender” has the meaning assigned thereto in Section 4.13(a)(ii).

“Incremental Loan Commitments” has the meaning assigned thereto in Section 4.13(a)(ii).

“Incremental Loans” has the meaning assigned thereto in Section 4.13(a)(ii).

“Incremental Revolving Credit Commitment” has the meaning assigned thereto in Section 4.13(a)(ii).

“Incremental Revolving Credit Loan” has the meaning assigned thereto in Section 4.13(a)(ii).

“Incremental Term Loan” has the meaning assigned thereto in Section 4.13(a)(i).

“Incremental Term Loan Commitment” has the meaning assigned thereto in Section 4.13(a)(i).

“Indebtedness”, as applied to any Person, means without duplication (a) all indebtedness for borrowed money; (b) obligations under leases which in accordance with GAAP constitute Capital Lease Obligations or are Synthetic Leases; (c) notes payable and drafts accepted representing extensions of credit whether or not representing obligations for borrowed money; (d) obligations under conditional sale or other title retention agreements relating to property acquired by such Person and obligations of such Person in respect of the deferred purchase price of property or services (other than current accounts payable and accrued liabilities incurred in the ordinary course of such Person’s business); (e) all indebtedness secured by any Lien on any property or asset owned or held by that Person regardless of whether the indebtedness secured thereby shall have been assumed by that Person or is non-recourse to the credit of that Person; (f) obligations in respect of letters of credit or bankers acceptances; (g) any advances under any factoring arrangement; (h) any net obligations of such Person under Hedge Agreements; (i) all obligations of any partnership or joint venture of which such Person is a member, if such Person is legally liable for such obligations; (j) all obligations of any such Person in respect of Disqualified Equity Interests; and (k) all Guarantees of any such Person with respect to any of the foregoing. For the avoidance of doubt, the obligation of any Person to pay an “earn-out” or similar contingent consideration obligation in respect of an acquisition (whether of Equity Interests or assets) shall not constitute “Indebtedness” until the date that is sixty (60) days after such obligation has been deemed (and treated as) a non-contingent liability in accordance with GAAP (including, without limitation, in the event such earn-out or similar obligation becomes the subject of an interest-bearing note or similar instrument). In respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the amount of such Indebtedness as of any date of determination will be the lesser of (x) the fair market value of such assets as of such date and (y) the amount of such Indebtedness as of such date. The amount of any net obligation under any Hedge Agreement on any date shall be deemed to be the Hedge Termination Value thereof as of such date.

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

“Indemnitee” has the meaning assigned thereto in Section 11.3(b).

“Information” has the meaning assigned thereto in Section 11.10.

“Interest Period” means, as to each ~~LIBOR-Rate~~Term SOFR Loan, the period commencing on the date such ~~LIBOR-Rate~~Term SOFR Loan is disbursed or converted to or continued as a ~~LIBOR-Rate~~Term SOFR Loan and ending on the date one (1), ~~two (2)~~, or three (3), ~~or six (6)~~ months thereafter, in each case as selected by the Borrower in its Notice of Borrowing or Notice of Conversion/Continuation and subject to availability; provided, that:

(a) the Interest Period shall commence on the date of advance of or conversion to any ~~LIBOR-Rate~~Term SOFR Loan and, in the case of immediately successive Interest Periods, each successive Interest Period shall commence on the date on which the immediately preceding Interest Period expires;

(b) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided, that, if any Interest Period with respect to a ~~LIBOR-Rate~~Term SOFR Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the immediately preceding Business Day;

(c) any Interest Period with respect to a ~~LIBOR-Rate~~Term SOFR 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 relevant calendar month at the end of such Interest Period;

- (d) no Interest Period shall extend beyond the Maturity Date; and
- (e) there shall be no more than five (5) Interest Periods in effect at any time.

“Interstate Commerce Act” means the body of law commonly known as the Interstate Commerce Act (49 U.S.C. App. § 1 *et seq.*).

“Investment” means, when used in connection with any Person, any investment by or of that Person, whether by means of purchase or other acquisition of any Equity Interests of any Person, any other Acquisition or by means of a loan, advance creating a debt, capital contribution, guaranty or other debt or equity participation interest in any other Person, including any partnership and joint venture interests of such Person.

“Investment Company Act” means the Investment Company Act of 1940 (15 U.S.C. § 80(a)(1), *et seq.*).

“IRS” means the United States Internal Revenue Service.

“ISP98” means the International Standby Practices ~~(1998 Revision, effective January 1, 1999)~~, International Chamber of Commerce Publication No. 590 (or such later version thereof as may be in effect at the applicable time).

“Issuing Lender” means (a)(i) Bank of America (through itself or through one of its designated Affiliates or branch offices) in its capacity as issuer of any Letters of Credit hereunder, (ii) Wells Fargo Bank, National Association; (through itself or through one of its designated Affiliates or branch offices) in its capacity as issuer of any Letters of Credit hereunder, ~~and~~ (iii) HSBC Bank USA, N.A. (through itself or through one of its designated Affiliates or branch offices) in its capacity as issuer of any Letters of Credit hereunder and (iv) any other Revolving Credit Lender to the extent it has agreed in its sole discretion to act as an “Issuing Lender” hereunder and that has been approved in writing by the Borrower and the Administrative Agent (such approval by the Administrative Agent not to be unreasonably delayed or withheld) as an “Issuing Lender” hereunder, in its capacity as issuer of Letters of Credit hereunder; provided, that, (x) the total number of Issuing Lenders under this clause (a) shall not exceed four (4) and (y) no more than two (2) Issuing Lenders in addition to Bank of America shall be permitted to issue Letters of Credit in Alternative Currencies and (b) solely with respect to the Existing Letters of Credit, Wells Fargo Bank, National Association, in its capacity as issuer thereof.

“KPIs” has the meaning assigned thereto in Section 4.16(a).

“L/C Commitment” means, as to any Issuing Lender, the obligation of such Issuing Lender to issue Letters of Credit for the account of the Borrower or one or more of its Subsidiaries from time to time in an aggregate amount equal to the amount set forth opposite the name of each such Issuing Lender on Schedule 2.1C (as such schedule may be updated from time to time after the ~~Closing~~First Amendment Effective Date in connection with any Revolving Credit Lender becoming an Issuing Lender to reflect the L/C Commitment of such new Issuing Lender). Any such amount may be changed after the ~~Closing~~First Amendment Effective Date in a written agreement between the Borrower and such Issuing Lender (which such agreement shall be promptly delivered to the Administrative Agent upon execution) and, in connection therewith, Schedule 2.1C may be updated to reflect such updated amount; provided, that, the L/C Commitment with respect to any Person that ceases to be an Issuing Lender for any reason pursuant to the

terms hereof shall be \$0 (subject to the Letters of Credit of such Person remaining outstanding in accordance with the provisions hereof).

“L/C Facility” means the letter of credit facility established pursuant to Article III.

“L/C Obligations” means at any time, an amount equal to the sum of (a) the aggregate undrawn and unexpired amount of the then outstanding Letters of Credit and (b) the aggregate amount of drawings under Letters of Credit which have not then been reimbursed pursuant to Section 3.5.

“L/C Participants” means, with respect to any Letter of Credit, the collective reference to all the Revolving Credit Lenders other than the applicable Issuing Lender.

“L/C Sublimit” means the lesser of (a) \$50,000,000 and (b) the Aggregate Revolving Credit Commitment.

“LCA Election” has the meaning assigned thereto in Section 1.13.

“LCA Test Date” has the meaning assigned thereto in Section 1.13(c).

“Lender” means the Persons listed on Schedule 2.1 and any other Person that shall have become a party to this Agreement as a Lender pursuant to an Assignment and Assumption, pursuant to Section 4.13 or pursuant to other documentation executed in accordance with this Agreement, other than any Person that ceases to be a party hereto as a Lender pursuant to an Assignment and Assumption. Unless the context otherwise requires, the term “Lenders” includes the Swingline Lender.

“Lender Joinder Agreement” means a joinder agreement in form and substance reasonably satisfactory to the Administrative Agent delivered in connection with Section 4.13.

“Lender Party” means each of each Lender, each Issuing Lender, and the Swingline Lender.

“Lending Office” means, with respect to any Lender, the office of such Lender maintaining such Lender’s Extensions of Credit.

“Letter of Credit Application” means an application, in the form specified by the applicable Issuing Lender from time to time, requesting such Issuing Lender to issue a Letter of Credit.

“Letters of Credit” means the collective reference to letters of credit issued pursuant to Section 3.1 and the Existing Letters of Credit. Letters of Credit ~~issued by Bank of America, in its capacity as an Issuing Lender~~ may be issued in Dollars or any Alternative Currency. ~~Letters of Credit issued by any Issuing Lender other than Bank of America shall be issued only in Dollars.~~

“Leverage Ratio Increase” has the meaning assigned thereto in Section 8.11(c).

~~“LIBOR” has the meaning specified in the definition of LIBOR Rate.~~

~~“LIBOR Rate” means, subject to the implementation of a Replacement Rate in accordance with Section 4.8(d);~~

~~(a) for any Interest Period with respect to a LIBOR Rate Loan, the rate per annum equal to the London Interbank Offered Rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate for Dollars for a period equal in length to such Interest Period) (“LIBOR”) 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 approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period;~~

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

~~(c) if the LIBOR Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.~~

~~“LIBOR Rate Loan” means any Loan bearing interest at a rate based upon clause (a) of the definition of LIBOR Rate.~~

~~“LIBOR Screen Rate” means the LIBOR quote on the applicable screen page the Administrative Agent designates to determine LIBOR (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time).~~

“Lien” means, with respect to any asset, any mortgage, leasehold mortgage, lien, pledge, charge, security interest, hypothecation or encumbrance of any kind in respect of such asset. For the purposes of this Agreement, a Person shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, Capital Lease Obligation or other title retention agreement relating to such asset.

“Limited Conditionality Acquisition” means any Acquisition that (a) is not prohibited hereunder, (b) is financed in whole or in part with a substantially concurrent incurrence of Permitted Indebtedness, and (c) is not conditioned on the availability of, or on obtaining, third-party financing.

“Liquidity” means, as of any date of determination, an amount equal to the total of (a) the aggregate amount of Unrestricted and unencumbered (other than Liens securing the Secured Obligations) (i) cash and Cash Equivalents, and (ii) Marketable Securities (excluding any Marketable Securities that are then held in trust for settlement of the Borrower’s obligations under certain of its deferred compensation plans), in each case then held by the Borrower and its Subsidiaries, plus (b) the Aggregate Revolving Credit Commitment as of that date, minus (c) the aggregate outstanding Revolving Extensions of Credit as of that date.

“Loan Documents” means, collectively, this Agreement, each Note, the Letter of Credit Applications, the Security Documents, the Guaranty Agreement, the Fee Letter, each ESG Amendment and each other document, instrument, certificate and agreement executed and delivered by the Credit Parties or any of their respective Subsidiaries in favor of or provided to the Administrative Agent or any Secured Party in connection with this Agreement or otherwise referred to herein or contemplated hereby (excluding any Secured Hedge Agreement, any Secured Cash Management Agreement and any Secured Permitted Letter of Credit Issuer Document).

“Loans” means the collective reference to the Term Loans, the Revolving Credit Loans, the Swingline Loans and, if applicable, any Incremental Term Loans and “Loan” means any of such Loans.

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

“Marketable Securities” means, when used in connection with any Person, that Person’s Investments, excluding Investments in real estate, that are (a) traded on (i) a U.S. national securities exchange, (ii) on the comparable securities exchanges located in London, England, Paris, France, Hong Kong, People’s Republic of China, Tokyo, Japan and Frankfurt, Germany and (iii) any other comparable non-U.S. exchange approved by the Administrative Agent (in consultation with the Lenders), (b) reported through the National Association of Securities Dealers Automated Quotation National Market System or comparable non-U.S. established over-the-counter trading system approved by the Administrative Agent (in consultation with the Lenders), (c) traded on a U.S. commodities exchange or on a comparable non-U.S. commodities exchange approved by the Administrative Agent (in consultation with the Lenders), or (d) regularly traded on an over-the-counter basis and susceptible of obtaining bid offers and prices by contacting the trading desks of at least three nationally recognized securities or commodities trading companies, and in each case which are not (or after exercise of immediately exercisable registration rights of such Person would not be) subject to restrictions on transfer as a result of applicable contract provisions, the provisions of the Securities Act, (or regulations thereunder), or other Applicable Law.

“Material Acquisition” means any Permitted Acquisition having aggregate cash consideration (including cash, Cash Equivalents and other deferred payment obligations) in excess of \$50,000,000.

“Material Adverse Effect” means (a) a material adverse change in, or a material adverse effect on, the financial condition, operations, assets, business or properties of the Borrower and its Material Subsidiaries, taken as a whole, (b) a material impairment of the ability of the Credit Parties to punctually pay or perform their obligations under any Loan Document, or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Credit Party of any Loan Document to which it is a party.

“Material Contract” means any contract or agreement, written or oral, of any Credit Party or any of its Subsidiaries, the breach, non-performance, cancellation or failure to renew of which could reasonably be expected to have a Material Adverse Effect.

“Material Non-TP Subsidiary” means a Material Subsidiary of the Borrower that is not a Tax Preferred Subsidiary.

“Material Subsidiary” means (a) each Subsidiary identified as a “Material Subsidiary” on Schedule 6.2, (b) each Domestic Subsidiary of the Borrower (excluding Korn Ferry GP Ventures LLC, a Delaware limited liability company, ~~and~~ Korn Ferry GP Ventures 2 LLC, a Delaware limited liability company, and, so long as it remains a licensed insurance broker, Korn Ferry SP LLC, a Florida limited liability company) and (c) any other Subsidiary of the Borrower that holds total assets (excluding intercompany Indebtedness owing from the Borrower or any of its Subsidiaries) with a book value of more than \$50,000,000; provided, that : (i) any Subsidiary that, directly or indirectly, owns a majority of the Equity Interests of a Subsidiary that is a Material Subsidiary under clauses (a), (b) or (c) above shall be a Material Subsidiary for so long as it continues to own such Equity Interests, (ii) the Borrower may designate (in a writing delivered to the Administrative Agent) a Subsidiary as a Material Subsidiary notwithstanding that such Subsidiary would not otherwise constitute a Material Subsidiary, and (iii) other than with respect to a Subsidiary that is a Material Subsidiary solely as a result of a designation by the Borrower pursuant to clause (ii) of this proviso, once a Subsidiary becomes a Material Subsidiary (including on the ~~Closing~~First Amendment Effective Date) it may not be reclassified or re-designated as an Immaterial Subsidiary.

“Maturity Date” means the earliest to occur of (a) ~~December 16, 2024~~June 24, 2027, (b) with respect to the Revolving Credit Facility, the date of termination of the Aggregate Revolving Credit Commitment by the Borrower pursuant to Section 2.5, and (c) the date of termination of the ~~Aggregate Revolving Credit Commitment~~Commitments pursuant to Section 9.2(a).

“Maximum Permitted Secured Net Leverage Ratio” has the meaning assigned thereto in Section 8.11(a).

~~“Maximum Permitted Secured Net Leverage Ratio” has the meaning assigned thereto in Section 8.11(b).~~

“Minimum Collateral Amount” means, at any time, (a) with respect to Cash Collateral consisting of cash or deposit account balances, an amount equal to 103% of the sum of (i) the Fronting Exposure of the Issuing Lenders with respect to Letters of Credit issued and outstanding at such time and (ii) the Fronting Exposure of the Swingline Lender with respect to all Swingline Loans outstanding at such time and (b) otherwise, an amount determined by the Administrative Agent and each of the applicable Issuing Lenders that is entitled to Cash Collateral hereunder at such time in their sole discretion.

“Moody’s” means Moody’s Investors Service, Inc.

“Multiemployer Plan” means a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA to which any Credit Party or any ERISA Affiliate is making, or is accruing an obligation to make, or has accrued an obligation to make contributions within the preceding seven (7) years.

“Non-Consenting Lender” means any Lender that does not approve any consent, waiver, amendment, modification or termination that (a) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 11.2 and (b) 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-Guarantor Subsidiary” means any Subsidiary of the Borrower that is not a Subsidiary Guarantor.

“Note” means a Revolving Credit Note, a Term Note or a Swingline Note, as the context may require.

“Notice of Account Designation” has the meaning assigned thereto in Section 2.3(b).

“Notice of Borrowing” has the meaning assigned thereto in Section 2.3(a).

“Notice of Conversion/Continuation” has the meaning assigned thereto in Section 4.2.

“Notice of Prepayment” has the meaning assigned thereto in Section 2.4(c).

“Obligations” means, in each case, whether now in existence or hereafter arising: (a) the principal of and interest on (including interest accruing after the filing of any bankruptcy or similar petition) the Loans, (b) the L/C Obligations and (c) all other fees and commissions (including attorneys’ fees), charges, indebtedness, loans, liabilities, financial accommodations, obligations, covenants and duties owing by the Credit Parties to the Lenders, the Issuing Lenders or the Administrative Agent, in each case under any Loan Document, with respect to any Loan or Letter of Credit of every kind, nature and description, direct or indirect, absolute or contingent, due or to become due, contractual or tortious, liquidated or unliquidated, and whether or not evidenced by any note and including interest and fees that accrue after the commencement by or against any Credit Party 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.

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

“Officer’s Compliance Certificate” means a certificate of the chief financial officer or the treasurer of the Borrower substantially in the form attached as *Exhibit F*.

“Operating Lease” means, as to any Person as determined in accordance with GAAP (subject to Section 1.3(c)), any lease of Property (whether real, personal or mixed) by such Person as lessee which is classified as and accounted for as an operating lease under GAAP.

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

“Other Taxes” means all present or future stamp, court, 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 Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 4.12).

“Participant” has the meaning assigned thereto in Section 11.9(d).

“Participant Register” has the meaning assigned thereto in Section 11.9(d).

“Participating Member State” means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“PATRIOT Act” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

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

“Pension Plan” means any Plan, other than a Multiemployer Plan, which is subject to the provisions of Title IV of ERISA or Section 412 of the Code and which (a) is maintained, funded or administered for the employees of any Credit Party or any ERISA Affiliate or (b) has at any time within the preceding seven (7) years been maintained, funded or administered for the employees of any Credit Party or any current or former ERISA Affiliates.

“Permitted Acquisition” means any Acquisition of a Person (each, an “Acquired Person”) or any Acquisition of assets, a division or business unit or a location (each such Acquisition being an Acquisition of “Acquired Assets”); provided, that, each of the following conditions is satisfied with respect to such Acquisition, which in the case of a Limited Conditionality Acquisition shall be subject to Section 1.13:

(a) such Acquired Person is engaged primarily in (or the Acquired Assets are useful in) the same or reasonably related line(s) of business as the Borrower and its Material Subsidiaries, taken as a whole;

(b) within the periods provided therein, the provisions of Section 7.12 and/or Section 7.15, as applicable, are satisfied with respect to such Acquired Person and/or such Acquired Assets, to the extent applicable;

(c) such Acquisition is not opposed by the board of directors or equivalent governing body of the Acquired Person;

(d) if the aggregate consideration paid or to be paid with respect to such Acquisition equals or exceeds \$50,000,000, the Borrower shall have delivered to the Administrative Agent prior written notice of such Acquisition, which notice shall provide the Administrative Agent with a reasonably detailed description of the proposed Acquisition;

(e) at the time of such Acquisition, no Default or Event of Default shall exist and no Default or Event of Default would occur as a result thereof on a Pro Forma Basis immediately after giving effect to such Acquisition;

(f) the Acquisition shall have been consummated in compliance in all material respects with all Applicable Laws;

~~(g) after giving effect to the Acquisition and the purchase price to be paid in connection therewith, Liquidity shall not be less than \$50,000,000;~~

(g) ~~(h)~~ no later than five (5) Business Days prior to the proposed closing date of such Acquisition (or such shorter period as may be agreed to by the Administrative Agent), the Borrower shall have delivered to the Administrative Agent an Officer's Compliance Certificate for the most recent fiscal quarter end preceding such Acquisition for which financial statements are available demonstrating, in form and detail reasonably satisfactory to the Administrative Agent, that the Borrower is in compliance on a Pro Forma Basis with ~~each~~the covenant contained in Section 8.11;

(h) ~~(i)~~ the aggregate amount of consideration paid with respect to all Acquisitions made by Material Subsidiaries that are not Credit Parties or of Acquired Persons that do not become Credit Parties and Acquired Assets that are not owned by Credit Parties shall not exceed \$100,000,000 in any Fiscal Year and \$300,000,000 in the aggregate over the term of this Agreement; provided, that, with respect to any Acquisition involving both Acquired Persons that become Credit Parties and Acquired Persons that do not become Credit Parties (or Acquired Assets that are owned by Credit Parties and Acquired Assets that are not owned by Credit Parties), the purchase price of such Acquisition shall be allocated amongst such Acquired Persons (or Acquired Assets) in accordance with a third party valuation, if any, or otherwise as determined by the Borrower in good faith and, if requested by the Administrative Agent, with delivery to the Administrative Agent of reasonable supporting calculations; and

(i) ~~(j)~~ if the aggregate consideration paid or to be paid with respect to such Acquisition equals or exceeds \$50,000,000, the Borrower shall have delivered to the Administrative Agent a certificate of a Responsible Officer certifying that all of the requirements set forth above have been satisfied or will be satisfied on or prior to the consummation of such purchase or other Acquisition.

"Permitted Currency" means Dollars or any Alternative Currency, or each such currency, as the context requires.

"Permitted Encumbrances" means:

- (a) any Liens in existence on the ~~Closing~~First Amendment Effective Date and described on Schedule 8.2, and any renewal or extension thereof (including Liens incurred, assumed or suffered to exist in connection with any refinancing, refunding, renewal or extension of Indebtedness permitted pursuant to Section 8.1(d)); provided, that, the scope of any such Lien shall not be increased, or otherwise expanded, to cover any additional property or type of asset, as applicable, beyond that in existence on the ~~Closing~~First Amendment Effective Date, except for products and proceeds of the foregoing;
- (b) Liens created pursuant to the Loan Documents (including, without limitation, Liens in favor of the Swingline Lender and/or the Issuing Lenders, as applicable, on Cash Collateral granted pursuant to the Loan Documents);
- (c) Liens for taxes, fees, assessments or other governmental charges or levies either not delinquent or being contested in good faith by appropriate proceedings and for which the Borrower maintains adequate reserves;
- (d) purchase money Liens, whether now existing or hereafter arising (including those arising out of a Capital Lease Obligation or a Synthetic Lease) (i) on equipment and software acquired or held by the Borrower incurred for financing the acquisition of the equipment and software, or (ii) existing on equipment when acquired, if the Lien is confined to the property and improvements and the proceeds of the equipment and software;
- (e) leases or subleases and licenses or sublicenses granted in the ordinary course of business;
- (f) Liens arising from judgments, decrees or attachments in circumstances not constituting an Event of Default under Section 9.1(j);
- (g) Liens in favor of financial institutions arising in connection with the Borrower's deposit accounts held at such institutions to secure standard fees for deposit services charged by, but not financing made available by, such institutions;
- (h) Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and other similar Liens incurred in the ordinary course of business for sums not overdue more than sixty (60) days;
- (i) Liens (other than any Lien created by Section 4068 of ERISA and securing an obligation of any employer or employers which is delinquent) incurred or deposits or pledges made in the ordinary course of business in connection with worker's compensation, unemployment insurance and other types of social security, or to secure the performance of bids, leases, customs, tenders, statutory obligations, surety and appeal bonds, payment and performance bonds, return-of-money bonds and other similar obligations (not incurred in connection with the borrowing of money or the obtaining of advances or credits to finance the purchase price of property);
- (j) easements, rights-of-way, restrictions, covenants, conditions and other Liens incurred, licenses and sublicenses and other similar rights granted to others in the ordinary course of business and not, individually or in the aggregate, materially interfering with the ordinary conduct of the business of the applicable Person;
- (k) Liens which are incidental to the conduct of the Borrower's business or the ownership of its property and assets (including, without limitation, leases entered into in the

ordinary course of business) and which were not incurred in connection with the borrowing of money or the obtaining of advances or credit, and which do not in the aggregate materially impair the ordinary conduct of the business of the applicable Person;

(l) Liens securing Indebtedness incurred and used to finance insurance premiums; provided, that, the property encumbered thereby shall be limited to the proceeds of any such insurance policies;

(m) any (i) interest or title of a lessor or sublessor under any lease not prohibited by this Agreement, (ii) Lien or restriction that the interest or title of such lessor or sublessor may be subject to, or (iii) subordination of the interest of the lessee or sublessee under such lease to any Lien or restriction referred to in the preceding clause (ii), so long as the holder of such Lien or restriction agrees to recognize the rights of such lessee or sublessee under such lease;

(n) any zoning or similar law or right reserved to or vested in any Governmental Authority to control or regulate the use of any real property;

(o) Liens arising from UCC financing statement filings regarding Operating Leases and consignments;

(p) Liens consisting of rights of set-off or bankers' liens or amounts on deposit, including, without limitation, in respect of Cash Management Agreements and similar arrangements in the ordinary course of business, and Guarantees thereof;

(q) Liens on cash deposits (and the accounts containing solely such cash deposits) held by and in favor of other financial institutions arising from or in connection with letters of credit or guarantees issued by such other financial institutions on behalf of the Borrower and/or its Subsidiaries and permitted by (i) clause (j) of the definition of Permitted Indebtedness or (ii) Section 8.1(b) and Liens arising under Applicable Law in favor of the issuers of such letters of credit on the documentation presented under any such letters of credit;

(r) Liens on any Indebtedness of a Material Subsidiary permitted pursuant to clause (c) of the definition of Permitted Indebtedness, so long as such Liens (i) are in existence at time of the applicable Permitted Acquisition and not created in contemplation thereof and (ii) do not extend to assets not subject to such Liens at the time of Permitted Acquisition (other than improvements thereon, after acquired property and the proceeds thereof), including, without limitation, the assets of the Borrower or any other Subsidiary;

(s) other Liens securing obligations or liabilities in an aggregate amount not to exceed \$50,000,000 at any time outstanding; and

(t) Liens securing Indebtedness permitted under clause (o) of the definition of Permitted Indebtedness; provided, that, such Liens do not at any time encumber any property other than the Subject Receivables sold (or intended to be sold) pursuant to a Disposition permitted by Section 8.4(d)(xiv).

"Permitted Indebtedness" means, without duplication:

(a) the Obligations;

(b) Indebtedness not to exceed \$25,000,000 in the aggregate in any Fiscal Year of the Borrower secured by a Lien permitted pursuant to clause (d) of the definition of Permitted Encumbrances; provided, that, such Indebtedness does not exceed the cost of the equipment and related software financed with such Indebtedness;

(c) Indebtedness of a Material Subsidiary acquired pursuant to a Permitted Acquisition (or Indebtedness assumed by the Borrower or a Material Subsidiary pursuant to a Permitted Acquisition), so long as such Indebtedness (i) was not incurred in connection with, or in contemplation of, such Permitted Acquisition, (ii) to the extent it is secured by a Lien, does not, when aggregated with all other secured Indebtedness acquired or assumed under this clause (c), exceed \$40,000,000 in the aggregate at any time outstanding and (iii) neither the Borrower nor any Subsidiary thereof (other than such Acquired Person) is an obligor with respect to such Indebtedness;

(d) Indebtedness owing under Cash Management Agreements incurred in the ordinary course of business;

(e) Indebtedness arising from the endorsement of instruments in the ordinary course of business;

(f) Indebtedness owing under Hedge Agreements entered into (i) in order to manage existing or anticipated interest rate, exchange rate or commodity price risks and not for speculative purposes and (ii) in connection with an accelerated share repurchase that is not otherwise prohibited hereunder;

(g) Indebtedness constituting Investments in the form of intercompany loans and advances to the extent permitted by Section 8.3 and the definition of Permitted Investments; provided, that: (i) with respect to any such Indebtedness owing from a Credit Party to a Non-Guarantor Subsidiary such Indebtedness shall be subordinated to the Obligations in a manner reasonably satisfactory to the Administrative Agent and (ii) with respect to any such Indebtedness owing from a Non-Guarantor Subsidiary to a Credit Party, such Indebtedness shall, if evidenced by a note, be pledged and delivered to the Administrative Agent to the extent required by the Security Documents;

(h) Indebtedness of the Borrower owed to current and former directors, officers and employees pursuant to deferred compensation, severance and retirement plans and similar obligations, so long as such Indebtedness arises in the ordinary course of business;

(i) unsecured Indebtedness (including unsecured Subordinated Indebtedness) of the Borrower or any other Credit Party; provided, that : (i) no Default or Event of Default shall have occurred and be continuing or would be caused by the incurrence of such Indebtedness; (ii) after giving effect to the incurrence of such Indebtedness and the receipt and application of the proceeds thereof, (A) the Borrower shall be in compliance, on a Pro Forma Basis, with the financial covenantscovenant set forth in Section 8.11 (← and (B)) the Consolidated Net Leverage Ratio, on a Pro Forma Basis, shall be less than or equal to 5.00 to 1.00 (in the case of each of clauses (A) and (B), determined based on the financial information received for the fiscal quarter most recently ended prior to the date of incurrence of such Indebtedness for which financial statements have been delivered to the Administrative Agent pursuant to Section 5.1, Section 7.1(a) or Section 7.1(b), as applicable, and assuming the funding in full of such Indebtedness and, if applicable, giving effect to Section 1.13); (iii) such Indebtedness does not mature, require any scheduled payment of principal, require any mandatory payment, redemption or repurchase prior to the date that is 91

days after the latest of the maturity dates of the ~~Aggregate Revolving Credit Commitment~~Commitments and Loans in effect at the time of issuance or incurrence of such Indebtedness (other than a customary mandatory prepayment or mandatory offer to repurchase in connection with a change of control or asset sale that permits a required prepayment of the Loans (or any of them) or required reduction of the ~~Aggregate Revolving Credit Commitment~~Commitments); provided, that, any Indebtedness that automatically converts to, or is exchangeable into, notes or other Indebtedness that satisfy the requirements of this clause (iii) shall be deemed to satisfy this condition so long as the Borrower or applicable Credit Party irrevocably agrees at the time of the issuance thereof to take all actions necessary to convert or exchange such Indebtedness; (iv) the covenants with respect to such Indebtedness, when taken as a whole, are not materially more restrictive to the Borrower and its Material Subsidiaries than those herein (taken as a whole); and (v) such Indebtedness does not include any financial performance “maintenance” covenants (whether stated as a covenant, default or otherwise, although “incurrence-based” financial tests may be included) or cross-defaults (but may include cross-payment defaults and cross-defaults at the final stated maturity thereof and cross-acceleration) and is not guaranteed by or otherwise recourse to any Person or the assets of any Person that is not a Credit Party;

(j) (i) Indebtedness consisting of a Bank Guarantee to the extent a Letter of Credit has been issued and is outstanding hereunder to support the Borrower or its Subsidiary’s obligations (including any reimbursement obligations) in respect of such Bank Guarantee and (ii) Indebtedness consisting of, arising from or in connection with, letters of credit or guarantees issued by other financial institutions on behalf of the Borrower and/or its Subsidiaries (including any issued pursuant to any Secured Permitted Letter of Credit Issuer Document) in an aggregate amount not at any time exceeding \$35,000,000;

(k) Indebtedness consisting of financing of company owned life insurance premiums in the ordinary course of business; provided, that, such Indebtedness is supported by the cash value of the underlying policies;

(l) Indebtedness arising from customary agreements providing for contingent indemnification, adjustment of purchase price or similar obligations, or guarantees of letters of credit, surety bonds or performance bonds securing any obligations of any of the Credit Parties and their Subsidiaries pursuant to such agreements, in any case incurred in connection with the disposition of any business, assets or Equity Interests of any of the Credit Parties and their Subsidiaries (other than guarantees of Indebtedness incurred, assumed or acquired by any Person acquiring all or any portion of such business, assets or Equity Interests of any of the Credit Parties and their Subsidiaries in connection with such disposition) otherwise permitted hereunder;

(m) other Indebtedness in an aggregate amount not to exceed \$50,000,000 at any time outstanding;

(n) Guarantees with respect to any of the foregoing (other than (i) Indebtedness permitted pursuant to clause (c) of this definition and (ii) Indebtedness permitted pursuant to clause (m) of this definition to the extent such Indebtedness is Indebtedness of a Person that is not a Credit Party); provided, that, if the Indebtedness being Guaranteed is Subordinated Indebtedness then the Guarantee shall be subordinated on the same basis; and

(o) any transaction permitted under Section 8.4(d)(xiv), but only so long as (i) such transaction at any time constitutes Indebtedness, (ii) such transaction was permitted under Section 8.4(d)(xiv) at the time of the proposed Disposition in connection with such transaction and (iii) the aggregate amount of such Indebtedness in any Fiscal Year shall not exceed ten percent (10.0%) of

the book value of all accounts receivable of the Borrower and its Subsidiaries as of the immediately prior Fiscal Year end.

“Permitted Investments” means, collectively, the following:

- (a) Investments in cash and Cash Equivalents;
- (b) Investments in Marketable Securities (including Marketable Securities held in trust for settlement of the Borrower’s obligations under certain of its deferred compensation plans) made in the ordinary course of business and otherwise in a manner substantially consistent with prior practices;
- (c) Investments in Credit Parties;
- (d) Investments by Material Subsidiaries that are not Credit Parties in other Subsidiaries that are not Credit Parties;
- (e) so long as no Default or Event of Default exists at the time of the making thereof, other Investments in Subsidiaries that are not Credit Parties so long as the aggregate amount of any such Investments does not exceed \$50,000,000 during any Fiscal Year of the Borrower or \$100,000,000 in the aggregate during the term of this Agreement;
- (f) Investments in an aggregate amount equal to the amount of compensation deferred by directors, officers and employees of the Borrower pursuant to any arrangement permitted under clause (h) of the definition of Permitted Indebtedness;
- (g) Investments by the Borrower or any of its Material Subsidiaries that constitute Permitted Acquisitions;
- (h) Investments of any Person that becomes a Subsidiary after the Closing Date; provided, that: (i) such Investments exist at the time such Person becomes a Subsidiary, (ii) neither the Borrower nor any Subsidiary (other than such new Subsidiary) shall be obligated in respect of such Investments, and (iii) such Investments were not made in anticipation of such Person becoming a Subsidiary;
- (i) Investments consisting of the non-cash consideration received by the Borrower or any Material Subsidiary in connection with any Disposition not prohibited by this Agreement;
- (j) Investments under Hedge Agreements permitted to be entered into in accordance with this Agreement;
- (k) Investments representing retention loans made in the ordinary course of business of the Borrower and its Material Subsidiaries; provided, that, the aggregate principal amount of all such Investments constituting retention loans shall not exceed the aggregate principal amount of retention loans approved by the compensation committee of the Borrower;
- (l) to the extent not otherwise permitted by the foregoing, Investments consisting of the conversion of Indebtedness in the form of intercompany loans and advances into Qualified Equity Interests, including the transfer of an intercompany loan by a Credit Party to a non-Credit Party, in each case, to the extent the underlying intercompany loans or advances arose (i) in the

ordinary course of business between the Borrower and any Subsidiary or between a Subsidiary of the Borrower and another Subsidiary or (ii) in connection with a Permitted Acquisition;

(m) Investments (other than Acquisitions); provided, that, after giving effect to any such Investment and any Indebtedness incurred in connection therewith on a Pro Forma Basis (i) no Default or Event of Default then exists or would result therefrom; and (ii) (A) the Consolidated Net Leverage Ratio shall be no greater than ~~4.00~~5.00 to 1.00 and (~~iii) Liquidity shall not be less than \$50,000,000;~~(B) the Borrower shall be in compliance with the financial covenant set forth in Section 8.11 (in the case of each of clauses (A) and (B), determined based on the financial information received for the fiscal quarter most recently ended prior to the date of incurrence of such Indebtedness for which financial statements have been delivered to the Administrative Agent pursuant to Section 5.1, Section 7.1(a) or Section 7.1(b), as applicable);

(n) to the extent constituting Investments, purchases of assets in the ordinary course of business; Restricted Payments permitted pursuant to Section 8.5; and Guarantees permitted pursuant to clause (n) of the definition of Permitted Indebtedness;

(o) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;

(p) to the extent constituting Investments, prepaid expenses or leases, workers' compensation, utility, performance and other similar deposits provided to third parties in the ordinary course of business; and

(q) Permitted Restructurings.

For purposes of determining the amount of any Investment outstanding for purposes of this definition and Section 8.3, such amount shall be deemed to be the amount of such Investment when made, purchased or acquired (without adjustment for subsequent increases or decreases in the value of such Investment) less any amount realized in respect of such Investment upon the sale, collection or return of capital (not to exceed the original amount invested).

"Permitted Letter of Credit Issuer" means any Person that, (a) at the time it enters into a Permitted Letter of Credit Issuer Document with a Credit Party, is a Lender, an Affiliate of a Lender, the Administrative Agent or an Affiliate of the Administrative Agent, or (b) at the time it (or its Affiliate) becomes a Lender or the Administrative Agent (including on the Closing Date), is a party to a Permitted Letter of Credit Issuer Document with a Credit Party, in each case in its capacity as a party to such Permitted Letter of Credit Issuer Document.

"Permitted Letter of Credit Issuer Document" means, with respect to any Indebtedness incurred by a Credit Party that is permitted pursuant to clause (j)(ii) of the definition of Permitted Indebtedness set forth in Section 1.1, any document, agreement or instrument entered into in connection with such Indebtedness, including any letter of credit application or letter of credit in connection therewith.

"Permitted Restructurings" means a transaction or series of transactions pursuant to which direct and indirect Subsidiaries of the Borrower are converted, restructured or reorganized, whether by (a) transfer, (b) acquisition, (c) contribution, (d) merger, (e) consolidation, (f) voluntary dissolution, (g) liquidation, (h) recapitalization, (i) change in identity, form, or place of organization, or (j) otherwise, in each case the result of which may cause a direct or indirect sale, assignment or transfer of Equity Interests and/or other

assets between and among the Borrower and/or various Subsidiaries of the Borrower; provided, that: (i) immediately prior to or after giving effect to any such transaction or series of transactions, no Default or Event of Default shall have occurred and be continuing; (ii) immediately after giving effect to any such transaction or series of transactions, there shall be no material reduction in Liquidity; (iii) immediately after giving effect to such transaction or series of transactions, Liquidity shall not be less than \$50,000,000; (iv) in any Fiscal Year, after giving effect to all such transactions or series of transactions in such Fiscal Year, the aggregate book value of the total assets of the Credit Parties, taken as a whole (other than assets of a Credit Party consisting of the book value of Equity Interests issued by a Subsidiary that is not a Credit Party and Excluded Assets), shall not be reduced by more than 10% of the book value of the total assets of the Credit Parties, taken as whole (other than assets of a Credit Party consisting of the book value of Equity Interests issued by a Subsidiary that is not a Credit Party and Excluded Assets), as of the immediately preceding Fiscal Year end; (v) the following shall be true and correct of each such transaction or series of transactions: (A) in the good faith determination of the Borrower, such transaction or series of transactions is not materially disadvantageous to the Administrative Agent and the Lenders; and (B) such transaction, or series of transactions, will result in a non-de minimis, factually supportable and reasonably identifiable tax, operational or other business benefit to the Borrower and its Subsidiaries during the term of the Credit Facility; (vi) not less than ten (10) Business Days prior to any such transaction or series of transactions (or such later date as may be approved by the Administrative Agent in its sole discretion) (other than any transaction or series of transactions that involves the transfer solely of assets that are assets of a Credit Party consisting of Equity Interests issued by a Subsidiary that is not a Credit Party and/or Excluded Assets), the Borrower shall deliver to the Administrative Agent written notice, which such notice shall include the Borrower's good faith estimate the aggregate book value of the total assets of the Credit Parties, taken as a whole (other than assets of a Credit Party consisting of the book value of Equity Interests issued by a Subsidiary that is not a Credit Party and Excluded Assets) that are to be transferred in such transaction or series of transactions; and (vii) unless waived by the Administrative Agent, in the case of any such transaction or series of transactions that involves the transfer of assets (other than assets of a Credit Party consisting of Equity Interests issued by a Subsidiary that is not a Credit Party and Excluded Assets) owned by a Credit Party with a book value in excess of \$2,000,000, the Borrower shall deliver to the Administrative Agent not less than ten (10) Business Days prior to any such transaction or series of transactions (or such later date as may be approved by the Administrative Agent in its sole discretion), the following, in each case in form and detail reasonably satisfactory to the Administrative Agent: (A) a written description of the restructuring steps (including the pre and post restructuring organization chart) to such transaction or series of transactions; and (B) a certification of a Responsible Officer certifying that all of the requirements set forth in clause (v) above have been satisfied as of the date of consummation of such transaction or series of transactions. For the avoidance of doubt, the calculation of any reduction in total assets in any Fiscal Year that is described in clause (iv) above shall be determined after giving effect to the receipt by the Credit Parties of any assets (other than assets of a Credit Party consisting of the book value of Equity Interests issued by a Subsidiary that is not a Credit Party and Excluded Assets) in any such transactions or series of transactions during the applicable Fiscal Year.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” has the meaning assigned thereto in Section 6.8.

“Platform” means Debt Domain, Intralinks, SyndTrak or a substantially similar electronic transmission system.

“Pounds Sterling” and “£” mean the lawful currency of the United Kingdom.

“Prime Rate” means the 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 such 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.

“Pro Forma Basis” means, for any period during which one or more Specified Transactions occurs, that such Specified Transaction (and all other Specified Transactions that have been consummated during the applicable period) shall be deemed to have occurred as of the first day of the applicable period of measurement and:

(a) for purposes of calculating Consolidated Adjusted EBITDA, all income statement items (whether positive or negative) attributable to the Property or Person disposed of in a Specified Disposition shall be excluded and all income statement items (whether positive or negative) attributable to the Property or Person acquired in a Permitted Acquisition shall be included (provided, that, such income statement items to be included are reflected in financial statements or other financial data reasonably acceptable to the Administrative Agent and based upon reasonable assumptions and calculations which are expected to have a continuous impact); and

(b) in the event that any Credit Party or any Subsidiary thereof incurs (including by assumption or guarantees) or repays (including by redemption, repayment, retirement, discharge, defeasance or extinguishment) any Indebtedness included in the calculations of any financial ratio or test (in each case, other than Indebtedness incurred or repaid under any revolving credit facility in the ordinary course of business for working capital purposes), (i) during the applicable measurement period or (ii) subsequent to the end of the applicable measurement period and prior to or simultaneously with the event for which the calculation of any such ratio is made, then such financial ratio or test shall be calculated giving pro forma effect to such incurrence or repayment of Indebtedness, to the extent required, as if the same had occurred on the last day of the applicable measurement period and any such Indebtedness that is incurred (including by assumption or guarantee) that has a floating or formula rate of interest shall have an implied rate of interest for the applicable period determined by utilizing the rate which is or would be in effect with respect to such Indebtedness as of the relevant date of determination.

“Property” means any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible, including, without limitation, Equity Interests.

“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 assigned thereto in Section 7.2.

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

“QFC Credit Support” has the meaning assigned thereto in Section 11.24.

“Qualified Equity Interests” means any Equity Interests that are not Disqualified Equity Interests.

“Recipient” means (a) the Administrative Agent, (b) any Lender and (c) any Issuing Lender, as applicable.

“Register” has the meaning assigned thereto in Section 11.9(c).

“Reimbursement Obligation” means the obligation of the Borrower to reimburse any Issuing Lender pursuant to Section 3.5 for amounts drawn under Letters of Credit issued by such Issuing Lender.

“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.

~~“Relevant Governmental Body” means the Federal Reserve Board and/ or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York for the purpose of recommending a benchmark rate to replace LIBOR in loan agreements similar to this Agreement.~~

“Removal Effective Date” has the meaning assigned thereto in Section 10.6(b).

~~“ Replacement Rate” has the meaning assigned thereto in Section 4.8(d) -~~

~~“ Replacement Rate Conforming Changes ” means, with respect to any proposed Replacement Rate ,any conforming changes to the definition of Base Rate, Interest Period , timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters as may be appropriate, in the discretion of the Administrative Agent, to reflect the adoption and implementation of such Replacement Rate and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such Replacement Rate exists, in such other manner of administration as the Administrative Agent determines is reasonably necessary in connection with the administration of this Agreement);~~

“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.

“Required Revolving Credit Lenders” means, at any date, any combination of Revolving Credit Lenders holding more than fifty percent (50%) of the sum of the Aggregate Revolving Credit Commitment of all of the Revolving Credit Lenders or, if the Aggregate Revolving Credit Commitment has been terminated, any combination of Revolving Credit Lenders holding more than fifty percent (50%) of the aggregate Extensions of Credit under the Revolving Credit Facility; provided, that, the Revolving Credit Commitment of, and the portion of the Extensions of Credit under the Revolving Credit Facility, as applicable, held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Revolving Credit Lenders.

“Required Term Lenders” means, at any time, Term Lenders having Total Term Credit Exposures representing more than fifty percent (50%) of the Total Term Credit Exposures of all Term Lenders. The Total Term Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Term Lenders at any time.

“Rescindable Amount” has the meaning assigned thereto in Section 4.7(b).

“Resignation Effective Date” has the meaning assigned thereto in Section 10.6(a).

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

“Responsible Officer” means, as to any Person, the chief executive officer, president, chief financial officer, controller, treasurer or assistant treasurer of such Person or any other officer of such Person designated in writing by the Borrower and reasonably acceptable to the Administrative Agent; provided, that, to the extent requested thereby, the Administrative Agent shall have received a certificate of such Person certifying as to the incumbency and genuineness of the signature of each such officer. Any document delivered hereunder or under any other Loan Document that is signed by a Responsible Officer of a Person shall be conclusively presumed to have been authorized by all necessary corporate, limited liability company, partnership and/or other action on the part of such Person and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Person.

“Restricted Payment” has the meaning assigned thereto in Section 8.5.

“Revaluation Date” means, with respect to any Letter of Credit, each of the following: (a) ~~the date that is two (2) Business Days prior to~~ each date of issuance or extension of a Letter of Credit denominated in an Alternative Currency, (b) ~~the date that is two (2) Business Days prior to~~ 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), (c) each date of any payment by ~~Bank of America, in its capacity as~~ an Issuing Lender under any Letter of Credit denominated in an Alternative Currency, and (d) such additional dates as the Administrative Agent or ~~Bank of America, in its capacity as an~~ the applicable Issuing Lender, shall determine or the Required Revolving Credit Lenders shall require.

“Revolving Credit Commitment” means, as the context may require, as to any Revolving Credit Lender, the obligation of such Revolving Credit Lender to make Revolving Credit Loans to, and to purchase participations in L/C Obligations and Swingline Loans for the account of, the Borrower hereunder in an aggregate principal amount at any time outstanding not to exceed the amount set forth opposite such Revolving Credit Lender’s name on the Register, as such amount may be modified at any time or from time to time pursuant to the terms hereof (including, without limitation, Section 4.13). The ~~initial~~ Revolving Credit Commitment of each Revolving Credit Lender as of the First Amendment Effective Date is set forth opposite the name of such Lender on Schedule 2.1.

“Revolving Credit Commitment Percentage” means, with respect to any Revolving Credit Lender at any time, the percentage of the total Revolving Credit Commitments of all the Revolving Credit Lenders represented by such Revolving Credit Lender’s Revolving Credit Commitment. If the Aggregate Revolving Credit Commitment has terminated or expired, the Revolving Credit Commitment Percentages shall be determined based upon the Revolving Credit Commitments most recently in effect, giving effect to any assignments. The Revolving Credit Commitment Percentage of each Revolving Credit Lender on the ~~Closing~~ First Amendment Effective Date is set forth opposite the name of such Lender on Schedule 2.1.

“Revolving Credit Exposure” means, as to any Revolving Credit Lender at any time, the aggregate principal amount at such time of its outstanding Revolving Credit Loans and the Dollar Amount of such Revolving Credit Lender’s participation in L/C Obligations and Swingline Loans at such time.

“Revolving Credit Facility” means the revolving credit facility established pursuant to Article II (including any increase in such revolving credit facility established pursuant to Section 4.13).

“Revolving Credit Lenders” means, collectively, all of the Lenders with a Revolving Credit Commitment.

“Revolving Credit Loan” means any revolving loan made to the Borrower pursuant to Section 2.1(b), and all such revolving loans collectively as the context requires.

“Revolving Credit Note” means a promissory note made by the Borrower in favor of a Revolving Credit Lender evidencing the Revolving Credit Loans made by such Revolving Credit Lender, substantially in the form attached as *Exhibit A-1*, and any substitutes therefor, and any replacements, restatements, renewals or extension thereof, in whole or in part.

“Revolving Credit Outstandings” means the sum of (a) with respect to Revolving Credit Loans and Swingline Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Revolving Credit Loans and Swingline Loans, as the case may be, occurring on such date; plus (b) with respect to any L/C Obligations on any date, the aggregate outstanding Dollar Amount thereof on such date after giving effect to any Extensions of Credit 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 of outstanding unpaid drawings under any Letters of Credit or any reductions in the maximum amount available for drawing under Letters of Credit taking effect on such date.

“Revolving Extensions of Credit” means (a) any Revolving Credit Loan then outstanding, (b) the Dollar Amount of any Letter of Credit then outstanding or (c) any Swingline Loan then outstanding.

“S&P” means Standard & Poor’s Financial Services LLC, a subsidiary of S&P Global Inc., and any successor thereto.

“Sanctioned Country” means ~~at any time, a country or territory which is itself a jurisdiction that is~~ the subject ~~or target of any of~~ comprehensive Sanctions, currently Cuba, Iran, North Korea, Syria, and the Crimea, Donetsk, and Luhansk regions of Ukraine.

“Sanctioned Person” means, at any time, (a) any Person listed ~~in on~~ OFAC’s List of Specially Designated Nationals and Blocked Persons, or any Sanctions-related list of designated Persons maintained by ~~OFAC (including OFAC’s List of Specially Designated Nationals and OFAC’s Consolidated Non-SDN List)~~, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty’s Treasury (including Her Majesty’s Treasury’s Consolidated List of Financial Sanctions Targets), or any other relevant sanctions authority, (b) any Person located, operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in clauses (a) and (b).

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

“Scheduled Unavailability Date” has the meaning assigned thereto in Section 4.8(d).

“SEC” means the U.S. Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“Secured Cash Management Agreement” means any Cash Management Agreement between or among any Credit Party and any Cash Management Bank.

“Secured Hedge Agreement” means any Hedge Agreement between or among any Credit Party and any Hedge Bank.

“Secured Obligations” means, collectively, (a) the Obligations and (b) all existing or future payment and other obligations owing by any Credit Party under (i) any Secured Hedge Agreement (ii) any Secured Cash Management Agreement and (iii) any Secured Permitted Letter of Credit Issuer Document; provided, that, the “Secured Obligations” of a Credit Party shall exclude any Excluded Swap Obligations with respect to such Credit Party.

~~“Secured Permitted Letter of Credit Issuer Document” means any Permitted Letter of Credit Issuer Document between or among any Credit Party and any Permitted Letter of Credit Issuer.~~

“Secured Parties” means, collectively, the Administrative Agent, the Lenders, the Issuing Lenders, the Hedge Banks, the Cash Management Banks, the Permitted Letter of Credit Issuers, each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 10.5, any other holder from time to time of any of any Secured Obligations and, in each case, their respective successors and permitted assigns.

~~“Secured Permitted Letter of Credit Issuer Document” means any Permitted Letter of Credit Issuer Document between or among any Credit Party and any Permitted Letter of Credit Issuer.~~

“Securities Act” means the Securities Act of 1933 (15 U.S.C. § 77 *et seq.*).

“Security Agreement” means the security agreement dated as of the Closing Date and executed by the Credit Parties in favor of the Administrative Agent, for the ratable benefit of the Secured Parties.

“Security Documents” means the collective reference to the Security Agreement and each other agreement or writing pursuant to which any Credit Party pledges or grants a security interest in any Property or assets securing the Secured Obligations.

“Senior Unsecured Note Documents” means that certain indenture, dated as of the Closing Date, by and between the Borrower and Wells Fargo Bank, N.A., as trustee, and all other certificates, agreements, documents and instruments executed and delivered in connection therewith.

“Senior Unsecured Notes” means those certain senior unsecured notes due 2027 issued by the Borrower pursuant to the Senior Unsecured Note Documents.

“SOFR” ~~with respect to any day means the secured overnight financing rate published for such day~~ means the Secured Overnight Financing Rate as administered by the Federal Reserve Bank of New York, ~~as the administrator of the benchmark~~ (or a successor administrator) ~~on the Federal Reserve Bank of New York’s website (or any successor source) and, in each case, that has been selected or recommended by the Relevant Governmental Body.~~

~~“SOFR-Based Rate” means SOFR or Term SOFR.~~

“SOFR Adjustment” means (a) 0.10% (10 basis points) for an Interest Period of one month’s duration and (b) 0.10% (10 basis points) for an Interest Period of three months’ duration.

“Solvent” and “Solvency” mean, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as

they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"Specified Disposition" means any Disposition having gross sales proceeds in excess of \$15,000,000.

"Specified Transactions" means (a) any Specified Disposition, (b) any Permitted Acquisition, (c) the Transactions, (d) any incurrence or repayment of Indebtedness, and (e) any other event that by the terms of the Loan Documents requires calculation on a Pro Forma Basis.

"Subject Receivable" means an account receivable owing to the Borrower or any of its Material Subsidiaries with respect to goods sold or services rendered by the Borrower or such Material Subsidiary in the ordinary course of business, as the case may be, including (a) all security interests or Liens and property subject to such security interests or Liens securing or purporting to secure payment of such account receivable and all Supporting Obligations relating solely to such accounts receivable, (b) tax refunds and proceeds of insurance, other agreements or arrangements of whatever character supporting or securing the payment of such accounts receivable, (c) all rights and causes of action of the Borrower or such Material Subsidiary against the applicable Account Debtors of such accounts receivable and (d) all books, records and other information related to such accounts receivable or the applicable Account Debtor.

"Subordinated Indebtedness" means the collective reference to any Indebtedness incurred by the Borrower or any of its Subsidiaries that is subordinated in right and time of payment to the Obligations on terms and conditions satisfactory to the Administrative Agent.

"Subsidiary" means as to any Person, any corporation, partnership, limited liability company or other entity of which more than fifty percent (50%) of the outstanding Equity Interests having ordinary voting power to elect a majority of the board of directors (or equivalent governing body) or other managers of such corporation, partnership, limited liability company or other entity is at the time owned by (directly or indirectly) or the management is otherwise controlled by (directly or indirectly) such Person (irrespective of whether, at the time, Equity Interests of any other class or classes of such corporation, partnership, limited liability company or other entity shall have or might have voting power by reason of the happening of any contingency). Unless otherwise qualified, references to "Subsidiary" or "Subsidiaries" herein shall refer to those of the Borrower.

"Subsidiary Guarantors" means, collectively, all direct and indirect Material Non-TP Subsidiaries of the Borrower in existence on the Closing Date or which become a party to the Guaranty Agreement pursuant to Section 7.12.

"Successor Rate" has the meaning assigned thereto in Section 4.8(d).

"Supported QFC" has the meaning assigned thereto in Section 11.24.

"Sustainability Coordinator" means each of (a) BofA Securities, and (b) each other sustainability coordinator appointed by the Borrower that is reasonably acceptable to BofA Securities, in each case in their respective capacity as a sustainability coordinator.

“Swap Obligation” means, with respect to any Credit Party, 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.

“Swingline Commitment” means the lesser of (a) \$30,000,000 and (b) the Aggregate Revolving Credit Commitment.

“Swingline Facility” means the swingline facility established pursuant to Section 2.2.

“Swingline Lender” means Bank of America in its capacity as swingline lender hereunder or any successor thereto.

“Swingline Loan” means any swingline loan made by the Swingline Lender to the Borrower pursuant to Section 2.2, and all such swingline loans collectively as the context requires.

“Swingline Note” means a promissory note made by the Borrower in favor of the Swingline Lender evidencing the Swingline Loans made by the Swingline Lender, substantially in the form attached as **Exhibit A-2**, and any substitutes therefor, and any replacements, restatements, renewals or extension thereof, in whole or in part.

“Swingline Participation Amount” has the meaning assigned thereto in Section 2.2(b)(iii).

“Synthetic Lease” means any synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing product where such transaction is considered borrowed money indebtedness for tax purposes but is classified as an Operating Lease in accordance with GAAP.

“Tax Preferred Subsidiary” means (a) a Subsidiary of the Borrower that is a controlled foreign corporation (within the meaning of Section 957(a) of the Code), (b) any Subsidiary that is owned directly or indirectly by an entity described in clause (a) of this definition, (c) any Subsidiary of the Borrower substantially all of the assets of which consist, directly or indirectly, of (i) Equity Interests or other securities of one or more entities described in clause (a) of this definition (or are treated as consisting of such assets for U.S. federal income tax purposes) and/or (ii) any Indebtedness or accounts receivable owed by any entity described in clause (a) of this definition or treated as owed by any such entity for U.S. federal income tax purposes (any such Indebtedness or accounts receivable, “CFC Debt”) and (d) a Foreign Subsidiary of the Borrower which is treated as a disregarded entity or partnership for United States tax purposes pursuant to the entity classification rules under Section 7701 of the Code.

“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, fines, additions to tax or penalties applicable thereto.

“Term Commitment” means, as to each Term Lender, its obligation to make Term Loans to the Borrower pursuant to Section 2.1(a) in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Term Lender’s name on Schedule 2.1 under the caption “Term Commitment” or opposite such caption in the Assignment and Assumption pursuant to which such Term Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement. The Term Commitment of all of the Term Lenders on the First Amendment Effective Date shall be \$500,000,000.

“Term Facility” means, at any time, (a) during the Term Loan Availability Period, the sum of (i) the aggregate amount of the unused Term Commitments at such time and (ii) the aggregate principal amount

of the Term Loans of all Term Lenders outstanding at such time and (b) thereafter, the aggregate principal amount of the Term Loans of all Term Lenders outstanding at such time.

“Term Lender” means (a) at any time on the First Amendment Effective Date, any Lender that has a Term Commitment at such time, (b) at any time during the Term Loan Availability Period, any Lender that has a Term Commitment or that holds Term Loans at such time and (c) at any time after the Term Loan Availability Period, any Lender that holds Term Loans at such time.

“Term Loan” means an advance made by any Term Lender under the Term Facility.

“Term Loan Availability Period” means the period from and including the First Amendment Effective Date to the earliest of (i) the date that falls one (1) year after the First Amendment Effective Date, (ii) the date of termination of the Term Commitments by the Borrower pursuant to Section 2.5 and (iii) the date of termination of the Term Commitments of the respective Term Lenders to make Term Loans pursuant to Section 9.2(a).

“Term Loan Percentage ” means, with respect to any Term Lender at any time, the percentage (carried out to the ninth decimal place) of the Term Facility represented by (a) at any time during the Term Loan Availability Period in respect of such Term Facility, such Term Lender’s Term Commitment at such time and (b) thereafter, the outstanding principal amount of such Term Lender’s Term Loans at such time, subject to adjustment as provided in Section 4.15. If the Term Commitment of all of the Term Lenders to make Term Loans have been terminated pursuant to Section 9.2(a), then the Term Loan Percentage of each Term Lender in respect of the Term Facility shall be determined based on the Term Loan Percentage of such Term Lender in respect of Term Facility most recently in effect, giving effect to any subsequent assignments and to any Lender’s status as a Defaulting Lender at the time of determination. The Term Loan Percentage of each Term Lender on the First Amendment Effective Date is set forth opposite the name of such Lender on Schedule 2.1.

“Term Note” means a promissory note made by the Borrower in favor of a Term Lender evidencing Term Loans made by such Term Lender, substantially in the form of Exhibit A-3.

“Term SOFR” means (a) for any Interest Period with respect to a Term SOFR Loan, the rate per annum equal to the Term SOFR Screen Rate two (2) U.S. Government Securities Business Days prior to the commencement of such Interest Period with a term equivalent to such Interest Period; provided, that, if the rate is not published prior to 11:00 a.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first (1st) U.S. Government Securities Business Day immediately prior thereto, in each case, plus the SOFR Adjustment for such Interest Period; and (b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the Term SOFR Screen Rate with a term of one month commencing that day; provided, that, if the Term SOFR determined in accordance with either of the foregoing clauses (a) or (b) of this definition would otherwise be less than zero, Term SOFR shall be deemed zero for purposes of this Agreement.

“Term SOFR Loan” means a Loan that bears interest at a rate based on clause (a) of the definition of Term SOFR.

“Term SOFR Replacement Date ” has the meaning assigned thereto in Section 4.8(d).

“ Term SOFR Screen Rate ” means the forward-looking SOFR term rate ~~for any period that is approximately (as determined by~~ administered by CME (or any successor administrator satisfactory to the Administrative Agent) ~~as long as any of the Interest Period options set forth in the definition of “Interest Period” and that is based on SOFR and that has been selected or recommended by the Relevant~~

~~Governmental Body, in each case as published on an information service as selected~~ and published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time ~~in its reasonable discretion~~).

“Termination Event” means the occurrence of any of the following which, individually or in the aggregate, has resulted or could reasonably be expected to result in liability of the Borrower in an aggregate amount in excess of \$50,000,000: (a) a “Reportable Event” described in Section 4043 of ERISA for which the thirty (30) day notice requirement has not been waived by the PBGC, or (b) the withdrawal of any Credit Party or any ERISA Affiliate from a Pension Plan during a plan year in which it was a “substantial employer” as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA, or (c) the termination of a Pension Plan, the filing of a notice of intent to terminate a Pension Plan or the treatment of a Pension Plan amendment as a termination, under Section 4041 of ERISA, if the plan assets are not sufficient to pay all plan liabilities, or (d) the institution of proceedings to terminate, or the appointment of a trustee with respect to, any Pension Plan by the PBGC, or (e) any other event or condition which would constitute grounds under Section 4042(a) of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan, or (f) the imposition of a Lien pursuant to Section 430(k) of the Code or Section 303 of ERISA, or (g) the determination that any Pension Plan or Multiemployer Plan is considered an at-risk plan or plan in endangered or critical status with the meaning of Sections 430, 431 or 432 of the Code or Sections 303, 304 or 305 of ERISA or (h) the partial or complete withdrawal of any Credit Party or any ERISA Affiliate from a Multiemployer Plan if withdrawal liability is asserted by such plan, or (i) any event or condition which results in the termination of a Multiemployer Plan under Section 4041A of ERISA or the institution by PBGC of proceedings to terminate a Multiemployer Plan under Section 4042 of ERISA, or (j) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any Credit Party or any ERISA Affiliate.

“Ticking Fee” has the meaning assigned thereto in Section 4.3(b).

“Total Credit Exposure” means, as to any Lender at any time, the unused Revolving Credit Commitments ~~and~~ Revolving Credit Exposure and Total Term Credit Exposure and, if applicable, Incremental Term Loans of such Lender at such time.

“Total Term Credit Exposure” means, as to any Term Lender at any time, the unused Term Commitments and outstanding amount of all Term Loans of such Term Lender at such time.

“Trade Date” has the meaning assigned thereto in Section 11.9(b)(i)(B).

“Transactions” means, collectively, (a) the refinancing of Indebtedness outstanding under the Existing Credit Agreement, which refinancing shall include termination of all commitments under the Existing Credit Agreement and the termination or release of any security interests or guaranties granted in connection with the Existing Credit Agreement, (b) the Extensions of Credit to be made on the Closing Date, (c) the issuance of the Senior Unsecured Notes and the incurrence of Indebtedness on the Closing Date in connection therewith and (d) the payment on the Closing Date of the fees and expenses incurred in connection with the foregoing, including the issuance of the Senior Unsecured Notes and the entering into of the Credit Facility.

“UCC” means the Uniform Commercial Code as in effect in the State of New York.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person subject to IFPRU 11.6 of the FCA Handbook (as amended from time to time)

promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

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

“United Kingdom” means the United Kingdom of Great Britain and Northern Ireland.

“United States” means the United States of America.

“Unrestricted” means, (a) when referring to cash and Cash Equivalents of the Borrower and its Subsidiaries, that such cash and Cash Equivalents (~~ai~~) do not appear or would not be required to appear as “restricted” on the financial statements of the Borrower or any such Subsidiary (unless related to the Loan Documents or the Liens created thereunder), (~~bii~~) are not subject to a Lien in favor of any Person other than the Administrative Agent under the Loan Documents and Liens constituting Permitted Encumbrances in favor of any depository bank in connection with statutory, common law and contractual rights of set-off and recoupment with respect to any deposit account, (~~ciii~~) are assets of the Borrower or a Subsidiary that is a Domestic Subsidiary and are held in bank accounts or securities accounts located in the United States and (~~dvi~~) are not otherwise unavailable to the Borrower or such Subsidiary ~~;~~, and (b) when referring to cash and Cash Equivalents of any Foreign Subsidiary of the Borrower, that such cash and Cash Equivalents (i) do not appear or would not be required to appear as “restricted” on the financial statements of the Borrower or any such Subsidiary (unless related to the Loan Documents or the Liens created thereunder), (ii) are not subject to a Lien in favor of any Person other than the Administrative Agent under the Loan Documents and Liens constituting Permitted Encumbrances in favor of any depository bank in connection with statutory, common law and contractual rights of set-off and recoupment with respect to any deposit account, (iii) are not otherwise unavailable to the Borrower or such Subsidiary and (iv) are not prohibited by applicable local law from being repatriated to the United States of America, it being understood and agreed that to the extent such repatriation would require payment (or for the Borrower to reserve for a future payment) of taxes or other costs and expenses in connection with such repatriation, the amount of such cash and Cash Equivalents that shall constitute “Unrestricted cash and Cash Equivalents” shall be limited to the amount of such cash and Cash Equivalents, net of the amount of taxes or other costs and expenses incurred (or reserved) in connection with such repatriation.

“U.S. Government Securities Business Day” means any Business Day, except any Business Day on which any of the Securities Industry and Financial Markets Association, the New York Stock Exchange ~~or the Federal Reserve Bank of New York~~ is not open for business because such day is a legal holiday under the federal laws of the United States or the laws of the State of New York, as applicable.

“U.S. Person” means any Person that is a “United States person” as defined in Section 7701(a)(30) of the Code.

“U.S. Special Resolutions Regimes” has the meaning assigned thereto in Section 11.24.

“U.S. Tax Compliance Certificate” has the meaning assigned thereto in Section 4.11(g).

“Weighted Average Life to Maturity” means, when applied to any Indebtedness at any date, the number of years obtained by dividing: (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by (b) the then outstanding principal amount of such Indebtedness, in each case of clauses (a) and (b), without giving effect to the

application of any prior prepayment to such installment, sinking fund, serial maturity or other required payment of principal.

“Withholding Agent” means any Credit Party and the Administrative Agent.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule 7, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.2 Other Definitions and Provisions

. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document: (a) the definitions of terms herein shall apply equally to the singular and plural forms of the terms defined, (b) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms, (c) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”, (d) the word “will” shall be construed to have the same meaning and effect as the word “shall”, (e) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (f) 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, (g) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (h) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, (i) the term “documents” includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form and (j) 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”.

SECTION 1.3 Accounting Terms.

(a) 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 and in a manner consistent with that used in preparing the audited financial statements required by Section 7.1(a), except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Borrower and its Subsidiaries shall be deemed to be carried at 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.

(b) If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower 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, unless and until so amended by an amendment, if any, requested pursuant to this Section 1.3(b), (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(c) Notwithstanding anything to the contrary contained in this Agreement, in the event of an accounting change occurring after June 15, 2016 requiring all leases to be capitalized, only those leases that would have constituted capital leases on June 15, 2016 (assuming for purposes hereof that they were in existence on June 15, 2016) shall be considered capital leases, and all calculations and deliverables under this Agreement or any other Loan Document shall be made in accordance therewith (provided, that, all financial statements delivered to the Administrative Agent in accordance with the terms of this Agreement after the date of such accounting change shall contain a schedule showing the adjustments necessary to reconcile such financial statements with GAAP as in effect immediately prior to such accounting change).

(d) Any provision of this Agreement (including, for the avoidance of doubt, clause (h) in the proviso to the definition of "Permitted Acquisition" in Section 1.1) that requires compliance on a Pro Forma Basis with ~~(i) the Consolidated Net Leverage Ratio set forth in Section 8.11(a) and/or (ii) the Consolidated Secured Net Leverage Ratio set forth in Section 8.11(ba)~~ shall, ~~in each case~~, be deemed to include any Leverage Ratio Increase then in effect pursuant to Section 8.11(eb).

SECTION 1.4 UCC Terms

. Terms defined in the UCC in effect on the ~~Closing~~First Amendment Effective Date and not otherwise defined herein shall, unless the context otherwise indicates, have the meanings provided by those definitions. Subject to the foregoing, the term "UCC" refers, as of any date of determination, to the UCC then in effect.

SECTION 1.5 Rounding

. Any financial ratios required to be maintained 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 or percentage is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

SECTION 1.6 References to Agreement and Laws

. Unless otherwise expressly provided herein, (a) any definition or reference to formation documents, governing documents, agreements (including the Loan Documents) and other contractual documents or instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are not prohibited by any Loan Document; and (b) any definition or reference to any Applicable Law, including, without limitation, Anti-Corruption Laws, Anti-Money Laundering Laws, the Bankruptcy Code, the Code, the Commodity Exchange Act, ERISA, the Exchange Act, the PATRIOT Act, the Securities Act, the UCC, the Investment Company Act, the Interstate Commerce Act or any of the foreign assets control regulations of the United States Treasury Department, shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Applicable Law.

SECTION 1.7 Times of Day

. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

SECTION 1.8 Letter of Credit Amounts

. Unless otherwise specified, all references herein to the amount of a Letter of Credit at any time shall be deemed to mean the Dollar Amount that is equal to the maximum face amount of such Letter of Credit after giving effect to all increases thereof contemplated by such Letter of Credit or the Letter of Credit Application therefor (at the time specified therefor in such applicable Letter of Credit or Letter of Credit Application and as such amount may be reduced by (a) any permanent reduction of such Letter of Credit or (b) any amount which is drawn, reimbursed and no longer available under such Letter of Credit).

SECTION 1.9 Guarantees/Earn-Outs

. Unless otherwise specified, (a) the amount of any Guarantee shall be the lesser of the amount of the obligations guaranteed and still outstanding and the maximum amount for which the guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Guarantee and (b) the amount of any earn-out or similar obligation shall be the amount of such obligation as reflected on the balance sheet of such Person in accordance with GAAP.

SECTION 1.10 Covenant Compliance Generally

. For purposes of determining compliance under Sections 8.1, 8.2, 8.3, 8.4(d) and 8.5, any amount in a currency other than Dollars will be converted to Dollars in a manner consistent with that used in calculating Consolidated Adjusted EBITDA in the most recent annual financial statements of the Borrower and its Subsidiaries delivered pursuant to Section 7.1(a). Notwithstanding the foregoing, for purposes of determining compliance with Sections 8.1, 8.2 and 8.3, with respect to any amount of Indebtedness or Investment in a currency other than Dollars, no breach of any basket contained in such sections shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Indebtedness or Investment is incurred; provided, that, for the avoidance of doubt, the foregoing provisions of this Section 1.10 shall otherwise apply to such Sections, including with respect to determining whether any Indebtedness or Investment may be incurred at any time under such Sections.

SECTION 1.11 Currency Equivalents.

(a) For purposes hereof, the applicable outstanding amount of Letters of Credit and L/C Obligations (including, without limitation, all Alternative Currency Letters of Credit) shall be deemed to refer to the Dollar Amount thereof. The Administrative Agent or the applicable Issuing Lender, as applicable, shall determine the Dollar Amount amounts of Letters of Credit denominated in Alternative Currencies. Such Dollar Amount shall become effective as of such Revaluation Date and shall be the Dollar Amount of such amounts until the next Revaluation Date to occur.

(b) All Loans made under this Agreement, including, without limitation, Loans made to refund drawings made under Alternative Currency Letters of Credit, shall be made only in Dollars.

(c) Except for purposes of financial statements delivered by the Borrower hereunder or calculating financial ~~covenants~~covenant hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Dollar Amount as so determined by the Administrative Agent or ~~Bank of America, in its capacity as an~~the applicable Issuing Lender, as applicable.

SECTION 1.12 Divisions

. Any reference herein to a merger, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of

any limited liability company that is a Subsidiary, joint venture or any other like term shall also constitute such a Person).

SECTION 1.13 Limited Conditionality Acquisitions

. In the event that the Borrower notifies the Administrative Agent in writing that any proposed Acquisition is a Limited Conditionality Acquisition and that the Borrower wishes to test the conditions to such Acquisition and the Indebtedness that is to be used to finance such Acquisition in accordance with this Section (with such election to be made on or prior to the date on which the definitive agreements for such Limited Conditionality Acquisition are executed by the Borrower or its applicable Subsidiary (any such election, an "LCA Election")), then, so long as agreed to by the lenders providing such Indebtedness, the following provisions shall apply:

- (a) any condition to such Acquisition or such Indebtedness that requires that no Default or Event of Default shall have occurred and be continuing at the time of such Acquisition or the incurrence of such Indebtedness, shall be satisfied if (i) no Default or Event of Default shall have occurred and be continuing at the time of the execution of the definitive purchase agreement, merger agreement or other acquisition agreement governing such Acquisition and (ii) no Event of Default under any of Sections 9.1(a) or 9.1(g) shall have occurred and be continuing both before and after giving effect to such Acquisition and any Indebtedness incurred in connection therewith (including such additional Indebtedness);
- (b) any condition to such Acquisition or such Indebtedness that the representations and warranties in this Agreement and the other Loan Documents shall be true and correct at the time of such Acquisition or the incurrence of such Indebtedness shall be subject to customary "SunGard" or other customary applicable "certain funds" conditionality provisions (including, without limitation, a condition that the representations and warranties under the relevant agreements relating to such Limited Conditionality Acquisition as are material to the lenders providing such Indebtedness shall be true and correct, but only to the extent that the Borrower or its applicable Subsidiary has the right to terminate its obligations under such agreement as a result of a breach of such representations and warranties or the failure of those representations and warranties to be true and correct), so long as all such representations and warranties in this Agreement and the other Loan Documents are true and correct at the time of execution of the definitive purchase agreement, merger agreement or other acquisition agreement governing such Acquisition;
- (c) any financial ratio test or condition, shall be tested as of the date of execution of the definitive agreement with respect to such Limited Conditionality Acquisition (the "LCA Test Date"), after giving effect to the relevant Limited Conditionality Acquisition and related incurrence of Indebtedness, on a Pro Forma Basis and, for the avoidance of doubt, if any of such ratios are exceeded or conditions are not met following the LCA Test Date, but prior to the closing of such Limited Conditionality Acquisition, as a result of fluctuations in such ratio or amount including due to fluctuations in Consolidated Adjusted EBITDA of the Borrower or the Person subject to such Limited Conditionality Acquisition, at or prior to the consummation of the relevant transaction or action, such ratios will not be deemed to have been exceeded and such conditions will not be deemed unmet as a result of such fluctuations solely for purposes of determining whether the relevant transaction or action is permitted to be consummated or taken; and
- (d) except as provided in the next sentence, if the Borrower has made an LCA Election with respect to any Limited Conditionality Acquisition, then in connection with any subsequent calculation of any ratio or basket on or following the relevant date of execution of the definitive agreement with respect to such Limited Conditionality Acquisition and prior to the earlier of (i) the date on which such Limited Conditionality Acquisition is consummated or (ii) the date that the

definitive agreement for such Limited Conditionality Acquisition is terminated or expires without consummation of such Limited Conditionality Acquisition, any such ratio or basket shall be required to be satisfied (x) on a Pro Forma Basis assuming such Limited Conditionality Acquisition and other transactions in connection therewith (including the incurrence or assumption of Indebtedness) have been consummated and (y) assuming such Limited Conditionality Acquisition and other transactions in connection therewith (including the incurrence or assumption of Indebtedness) have not been consummated. Notwithstanding the foregoing, any calculation of a ratio in connection with determining the Applicable Margin and determining whether or not the Borrower is in compliance with the requirements of Section 8.11 shall, in each case be calculated assuming such Limited Conditionality Acquisition and other transactions in connection therewith (including the incurrence or assumption of Indebtedness) have not been consummated.

The foregoing provisions shall apply with similar effect during the pendency of multiple Limited Conditionality Acquisitions such that each of the possible scenarios is separately tested.

SECTION 1.14 Interest Rates

. The Administrative Agent does not warrant ~~or, nor~~ accept responsibility ~~for~~ , ~~and~~ ~~nor~~ shall ~~not~~ the Administrative Agent have any liability with respect to; the administration, submission or any other matter related to ~~the rates in the definition of "LIBOR Rate"~~ any reference rate referred to herein, the selection of rates, any related spread or adjustment or with respect to any rate ~~that is an alternative or replacement for or successor to any of such rate~~ (including, ~~without limitation, any Replacement Rate~~ any Successor Rate) (or any component of any of the foregoing) or the effect of any of the foregoing, or of any ~~Replacement Rate~~ Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions or other activities that affect any reference rate referred to herein, or any alternative, successor or replacement rate (including any Successor Rate) (or any component of any of the foregoing) or any related spread or other adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any reference rate referred to herein or any alternative, successor or replacement rate (including any Successor Rate) (or any component of any of the foregoing), in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other Person for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or other action or omission related to or affecting the selection, determination, or calculation of any rate (or component thereof) provided by any such information source or service.

~~REVOLVING CREDIT FACILITY~~ FACILITIES

SECTION 2.1 Loans.

(a) Term Facility. Subject to the terms and conditions of this Agreement and the other Loan Documents, and in reliance upon the representations and warranties set forth in this Agreement and the other Loan Documents, each Term Lender severally agrees to make term loans to the Borrower, in Dollars, from time to time, in up to two (2) advances on any Business Day during the Term Loan Availability Period, in an aggregate amount not to exceed such Term Lender's Term Loan Percentage of the Term Facility. Each borrowing of Term Loans shall consist of Term Loans made simultaneously by the Term Lenders in accordance with their respective Term Loan Percentage of the Term Facility. Term Loans repaid or prepaid may not be reborrowed.

(b) ~~SECTION 2.1~~ Revolving Credit ~~Loans~~ Facility. Subject to the terms and conditions of this Agreement and the other Loan Documents, and in reliance upon the

representations and warranties set forth in this Agreement and the other Loan Documents, each Revolving Credit Lender severally agrees to make Revolving Credit Loans in Dollars to the Borrower from time to time from the Closing Date to, but not including, the Maturity Date as requested by the Borrower in accordance with the terms of Section 2.3; provided, that: (a) the Revolving Credit Outstandings shall not exceed the Aggregate Revolving Credit Commitment and (b) the Revolving Credit Exposure of any Revolving Credit Lender shall not at any time exceed such Revolving Credit Lender's Revolving Credit Commitment. Each Revolving Credit Loan by a Revolving Credit Lender shall be in a principal amount equal to such Revolving Credit Lender's Revolving Credit Commitment Percentage of the aggregate principal amount of Revolving Credit Loans requested on such occasion. Subject to the terms and conditions hereof, the Borrower may borrow, repay and reborrow Revolving Credit Loans hereunder until the Maturity Date.

SECTION 1.2 Swingline Loans.

(a) Availability. Subject to the terms and conditions of this Agreement and the other Loan Documents, including, without limitation, Section 5.2(d), and in reliance upon the representations and warranties set forth in this Agreement and the other Loan Documents, the Swingline Lender may, in its sole discretion, make Swingline Loans in Dollars to the Borrower from time to time from the Closing Date to, but not including, the Maturity Date; provided, that: (i) after giving effect to any amount requested, the Revolving Credit Outstandings shall not exceed the Aggregate Revolving Credit Commitment, (ii) the Revolving Credit Exposure of any Revolving Credit Lender shall not at any time exceed such Revolving Credit Lender's Revolving Credit Commitment and (iii) the aggregate principal amount of all outstanding Swingline Loans (after giving effect to any amount requested) shall not exceed the Swingline Commitment.

(b) Refunding.

(i) The Swingline Lender, at any time and from time to time in its sole and absolute discretion may, on behalf of the Borrower (which hereby irrevocably directs the Swingline Lender to act on its behalf), by written notice given no later than 11:00 a.m. on any Business Day request each Revolving Credit Lender to make, and each Revolving Credit Lender hereby agrees to make, a Revolving Credit Loan as a Base Rate Loan in an amount equal to such Revolving Credit Lender's Revolving Credit Commitment Percentage of the aggregate amount of the Swingline Loans outstanding on the date of such notice, to repay the Swingline Lender. Each Revolving Credit Lender shall make the amount of such Revolving Credit Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 1:00 p.m. on the day specified in such notice. The proceeds of such Revolving Credit Loans shall be immediately made available by the Administrative Agent to the Swingline Lender for application by the Swingline Lender to the repayment of the Swingline Loans. No Revolving Credit Lender's obligation to fund its respective Revolving Credit Commitment Percentage of a Swingline Loan shall be affected by any other Revolving Credit Lender's failure to fund its Revolving Credit Commitment Percentage of a Swingline Loan, nor shall any Revolving Credit Lender's Revolving Credit Commitment Percentage be increased as a result of any such failure of any other Revolving Credit Lender to fund its Revolving Credit Commitment Percentage of a Swingline Loan.

(ii) The Borrower shall pay to the Swingline Lender on demand, and in any event on the Maturity Date, in immediately available funds the amount of such Swingline Loans to the extent amounts received from the Revolving Credit Lenders are not sufficient to repay in full the outstanding Swingline Loans requested or required to be refunded. In

addition, the Borrower irrevocably authorizes the Administrative Agent to charge any account maintained by the Borrower with the Swingline Lender (up to the amount available therein) in order to immediately pay the Swingline Lender the amount of such Swingline Loans to the extent amounts received from the Revolving Credit Lenders are not sufficient to repay in full the outstanding Swingline Loans requested or required to be refunded. If any portion of any such amount paid to the Swingline Lender shall be recovered by or on behalf of the Borrower from the Swingline Lender in bankruptcy or otherwise, the loss of the amount so recovered shall be ratably shared among all the Revolving Credit Lenders in accordance with their respective Revolving Credit Commitment Percentages.

(iii) If for any reason any Swingline Loan cannot be refinanced with a Revolving Credit Loan pursuant to Section 2.2(b)(i), each Revolving Credit Lender shall, on the date such Revolving Credit Loan was to have been made pursuant to the notice referred to in Section 2.2(b)(i), purchase for cash an undivided participating interest in the then outstanding Swingline Loans by paying to the Swingline Lender an amount (the “Swingline Participation Amount”) equal to such Revolving Credit Lender’s Revolving Credit Commitment Percentage of the aggregate principal amount of Swingline Loans then outstanding. Each Revolving Credit Lender will immediately transfer to the Swingline Lender, in immediately available funds, the amount of its Swingline Participation Amount. Whenever, at any time after the Swingline Lender has received from any Revolving Credit Lender such Revolving Credit Lender’s Swingline Participation Amount, the Swingline Lender receives any payment on account of the Swingline Loans, the Swingline Lender will distribute to such Revolving Credit Lender its Swingline Participation Amount (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender’s participating interest was outstanding and funded and, in the case of principal and interest payments, to reflect such Revolving Credit Lender’s pro rata portion of such payment if such payment is not sufficient to pay the principal of and interest on all Swingline Loans then due); provided, that, in the event that such payment received by the Swingline Lender is required to be returned, such Revolving Credit Lender will return to the Swingline Lender any portion thereof previously distributed to it by the Swingline Lender.

(iv) Each Revolving Credit Lender’s obligation to make the Revolving Credit Loans referred to in Section 2.2(b)(i) and to purchase participating interests pursuant to Section 2.2(b)(iii) 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 Revolving Credit Lender or the Borrower may have against the Swingline Lender, the Borrower or any other Person for any reason whatsoever, (B) the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in Article V, (C) any adverse change in the condition (financial or otherwise) of the Borrower, (D) any breach of this Agreement or any other Loan Document by the Borrower, any other Credit Party or any other Revolving Credit Lender or (E) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

(v) If any Revolving Credit Lender fails to make available to the Administrative Agent, for the account of the Swingline Lender, any amount required to be paid by such Revolving Credit Lender pursuant to the foregoing provisions of this Section 2.2(b) by the time specified in Section 2.2(b)(i) or 2.2(b)(iii), as applicable, the Swingline Lender shall be entitled to recover from such Revolving Credit 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 Swingline Lender at a rate per annum equal to the applicable Federal Funds Rate, plus any administrative, processing or similar fees customarily charged by the Swingline Lender in connection with the foregoing. If such Revolving Credit Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Revolving Credit Lender's Revolving Credit Loan or Swingline Participation Amount, as the case may be. A certificate of the Swingline Lender submitted to any Revolving Credit Lender (through the Administrative Agent) with respect to any amounts owing under this clause (v) shall be conclusive absent manifest error.

(c) Defaulting Lenders. Notwithstanding anything to the contrary contained in this Agreement, this Section 2.2 shall be subject to the terms and conditions of Section 4.14 and Section 4.15.

SECTION 1.3 Procedure for Advances of ~~Revolving Credit Loans and Swingline Loans~~ Loans.

(a) Requests for Borrowing. The Borrower shall give the Administrative Agent irrevocable prior written notice substantially in the form attached as *Exhibit B* (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), a "Notice of Borrowing ") not later than 11:00 a.m. (i) on the requested date of any borrowing of Base Rate Loans and Swingline Loans and (ii) at least ~~three (3) Business Days (or in the case of a borrowing on the Closing Date,~~ two (2) Business Days) prior to the requested date of any borrowing of ~~LIBOR-Rate~~Term SOFR Loans, of its intention to borrow, specifying (A) the date of such borrowing, which shall be a Business Day, (B) the amount of such borrowing, which shall be, (x) with respect to Base Rate Loans (other than Swingline Loans), in an aggregate principal amount of \$3,000,000 or a whole multiple of \$1,000,000 in excess thereof, (y) with respect to ~~LIBOR-Rate~~Term SOFR Loans, in an aggregate principal amount of \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof and (z) with respect to Swingline Loans, in an aggregate principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof (provided, that, any such borrowing of Term Loans shall be in minimum principal amount of \$250,000,000, unless otherwise agreed by the Administrative Agent), (C) whether such Loan is to be a Term Loan, a Revolving Credit Loan or a Swingline Loan, (D) in the case of a Term Loan or a Revolving Credit Loan whether the Loans are to be ~~LIBOR-Rate~~Term SOFR Loans or Base Rate Loans, and (E) in the case of a ~~LIBOR-Rate~~Term SOFR Loan, the duration of the Interest Period applicable thereto. If the Borrower fails to specify a type of Term Loan or Revolving Credit Loan in a Notice of Borrowing, then the applicable ~~Revolving Credit~~ Loans shall be made as Base Rate Loans. If the Borrower requests a borrowing of ~~LIBOR-Rate~~Term SOFR Loans in any such Notice of Borrowing, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. A Notice of Borrowing received after 11:00 a.m. shall be deemed received on the next Business Day. The Administrative Agent shall promptly notify the Term Lenders or Revolving Credit Lenders, as applicable, of each Notice of Borrowing.

(b) Disbursement of ~~Revolving Credit Loans and Swingline Loans~~. Not later than 1:00 p.m. on the proposed borrowing date, (i) each ~~Revolving Credit~~applicable Lender will make available to the Administrative Agent, for the account of the Borrower, at the office of the Administrative Agent in funds immediately available to the Administrative Agent, such Revolving Credit Lender's Revolving Credit Commitment Percentage of the Revolving Credit Loans or Term Lender's Term Loan Percentage of the Term Loans, as applicable, to be made on such borrowing date and (ii) the Swingline Lender will make available to the Administrative Agent, for the account

of the Borrower, at the office of the Administrative Agent in funds immediately available to the Administrative Agent, the Swingline Loans to be made on such borrowing date. The Borrower hereby irrevocably authorizes the Administrative Agent to disburse the proceeds of each borrowing requested pursuant to this Section in immediately available funds by crediting or wiring such proceeds to the deposit account of the Borrower identified in the most recent notice substantially in the form attached as **Exhibit C** (a “Notice of Account Designation”) delivered by the Borrower to the Administrative Agent or as may be otherwise agreed upon by the Borrower and the Administrative Agent from time to time. Subject to Section 4.7, the Administrative Agent shall not be obligated to disburse the portion of the proceeds of any Term Loan or Revolving Credit Loan, as applicable, requested pursuant to this Section to the extent that any ~~Revolving Credit~~applicable Lender has not made available to the Administrative Agent its Revolving Credit Commitment Percentage or Term Loan Percentage, as applicable, of such Loan. Revolving Credit Loans to be made for the purpose of refunding Swingline Loans shall be made by the Revolving Credit Lenders as provided in Section 2.2(b).

SECTION 1.4 Repayment and Prepayment of ~~Revolving Credit and Swingline Loans~~Loans.

(a) Repayment-on Termination Date. The Borrower hereby agrees to repay (i) the outstanding principal amount of ~~(+)all~~ Term Loans as follows: once any portion of the Term Facility is funded, the Term Facility will amortize in quarterly installments equal to, (A) for the fiscal quarters ending September 30, 2022 through June 30, 2024, 0.625% of the funded amount of the Term Loans and (B) for the fiscal quarters ending September 30, 2024 through June 30, 2027, 1.250% of the funded amount of the Term Loans (in each case, as such installments may hereafter be adjusted as a result of prepayments made pursuant to Section 2.4(c)) on the last Business Day of each Fiscal Quarter, commencing with the first such date to occur after the first advance under the Term Facility, unless accelerated sooner pursuant to Section 9.2(a); provided, that, (x) the final principal repayment installment of the Term Loans shall be repaid on the Maturity Date and in any event shall be in an amount equal to the aggregate principal amount of all Term Loans outstanding on such date, and (y) if any principal repayment installment to be made by the Borrower 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, (ii) the outstanding principal amount of all Revolving Credit Loans in full on the Maturity Date, and (~~+)iii~~) all Swingline Loans in accordance with Section 2.2(b) (but, in any event, no later than the Maturity Date), together, in each case, with all accrued but unpaid interest thereon.

(b) Mandatory Prepayments.

(i) If at any time the Revolving Credit Outstandings exceed the Aggregate Revolving Credit Commitment, the Borrower agrees to repay immediately upon notice from the Administrative Agent, by payment to the Administrative Agent for the account of the Revolving Credit Lenders, Extensions of Credit in an amount equal to such excess with each such repayment applied first, to the principal amount of outstanding Swingline Loans, second to the principal amount of outstanding Revolving Credit Loans and third, with respect to any Letters of Credit then outstanding, to payment of Cash Collateral into a Cash Collateral account opened by the Administrative Agent, for the benefit of the Revolving Credit Lenders, in an amount equal to the Dollar Amount of such excess (such Cash Collateral to be applied in accordance with Section 9.2(b)).

(ii) If at any time (as determined by the Administrative Agent pursuant to this Section 2.4(b)(ii)) and for any reason, based upon the Dollar Amount of all outstanding

Revolving Credit Loans and L/C Obligations, (a) the outstanding amount of all L/C Obligations exceeds the lesser of (i) the Aggregate Revolving Credit Commitment less the sum of the aggregate principal amount of all outstanding Revolving Credit Loans and Swingline Loans and (ii) the L/C Sublimit, then the Borrower shall either (A) repay Revolving Credit Loans in an amount equal to such excess (to the extent such repayment will eliminate such excess) or (B) make a payment of Cash Collateral into a Cash Collateral account opened by the Administrative Agent for the benefit of the applicable Issuing Lender and the Revolving Credit Lenders in an amount equal to the Dollar Amount of such excess (such Cash Collateral to be applied in accordance with Section 9.2(b)). The Borrower's compliance with this Section 2.4(b)(ii) shall be tested from time to time by the Administrative Agent at its sole discretion, but in any event shall be tested on each Revaluation Date. Each such repayment pursuant to this Section 2.4(b)(ii) shall be accompanied by any amount required to be paid pursuant to Sections 4.8(c) and 4.9.

(c) Optional Prepayments. The Borrower may at any time and from time to time prepay Term Loans, Revolving Credit Loans and Swingline Loans, in whole or in part, without premium or penalty, with irrevocable prior written notice to the Administrative Agent substantially in the form attached as Exhibit D (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), a "Notice of Prepayment") given not later than 11:00 a.m. (i) on the same Business Day as any prepayment of Base Rate Loans or Swingline Loans and (ii) at least ~~threetwo~~ (~~32~~) Business Days prior to any prepayment of LIBOR-RateTerm SOFR Loans, specifying the date and amount of prepayment and whether the prepayment is of LIBOR-RateTerm SOFR Loans, Base Rate Loans, Swingline Loans or a combination thereof, and, if of a combination thereof, the amount allocable to each. Upon receipt of such notice, the Administrative Agent shall promptly notify each Revolving Credit Lender. If any such notice is given, the amount specified in such notice shall be due and payable on the date set forth in such notice. Partial prepayments shall be in an aggregate amount of (A) \$3,000,000 or a whole multiple of \$1,000,000 in excess thereof with respect to Base Rate Loans (other than Swingline Loans), (B) \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof with respect to LIBOR-RateTerm SOFR Loans and (C) \$500,000 or a whole multiple of \$100,000 in excess thereof with respect to Swingline Loans. A Notice of Prepayment received after 11:00 a.m. shall be deemed received on the next Business Day. Each prepayment of the Term Facility pursuant to this Section 2.4(c) shall be applied to the Term Facility and such then-existing class of Incremental Term Loans on a pro rata basis and, in each case, to the principal repayment installments thereof as determined by the Borrower (or, if no such determination is made, on a pro rata basis). Each such repayment shall be accompanied by any amount required to be paid pursuant to Section 4.9 hereof. Notwithstanding the foregoing, any Notice of Prepayment delivered in connection with any repayment of all of the Credit Facility with the proceeds of any incurrence of Indebtedness or the occurrence of some other identifiable event or condition, may be, if expressly so stated to be, contingent upon the consummation of such incurrence or occurrence of such other identifiable event or condition and may be revoked by the Borrower in the event such contingency is not met (provided, that, the failure of such contingency shall not relieve the Borrower from its obligations in respect thereof under Section 4.9).

(d) Limitation on Prepayment of LIBOR-RateTerm SOFR Loans. The Borrower may not prepay any LIBOR RateTerm SOFR Loan on any day other than the last day of the Interest Period applicable thereto unless such prepayment is accompanied by any amount required to be paid pursuant to Section 4.9.

(e) Hedge Agreements. No repayment or prepayment of the Loans pursuant to this Section shall affect any of the Borrower's obligations under any Hedge Agreement entered into with respect to the Loans.

SECTION 1.5 Permanent Reduction of the ~~Aggregate Revolving Credit Commitment~~ Commitments.

(a) Voluntary Reduction. The Borrower shall have the right at any time and from time to time, upon at least five (5) Business Days prior irrevocable (subject to the last sentence of this Section 2.5(a)) written notice to the Administrative Agent, to permanently reduce, without premium or penalty, (i) the Aggregate Revolving Credit Commitment or the Term Commitment at any time or (ii) portions of the Aggregate Revolving Credit Commitment or Term Commitment, from time to time, in an aggregate principal amount not less than \$3,000,000 or any whole multiple of \$1,000,000 in excess thereof. Any reduction of any portion of the Aggregate Revolving Credit Commitment or Term Commitment shall be applied to the Revolving Credit Commitment or Term Commitment, as applicable, of each Revolving Credit Lender or Term Lender, as applicable, according to its Revolving Credit Commitment Percentage or Term Loan Percentage, as applicable. All Commitment Fees or Ticking Fees, as applicable, accrued until the effective date of any termination pursuant to this Section 2.5(a) shall be paid on the effective date of such termination. Notwithstanding the foregoing, any notice of termination pursuant to this Section 2.5(a) delivered in connection with any repayment of all of the Credit Facility with the proceeds of any incurrence of Indebtedness or the occurrence of some other identifiable event or condition, may be, if expressly so stated to be, contingent upon the consummation of such incurrence or occurrence of such identifiable event or condition and may be revoked by the Borrower in the event such contingency is not met (provided, that, the failure of such contingency shall not relieve the Borrower from its obligations in respect thereof under Section 4.9).

(b) Corresponding Payment. Each permanent reduction permitted pursuant to this Section shall be accompanied by a payment of principal sufficient to reduce the aggregate outstanding Revolving Credit Loans, Swingline Loans and L/C Obligations, as applicable, after such reduction to the Aggregate Revolving Credit Commitment as so reduced, and if the aggregate amount of all outstanding Letters of Credit exceeds the Aggregate Revolving Credit Commitment as so reduced, the Borrower shall be required to deposit Cash Collateral in a Cash Collateral account opened by the Administrative Agent in an amount equal to the Dollar Amount of such excess. Such Cash Collateral shall be applied in accordance with Section 9.2(b). Any reduction of the Aggregate Revolving Credit Commitment to zero shall be accompanied by payment of all outstanding Revolving Credit Loans and Swingline Loans (and furnishing of Cash Collateral satisfactory to the Administrative Agent for all L/C Obligations) and shall result in the termination of the Aggregate Revolving Credit Commitment and the Swingline Commitment and the Revolving Credit Facility. If the reduction of the Aggregate Revolving Credit Commitment requires the repayment of any ~~LIBOR-Rate~~ Term SOFR Loan, such repayment shall be accompanied by any amount required to be paid pursuant to Section 4.9.

SECTION 1.6 Termination of ~~Revolving Credit Facility~~ Credit Facilities

. The Revolving Credit Facility and the Aggregate Revolving Credit Commitment shall terminate on the Maturity Date. The aggregate Term Commitments shall be automatically and permanently reduced to zero on the last day of the Term Loan Availability Period.

LETTER OF CREDIT FACILITY

SECTION 1.7 L/C Facility.

(a) Availability. Subject to the terms and conditions hereof, each Issuing Lender, in reliance on the agreements of the Revolving Credit Lenders set forth in Section 3.4(a), agrees to issue standby Letters of Credit in an aggregate Dollar Amount not to exceed its L/C Commitment for the account of the Borrower or, subject to Section 3.10, any Subsidiary thereof. Letters of Credit may be issued on any Business Day from the Closing Date to, but not including the thirtieth (30th) Business Day prior to the Maturity Date in such form as may be approved from time to time by the applicable Issuing Lender; provided, that, no Issuing Lender shall issue any Letter of Credit if, after giving effect to such issuance, (a) the aggregate amount of the outstanding Letters of Credit issued by such Issuing Lender would exceed its L/C Commitment, (b) the L/C Obligations would exceed the L/C Sublimit, (c) the Revolving Credit Outstandings would exceed the Aggregate Revolving Credit Commitment or (d) the Revolving Credit Exposure of any Lender would exceed its Revolving Credit Commitment. Each Letter of Credit shall (i) ~~(A) in the case of any Letter of Credit issued by Bank of America, in its capacity as an Issuing Lender,~~ be denominated in a Permitted Currency in ~~a minimum Dollar Amount of \$50,000 (or such lesser Dollar Amount as agreed to by Bank of America and the Administrative Agent) and (B) in the case of any Letter of Credit issued by any Issuing Lender other than Bank of America, in Dollars in~~ a minimum Dollar Amount of \$50,000 (or such lesser Dollar Amount as agreed to by the applicable Issuing Lender ~~and the Administrative Agent~~), (ii) except in the case of an Evergreen Letter of Credit, expire on a date no more than twelve (12) months after the date of issuance or last renewal of such Letter of Credit (or such later date as may be acceptable to the Administrative Agent and the applicable Issuing Lender in their sole discretion), which date shall be no later than the fifth (5th) Business Day prior to the Maturity Date and (iii) be subject to the ~~ISP98~~ as set forth in the Letter of Credit Application or as determined by the applicable Issuing Lender and, to the extent not inconsistent therewith, the laws of the State of New York. No Issuing Lender shall at any time be obligated to issue any Letter of Credit hereunder if (A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuing Lender from issuing such Letter of Credit, or any Applicable Law applicable to such Issuing Lender or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Issuing Lender shall prohibit, or request that such Issuing Lender refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such Issuing Lender with respect to letters of credit generally or such Letter of Credit in particular any restriction or reserve or capital requirement (for which such Issuing Lender is not otherwise compensated) not in effect on the Closing Date, or any unreimbursed loss, cost or expense that was not applicable, in effect or known to such Issuing Lender as of the Closing Date and that such Issuing Lender in good faith deems material to it, or (B) the conditions set forth in Section 5.2 are not satisfied, or (C) the beneficiary of such Letter of Credit is a Sanctioned Person or (D) ~~in the case of Bank of America in its capacity as an Issuing Lender,~~ (1) the Letter of Credit is to be denominated in a currency other than a Permitted Currency or (2) ~~Bank of America~~ the applicable Issuing Lender does not, as of the issuance or extension date of such requested Letter of Credit, issue Letters of Credit in the requested Permitted Currency. References herein to “issue” and derivations thereof with respect to Letters of Credit shall also include extensions or modifications of any outstanding Letters of Credit, unless the context otherwise requires. As of the Closing Date, each of the Existing Letters of Credit shall constitute, for all purposes of this Agreement and the other Loan Documents, a Letter of Credit issued and outstanding hereunder.

(b) Defaulting Lenders. Notwithstanding anything to the contrary contained in this Agreement, Article III shall be subject to the terms and conditions of Section 4.14 and Section 4.15.

SECTION 1.8 Procedure for Issuance of Letters of Credit

The Borrower may from time to time request that any Issuing Lender issue a Letter of Credit by delivering to such Issuing Lender at its applicable office (with a copy to the Administrative Agent at the Administrative Agent's Office) a Letter of Credit Application therefor, completed to the satisfaction of such Issuing Lender, and such other certificates, documents and other papers and information as such Issuing Lender or the Administrative Agent may request (which information shall, in the case of a Letter of Credit Application delivered to ~~Bank of America, in its capacity as an~~ the applicable Issuing Lender, include the Permitted Currency in which such Letter of Credit shall be denominated). Upon receipt of any Letter of Credit Application, the applicable Issuing Lender shall, process such Letter of Credit Application and the certificates, documents and other papers and information delivered to it in connection therewith in accordance with its customary procedures and shall, subject to Section 3.1 and Article V, promptly issue the Letter of Credit requested thereby (but in no event shall such Issuing Lender be required to issue any Letter of Credit earlier than (a) three (3) Business Days after its receipt of the Letter of Credit Application therefor with respect to a Letter of Credit to be denominated in Dollars and (b) four (4) Business Days after its receipt of the Letter of Credit Application therefor with respect to an Alternative Currency Letter of Credit and in each case together with all such other certificates, documents and other papers and information relating thereto) by issuing the original of such Letter of Credit to the beneficiary thereof or as otherwise may be agreed by such Issuing Lender and the Borrower. The applicable Issuing Lender shall promptly furnish to the Borrower and the Administrative Agent a copy of such Letter of Credit and the Administrative Agent shall promptly notify each Revolving Credit Lender of the issuance, and, upon request by any Revolving Credit Lender, furnish to such Revolving Credit Lender a copy, of such Letter of Credit and the amount of such Revolving Credit Lender's participation therein.

SECTION 1.9 Commissions and Other Charges

(a) Letter of Credit Commissions. Subject to Section 4.15(a)(iii)(B), the Borrower shall pay to the Administrative Agent, for the account of the applicable Issuing Lender and the L/C Participants, a letter of credit commission with respect to each Letter of Credit in the amount equal to the daily amount available to be drawn under such Letter of Credit (reflected as the Dollar Amount thereof) times the Applicable Margin with respect to Revolving Credit Loans that are ~~LIBOR-Rate~~ Term SOFR Loans (determined, in each case, on a per annum basis). Such commission shall be payable quarterly in arrears on the last Business Day of each calendar quarter, on the Maturity Date and thereafter on demand of the Administrative Agent. The Administrative Agent shall, promptly following its receipt thereof, distribute to the applicable Issuing Lender and the L/C Participants all commissions received pursuant to this Section 3.3 in accordance with their respective Revolving Credit Commitment Percentages.

(b) Issuance Fee. In addition to the foregoing commission, the Borrower shall pay directly to (i) Bank of America, in its capacity as any Issuing Lender and for its own account, an issuance fee with respect to each Letter of Credit issued by Bank of America (reflected as the Dollar Amount thereof) as set forth in the Fee Letter, and (ii) any other Issuing Lender, for its own account, an issuance fee with respect to each Letter of Credit issued by such Issuing Lender (reflected as the Dollar Amount thereof) as separately agreed between the Borrower and such Issuing Lender. Except as otherwise agreed between the Borrower and the applicable Issuing Lender, such issuance fee shall be payable quarterly in arrears on the last Business Day of each calendar quarter commencing with the first such date to occur after the issuance of such Letter of Credit, on the Maturity Date and thereafter on demand of the applicable Issuing Lender. For the avoidance of doubt, such issuance fee shall be applicable to and paid upon each of the Existing Letters of Credit.

(c) Other Fees, Costs, Charges and Expenses. In addition to the foregoing fees and commissions, the Borrower shall pay or reimburse each Issuing Lender for such normal and customary fees, costs, charges and expenses as are incurred or charged by such Issuing Lender in issuing, effecting payment under, amending or otherwise administering any Letter of Credit issued by it.

(d) Payments in Dollars. The commissions, fees, charges, costs and expenses payable pursuant to this Section 3.3 shall be payable in Dollars.

SECTION 1.10 L/C Participations.

(a) Each Issuing Lender irrevocably agrees to grant and hereby grants to each L/C Participant, and, to induce each Issuing Lender to issue Letters of Credit hereunder, each L/C Participant irrevocably agrees to accept and purchase and hereby accepts and purchases from each Issuing Lender, on the terms and conditions hereinafter stated, for such L/C Participant's own account and risk an undivided interest equal to such L/C Participant's Revolving Credit Commitment Percentage in each Issuing Lender's obligations and rights under and in respect of each Letter of Credit issued by it hereunder and the amount of each draft paid by such Issuing Lender thereunder. Each L/C Participant unconditionally and irrevocably agrees with each Issuing Lender that, if a draft is paid under any Letter of Credit issued by such Issuing Lender for which such Issuing Lender is not reimbursed in full by the Borrower through a Revolving Credit Loan or otherwise in accordance with the terms of this Agreement, such L/C Participant shall pay to such Issuing Lender upon demand at such Issuing Lender's address for notices specified herein an amount equal to such L/C Participant's Revolving Credit Commitment Percentage of the Dollar Amount of such draft, or any part thereof, which is not so reimbursed.

(b) Upon becoming aware of any amount required to be paid by any L/C Participant to any Issuing Lender pursuant to Section 3.4(a) in respect of any unreimbursed portion of any payment made by such Issuing Lender under any Letter of Credit, issued by it, such Issuing Lender shall notify the Administrative Agent of such unreimbursed amount (including such Issuing Lender's calculation of the Dollar Amount thereof) and the Administrative Agent shall notify each L/C Participant (with a copy to the applicable Issuing Lender) of the amount and due date of such required payment and such L/C Participant shall pay to the Administrative Agent (which, in turn shall pay such Issuing Lender) the amount specified on the applicable due date. If any such amount is paid to such Issuing Lender after the date such payment is due, such L/C Participant shall pay to such Issuing Lender on demand, in addition to such amount, the product of (i) such amount, times (ii) the daily average Federal Funds Rate as determined by the Administrative Agent during the period from and including the date such payment is due to the date on which such payment is immediately available to such Issuing Lender, times (iii) a fraction the numerator of which is the number of days that elapse during such period and the denominator of which is 360. A certificate of such Issuing Lender with respect to any amounts owing under this Section shall be conclusive in the absence of manifest error. With respect to payment to such Issuing Lender of the unreimbursed amounts described in this Section, if the L/C Participants receive notice that any such payment is due (A) prior to 1:00 p.m. on any Business Day, such payment shall be due that Business Day, and (B) after 1:00 p.m. on any Business Day, such payment shall be due on the following Business Day.

(c) Whenever, at any time after any Issuing Lender has made payment under any Letter of Credit issued by it and has received from any L/C Participant its Revolving Credit Commitment Percentage of such payment in accordance with this Section, such Issuing Lender receives any payment related to such Letter of Credit (whether directly from the Borrower or

otherwise), or any payment of interest on account thereof, such Issuing Lender will distribute to such L/C Participant its pro rata share thereof; provided, that, in the event that any such payment received by such Issuing Lender shall be required to be returned by such Issuing Lender, such L/C Participant shall return to such Issuing Lender the portion thereof previously distributed by such Issuing Lender to it.

(d) Each L/C Participant's obligation to make the Revolving Credit Loans referred to in Section 3.4(b) and to purchase participating interests pursuant to Section 3.4(a) shall be absolute and unconditional and shall not be affected by any circumstance, including (i) any setoff, counterclaim, recoupment, defense or other right that such Revolving Credit Lender or the Borrower may have against the applicable Issuing Lender, the Borrower or any other Person for any reason whatsoever, (ii) the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in Article V, (iii) any adverse change in the condition (financial or otherwise) of the Borrower, (iv) any breach of this Agreement or any other Loan Document by the Borrower, any other Credit Party or any other Revolving Credit Lender or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

(e) All payments made by any L/C Participant under this Section 3.4 shall be made in Dollars (based upon the Dollar Amount of the applicable payment); provided, that, the Borrower shall be liable for any currency exchange loss pursuant to the terms of Section 4.8(c).

SECTION 1.11 Reimbursement Obligation of the Borrower

. In the event of any drawing under any Letter of Credit, the Borrower agrees to reimburse (either with the proceeds of a Revolving Credit Loan as provided for in this Section or with funds from other sources), in same day funds, in Dollars, the applicable Issuing Lender on each date on which such Issuing Lender notifies the Borrower of the date and the Dollar Amount of a draft paid by it under any Letter of Credit for the Dollar Amount of (a) such draft so paid and (b) any amounts referred to in Section 3.3(c) incurred by such Issuing Lender in connection with such payment (including, without limitation, any and all costs, fees and other expenses incurred by ~~Bank of America, in its capacity as an~~the applicable Issuing Lender, in effecting the payment of any Alternative Currency Letter of Credit). Unless the Borrower shall immediately notify such Issuing Lender that the Borrower intends to reimburse such Issuing Lender for such drawing from other sources or funds, the Borrower shall be deemed to have timely given a Notice of Borrowing to the Administrative Agent requesting that the Revolving Credit Lenders make a Revolving Credit Loan as a Base Rate Loan on the applicable repayment date in the Dollar Amount of (i) such draft so paid and (ii) any amounts referred to in Section 3.3(c) incurred by such Issuing Lender in connection with such payment (including, without limitation, any and all costs, fees and other expenses incurred by ~~Bank of America, in its capacity as an~~the applicable Issuing Lender, in effecting the payment of any Alternative Currency Letter of Credit), and the Revolving Credit Lenders shall make a Revolving Credit Loan as a Base Rate Loan in such Dollar Amount, the proceeds of which shall be applied to reimburse such Issuing Lender for the Dollar Amount of the related drawing and such fees and expenses. Each Revolving Credit Lender acknowledges and agrees that its obligation to fund a Revolving Credit Loan in accordance with this Section to reimburse such Issuing Lender for any draft paid under a Letter of Credit issued by it is absolute and unconditional and shall not be affected by any circumstance whatsoever, including, without limitation, non-satisfaction of the conditions set forth in Section 2.3(a) or Article V. If the Borrower has elected to pay the amount of such drawing with funds from other sources and shall fail to reimburse such Issuing Lender as provided above, or if the Dollar Amount of such drawing is not fully refunded through a Base Rate Loan as provided above, the unreimbursed amount of such drawing shall bear interest at the rate which would be payable on any outstanding Base Rate Loans which were then overdue from the date such Dollar Amounts become payable (whether at stated maturity, by acceleration or otherwise) until payment in full.

SECTION 1.12 Obligations Absolute

. The Borrower's obligations under this Article III (including, without limitation, the Reimbursement Obligation) shall be absolute and unconditional under any and all circumstances and irrespective of (a) any setoff, counterclaim or defense to payment which the Borrower may have or have had against the applicable Issuing Lender or any beneficiary of a Letter of Credit or any other Person and (b) any adverse change in the relevant exchange rates or in the availability of the relevant Alternative Currency to the Borrower or any Subsidiary or in the relevant currency markets generally. The Borrower also agrees that the applicable Issuing Lender and the L/C Participants shall not be responsible for, and the Borrower's Reimbursement Obligation under Section 3.5 shall not be affected by, among other things, the validity or genuineness of documents or of any endorsements thereon, even though such documents shall in fact prove to be invalid, fraudulent or forged, or any dispute between or among the Borrower and any beneficiary of any Letter of Credit or any other party to which such Letter of Credit may be transferred or any claims whatsoever of the Borrower against any beneficiary of such Letter of Credit or any such transferee. No Issuing Lender shall be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Letter of Credit issued by it, except for errors or omissions caused by such Issuing Lender's gross negligence or willful misconduct, as determined by a court of competent jurisdiction by final nonappealable judgment. The Borrower agrees that any action taken or omitted by any Issuing Lender under or in connection with any Letter of Credit issued by it or the related drafts or documents, if done in the absence of gross negligence or willful misconduct shall be binding on the Borrower and shall not result in any liability of such Issuing Lender or any L/C Participant to the Borrower. The responsibility of any Issuing Lender to the Borrower in connection with any draft presented for payment under any Letter of Credit issued to it shall, in addition to any payment obligation expressly provided for in such Letter of Credit, be limited to determining that the documents (including each draft) delivered under such Letter of Credit in connection with such presentment substantially conforms to the requirements under such Letter of Credit.

SECTION 1.13 Effect of Letter of Credit Application

. To the extent that any provision of any Letter of Credit Application related to any Letter of Credit is inconsistent with the provisions of this Article III, the provisions of this Article III shall apply.

SECTION 1.14 Resignation of Issuing Lenders.

(a) Any Lender may at any time resign from its role as an Issuing Lender hereunder upon not less than thirty (30) days prior notice to the Borrower and the Administrative Agent (or such shorter period of time as may be acceptable to the Borrower and the Administrative Agent).

(b) Any resigning Issuing Lender shall retain all the rights, powers, privileges and duties of an Issuing Lender hereunder with respect to all Letters of Credit issued by it that are outstanding as of the effective date of its resignation as an Issuing Lender and all L/C Obligations with respect thereto (including, without limitation, the right to require the Revolving Credit Lenders to take such actions as are required under Section 3.4). Without limiting the foregoing, upon the resignation of a Lender as an Issuing Lender hereunder, the Borrower may, or at the request of such resigned Issuing Lender the Borrower shall, use commercially reasonable efforts to, arrange for one or more of the other Issuing Lenders to issue Letters of Credit hereunder in substitution for the Letters of Credit, if any, issued by such resigned Issuing Lender and outstanding at the time of such resignation, or make other arrangements satisfactory to the resigned Issuing Lender to effectively cause another Issuing Lender to assume the obligations of the resigned Issuing Lender with respect to any such Letters of Credit.

SECTION 1.15 Reporting of Letter of Credit Information and L/C Commitment

. At any time that there is an Issuing Lender that is not also the financial institution acting as Administrative Agent, then (a) on the last Business Day of each calendar month, (b) on each date that a Letter of Credit is amended,

terminated or otherwise expires, (c) on each date that a Letter of Credit is issued or the expiry date of a Letter of Credit is extended, and (d) upon the request of the Administrative Agent, each Issuing Lender (or, in the case of clauses (b), (c) or (d) of this Section, the applicable Issuing Lender) shall deliver to the Administrative Agent a report setting forth in form and detail reasonably satisfactory to the Administrative Agent information (including any reimbursement, Cash Collateral, or termination in respect of Letters of Credit issued by such Issuing Lender) with respect to each Letter of Credit issued by such Issuing Lender that is outstanding hereunder. In addition, each Issuing Lender shall (i) provide notice to the Administrative Agent of its L/C Commitment, or any change thereto, promptly upon it becoming an Issuing Lender or making any change to its L/C Commitment, and (ii) promptly after receipt of any Letter of Credit Application (and, in any event, prior to the issuance of any Letter of Credit to be issued, amended or extended pursuant to such Letter of Credit Application), confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application and, if not, such Issuing Lender shall provide the Administrative Agent with a copy thereof. No failure on the part of any Issuing Lender to provide such information pursuant to this Section 3.9 shall limit the obligations of the Borrower or any Revolving Credit Lender hereunder with respect to its reimbursement and participation obligations hereunder. It is understood and agreed that any reporting by an Issuing Lender pursuant to this Section in respect of any Letter of Credit shall include the Dollar Amount of such Letter of Credit.

SECTION 1.16 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 Borrower shall be obligated to reimburse, or to cause the applicable Subsidiary to reimburse, the applicable Issuing Lender hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of any of its Subsidiaries inures to the benefit of the Borrower and that the Borrower's business derives substantial benefits from the businesses of such Subsidiaries.

SECTION 1.17 Evergreen Letters of Credit

. If the Borrower so requests in any applicable Letter of Credit Application, any Issuing Lender may, in its discretion, agree to issue an Evergreen Letter of Credit that has automatic extension provisions; provided, that, any such Evergreen Letter of Credit must (a) permit the applicable Issuing Lender 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 and (b) after giving effect to any extension not expire later the fifth (5th) Business Day prior to the Maturity Date. The Revolving Credit Lenders shall be deemed to have authorized (but may not require) the applicable Issuing Lender to permit the extension of such Letter of Credit at any time to an expiry date not later than the fifth (5th) Business Day prior to the Maturity Date; provided, however, that, the applicable Issuing Lender shall not permit any such extension if (A) it 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 this Article III or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is five Business Days before the date upon which it is permitted to decline such extension (1) from the Administrative Agent that the Required Revolving Credit Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Revolving Credit Lender or the Borrower that one or more of the applicable conditions specified in Section 5.2 is not then satisfied, and in each such case directing the applicable Issuing Lender not to permit such extension.

GENERAL LOAN PROVISIONS

SECTION 1.18 Interest.

(a) Interest Rate Options. Subject to the provisions of this Section, at the election of the Borrower, (i) Revolving Credit Loans and Term Loans shall bear interest at (A) the Base Rate plus the Applicable Margin or (B) ~~the LIBOR Rate~~ Term SOFR plus the Applicable Margin ~~(provided that, the LIBOR Rate shall not be available until three (3) Business Days after the Closing Date unless the Borrower has delivered to the Administrative Agent a letter in form and substance reasonably satisfactory to the Administrative Agent indemnifying the Lenders in the manner set forth in Section 4.2)~~ and (ii) any Swingline Loan shall bear interest at the Base Rate plus the Applicable Margin. The Borrower shall select the rate of interest and Interest Period, if any, applicable to any Loan at the time a Notice of Borrowing is given or at the time a Notice of Conversion/Continuation is given pursuant to Section 4.2.

(b) Default Rate. Subject to Section 9.3, (i) automatically upon the occurrence and during the continuance of an Event of Default under Section 9.1(a) or (g), or (ii) at the election of the Required Lenders (or the Administrative Agent at the direction of the Required Lenders), upon the occurrence and during the continuance of any other Event of Default, (A) the Borrower shall no longer have the option to request ~~LIBOR Rate~~ Term SOFR Loans, Swingline Loans or Letters of Credit, (B) all outstanding ~~LIBOR Rate~~ Term SOFR Loans shall bear interest at a rate per annum of two percent (2%) in excess of the rate (including the Applicable Margin) then applicable to ~~LIBOR Rate~~ Term SOFR Loans until the end of the applicable Interest Period and thereafter at a rate equal to two percent (2%) in excess of the rate (including the Applicable Margin) then applicable to Base Rate Loans, (C) all outstanding Base Rate Loans and other Obligations arising hereunder or under any other Loan Document shall bear interest at a rate per annum equal to two percent (2%) in excess of the rate (including the Applicable Margin) then applicable to Base Rate Loans or such other Obligations arising hereunder or under any other Loan Document and (D) all accrued and unpaid interest shall be due and payable on demand of the Administrative Agent. Interest shall continue to accrue on the Obligations after the filing by or against the Borrower of any petition seeking any relief in bankruptcy or under any Debtor Relief Law.

(c) Interest Payment and Computation. Interest on each Base Rate Loan shall be due and payable in arrears on the last Business Day of each calendar quarter and on the Maturity Date; and interest on each ~~LIBOR Rate~~ Term SOFR Loan shall be due and payable on the last day of each Interest Period applicable thereto; ~~and if such Interest Period extends over three (3) months at the end of each three (3) month interval during such Interest Period on the Maturity Date.~~ All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to ~~the LIBOR Rate~~ Term SOFR) 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 provided hereunder shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365/366-day year).

(d) Maximum Rate. In no contingency or event whatsoever shall the aggregate of all amounts deemed interest under this Agreement charged or collected pursuant to the terms of this Agreement exceed the highest rate permissible under any Applicable Law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that such a court determines that the Lenders have charged or received interest hereunder in excess of the highest applicable rate, the rate in effect hereunder shall automatically be reduced to the maximum rate permitted by Applicable Law and the Lenders shall at the Administrative Agent's option (i) promptly refund to the Borrower any interest received by the Lenders in excess of the maximum lawful rate or (ii) apply such excess to the principal balance of the Obligations. It is the intent hereof that the Borrower not pay or contract to pay, and that neither the Administrative Agent nor any Lender receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by the Borrower under Applicable Law.

SECTION 1.19 Notice and Manner of Conversion or Continuation of Loans

. As long as no Default or Event of Default has occurred and is then continuing, the Borrower shall have the option to (a) convert at any time following the ~~third~~second Business Day after the Closing Date all or any portion of any outstanding Base Rate Loans (other than Swingline Loans) in a principal amount equal to \$5,000,000 or any whole multiple of \$1,000,000 in excess thereof into one or more ~~LIBOR-RateTerm SOFR~~ Loans and (b) upon the expiration of any Interest Period, (i) convert all or any part of its outstanding ~~LIBOR-RateTerm SOFR~~ Loans in a principal amount equal to \$3,000,000 or a whole multiple of \$1,000,000 in excess thereof into Base Rate Loans (other than Swingline Loans) or (ii) continue such ~~LIBOR-RateTerm SOFR~~ Loans as ~~LIBOR-RateTerm SOFR~~ Loans. Whenever the Borrower desires to convert or continue Loans as provided above, the Borrower shall give the Administrative Agent irrevocable prior written notice in the form attached hereto as *Exhibit E* (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), a “Notice of Conversion/Continuation”) not later than 11:00 a.m. ~~threetwo~~ (32) Business Days before the day on which a proposed conversion or continuation of such Loan is to be effective specifying (A) the Loans to be converted or continued, and, in the case of any ~~LIBOR-RateTerm SOFR~~ Loan to be converted or continued, the last day of the Interest Period therefor, (B) the effective date of such conversion or continuation (which shall be a Business Day), (C) the principal amount of such Loans to be converted or continued, and (D) the Interest Period to be applicable to such converted or continued ~~LIBOR-RateTerm SOFR~~ Loan. If the Borrower fails to deliver a timely Notice of Conversion/Continuation prior to the end of the Interest Period for any ~~LIBOR-RateTerm SOFR~~ Loan, then the applicable ~~LIBOR-RateTerm SOFR~~ Loan shall be converted to a Base Rate Loan (other than Swingline Loans). Any such automatic conversion to a Base Rate Loan shall be effective as of the last day of the Interest Period then in effect with respect to the applicable ~~LIBOR-RateTerm SOFR~~ Loan. If the Borrower requests a conversion to, or continuation of, ~~LIBOR-RateTerm SOFR~~ Loans, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. Notwithstanding anything to the contrary herein, a Swingline Loan may not be converted to a ~~LIBOR-RateTerm SOFR~~ Loan. The Administrative Agent shall promptly notify the affected Lenders of such Notice of Conversion/Continuation.

SECTION 1.20 Fees.

(a) Commitment Fee. Commencing on the ~~Closing~~First Amendment Effective Date, subject to Section 4.15(a)(iii)(A), the Borrower shall pay to the Administrative Agent, for the account of the Revolving Credit Lenders, a non-refundable commitment fee (the “Commitment Fee”) at a rate per annum equal to the Applicable Margin on the average daily unused portion of the Aggregate Revolving Credit Commitment (other than the Defaulting Lenders, if any); provided, that, the amount of outstanding Swingline Loans shall not be considered usage of the Aggregate Revolving Credit Commitment for the purpose of calculating the Commitment Fee. The Commitment Fee shall be payable in arrears on the last Business Day of each calendar quarter during the term of this Agreement and ending on the date upon which all Obligations (other than contingent indemnification obligations not then due) arising under the Revolving Credit Facility shall have been indefeasibly and irrevocably paid and satisfied in full, all Letters of Credit have been terminated or expired (or been Cash Collateralized) and the Aggregate Revolving Credit Commitment has been terminated. The Commitment Fee shall be distributed by the Administrative Agent to the Revolving Credit Lenders (other than any Defaulting Lender) pro rata in accordance with such Revolving Credit Lenders’ respective Revolving Credit Commitment Percentages.

(b) Ticking Fee. Commencing on the First Amendment Effective Date, subject to Section 4.15(a)(iii)(A), the Borrower shall pay to the Administrative Agent, for the account of the Term Lenders, a non-refundable ticking fee (the “Ticking Fee”) at a rate per annum equal to 0.20% on the actual daily unused portion of the Term Commitment (other than the Defaulting Lenders, if any). The Ticking Fee shall be payable in arrears on the last Business Day of each calendar quarter

during the term of this Agreement and ending on the date upon termination of the Term Loan Availability Period. The Ticking Fee shall be distributed by the Administrative Agent to the Term Lenders (other than any Defaulting Lender) pro rata in accordance with such Term Lenders' respective Term Loan Percentages.

(c) Other Fees. The Borrower shall pay to each Arranger and the Administrative Agent for their own respective accounts fees payable in the amounts and at the times separately agreed upon in writing (including, for the avoidance of doubt, in the Fee Letter) in the amounts and at the times so specified.

SECTION 1.21 Manner of Payment

. Except with respect to an Alternative Currency Letter of Credit, each payment by the Borrower on account of the principal of or interest on the Loans or of any fee, commission or other amounts (including the Reimbursement Obligation) payable to the Lenders under this Agreement shall be made not later than 1:00 p.m. on the date specified for payment under this Agreement to the Administrative Agent at the Administrative Agent's Office for the account of the Lenders entitled to such payment in Dollars, in immediately available funds and shall be made free and clear of and without condition or deduction for any setoff, counterclaim, defense or recoupment whatsoever. Any payment received after such time but before 2:00 p.m. on such day shall be deemed a payment on such date for the purposes of Section 9.1, but for all other purposes shall be deemed to have been made on the next succeeding Business Day. Any payment received after 2:00 p.m. shall be deemed to have been made on the next succeeding Business Day for all purposes. Upon receipt by the Administrative Agent of each such payment, the Administrative Agent shall distribute to each such Lender at its address for notices set forth herein its Revolving Credit Commitment Percentage or Term Loan Percentage, as applicable, (or other applicable share as provided herein) of such payment and shall wire advice of the amount of such credit to each Lender. Each payment to the Administrative Agent on account of the principal of or interest on the Swingline Loans or of any fee, commission or other amounts payable to the Swingline Lender shall be made in like manner, but for the account of the Swingline Lender. Each payment to the Administrative Agent of any Issuing Lender's fees or L/C Participants' commissions shall be made in like manner, but for the account of such Issuing Lender or the L/C Participants, as the case may be. Each payment to the Administrative Agent of Administrative Agent's fees or expenses shall be made for the account of the Administrative Agent and any amount payable to any Lender under Sections 4.9, 4.10, 4.11 or 11.3 shall be paid to the Administrative Agent for the account of the applicable Lender. Each payment by the Borrower on account of any Alternative Currency Letter of Credit (including the Reimbursement Obligation with respect to any Alternative Currency Letter of Credit) shall be made in Dollars not later than 1:00 p.m. on the date specified for payment under this Agreement to the Administrative Agent for the account of ~~Bank of America, in its capacity as an~~ the applicable Issuing Lender, in immediately available funds, and shall be made without any set-off, counterclaim or deduction whatsoever. Any payment received after such time but before 2:00 p.m. on such day shall be deemed a payment on such date for the purposes of Section 9.1, but for all other purposes shall be deemed to have been made on the next succeeding Business Day. Any payment received after 2:00 p.m. shall be deemed to have been made on the next succeeding Business Day for all purposes. Subject to the definition of Interest Period, if any payment under this Agreement shall be specified to be made upon a day which is not a Business Day, it shall be made on the next succeeding day which is a Business Day and such extension of time shall in such case be included in computing any interest if payable along with such payment. Notwithstanding the foregoing, if there exists a Defaulting Lender each payment by the Borrower to such Defaulting Lender hereunder shall be applied in accordance with Section 4.15(a)(ii).

SECTION 1.22 Evidence of Indebtedness.

(a) Extensions of Credit. The Extensions of Credit made by each Lender and each Issuing Lender shall be evidenced by one or more accounts or records maintained by such Lender

or such Issuing Lender ~~and by the Administrative Agent~~ in the ordinary course of business. The Administrative Agent shall maintain the Register in accordance with Section 11.9(c). The accounts or records maintained by ~~the Administrative Agent and~~ each Lender or the applicable Issuing Lender shall be conclusive absent manifest error of the amount of the Extensions of Credit made by the Lenders or such Issuing Lender to the Borrower and its Subsidiaries 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 Borrower 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 or any Issuing Lender and the ~~accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent~~ Register, the Register shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a Term Note, Revolving Credit Note and/or Swingline Note, as applicable, which shall evidence such Lender's Term Loans, Revolving Credit Loans and/or Swingline Loans, as applicable, in addition to such accounts or records. Each Lender may attach schedules to its Notes and endorse thereon the date, amount and maturity of its Loans and payments with respect thereto.

(b) Participations. In addition to the accounts and records referred to in subsection (a), each Revolving Credit Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Revolving Credit Lender of participations in Letters of Credit and Swingline Loans. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Revolving Credit Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

SECTION 1.23 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 its Loans or other obligations hereunder resulting in such Lender's receiving payment of a proportion of the aggregate amount of its Loans and accrued interest thereon or other such obligations (other than pursuant to Sections 4.9, 4.10, 4.11 or 11.3) 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 such other obligations 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 are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and

(ii) the provisions of this paragraph shall not be construed to apply to (A) any payment made by the 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), (B) the application of Cash Collateral provided for in Section 4.14 or (C) any payment obtained by a Lender as consideration for the assignment of, or sale of, a participation in any of its Loans or participations in Swingline Loans and Letters of Credit to any assignee or participant other than to the Borrower or any of its Subsidiaries or Affiliates (as to which the provisions of this paragraph shall apply).

Each Credit 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 each Credit Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of each Credit Party in the amount of such participation.

SECTION 1.24 Administrative Agent's Clawback.

(a) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender (i) in the case of Base Rate Loans, not later than 12:00 noon on the date of any proposed borrowing and (ii) otherwise, prior to the proposed date of any 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 2.3(b) and may, in reliance upon such assumption, make available to the 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 Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the 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 greater of the daily average Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the 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 the Borrower the amount of such interest paid by the 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 the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(b) Payments by the Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders, any Issuing Lender or the Swingline Lender hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders, the applicable Issuing Lender or the Swingline Lender, as the case may be, the amount due. ~~In such event, if~~ With respect to any payment that the Administrative Agent makes for the account of the Lenders or the Issuing Lenders hereunder as to which the Administrative Agent determines (which determination shall be conclusive absent manifest error) that any of the following applies (such payment referred to as the "Rescindable Amount"): (i) the Borrower has not in fact made such payment ; (ii) the Administrative Agent has made a payment in excess of the amount so paid by the Borrower (whether or not then owed); or (iii) the Administrative Agent has for any reason otherwise erroneously made such payment; then each of the Lenders, the applicable Issuing Lender or the Swingline Lender, as the case maybe, severally agrees to repay to the Administrative Agent forthwith on demand the ~~amount~~ Rescindable Amount so distributed to such Lender, Issuing Lender or the Swingline Lender, with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(c) Nature of Obligations of Lenders. The obligations of the Lenders under this Agreement to make the Loans, to issue or participate in Letters of Credit and to make payments under this Section, Section 4.11(e), Section 11.3(c) or Section 11.7, as applicable, are several and are not joint or joint and several. The failure of any Lender to make available its Term Loan Percentage or Revolving Credit Commitment Percentage, as applicable, of any Loan requested by the Borrower shall not relieve it or any other Lender of its obligation, if any, hereunder to make its Term Loan Percentage or Revolving Credit Commitment Percentage, as applicable, of such Loan available on the borrowing date, but no Lender shall be responsible for the failure of any other Lender to make its Term Loan Percentage or Revolving Credit Commitment Percentage, as applicable, of such Loan available on the borrowing date.

SECTION 1.25 Changed Circumstances.

(a) Circumstances Affecting ~~LIBOR Rate~~Term SOFR Availability . Unless and until a Replacement Rate is implemented in accordance with clause (d) below (unless otherwise provided in clause (d) below), If in connection with any request for a LIBOR RateTerm SOFR Loan or a conversion ~~to or of Base Rate Loans to Term SOFR Loans or a continuation thereof, if for any reason of any of such Loans, as applicable,~~ (i) the Administrative Agent ~~shall determine~~determines (which determination shall be conclusive ~~and binding~~ absent manifest error) that ~~Dollar deposits are not being offered to banks in the London interbank Eurodollar market for the applicable amount and Interest Period of such Loan,~~ (ii) the Administrative Agent shall determine (which ~~determination shall be conclusive and binding absent manifest error~~) that (A) no Successor Rate has been determined in accordance with Section 4.8(d), and the circumstances under Section 4.8(d)(i) or the Scheduled Unavailability Date has occurred, or (B) adequate and reasonable ~~and adequate~~ means do not otherwise exist ~~for the ascertaining the LIBOR Rate for such~~determining Term SOFR for any requested Interest Period with respect to a proposed LIBOR RateTerm SOFR Loan or in connection with an existing or proposed Base Rate Loan, or (~~iiii~~) the Administrative Agent or the Required Lenders ~~shall determine (which determination shall be conclusive and binding absent manifest error) that the LIBOR Rate~~ determine that for any reason that Term SOFR for any requested Interest Period with respect to a proposed Loan does not adequately and fairly reflect the cost to such Lenders of ~~making or maintaining such Loans during such Interest Period, then funding such Loan,~~ the Administrative Agent ~~shall~~will promptly ~~give notice thereof to so notify~~ the Borrower and each Lender. Thereafter, ~~until the Administrative Agent (or, in the case of a determination by the Required Lenders described in clause (iii) of this Section 4.8(a) , until the Administrative Agent upon instruction of the Required Lenders) notifies the Borrower that such circumstances no longer exist,~~ (x) the obligation of the Lenders to make ~~LIBOR Rate Loans and the right of the Borrower to convert any Loan to or continue any Loan as a LIBOR Rate Loan or maintain Term SOFR Loans, or to convert Base Rate Loans to Term SOFR Loans,~~ shall be suspended (to the extent of the affected Term SOFR Loans or Interest Periods), and (y) in the event of a determination described in the preceding sentence with respect to the LIBOR RateTerm SOFR component of the Base Rate, the utilization of the LIBOR RateTerm SOFR component in determining the Base Rate shall be suspended, ~~and the Borrower shall either (A) repay in full (or cause to be repaid in full) the then outstanding principal amount of each such LIBOR Rate Loan together with accrued interest thereon (subject to Section 4.1(d)); on the last day of the then current Interest Period applicable to such LIBOR Rate Loan; or (B) convert the then outstanding principal amount of each such LIBOR Rate Loan to a Base Rate Loan (other than a Swingline Loan) as of the last day of such~~ in each case until the Administrative Agent (or, in the case of a determination by the Required Lenders described in Section 4.8(a)(ii) , until the Administrative Agent upon instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, (x) the Borrower may revoke any pending request for a borrowing of, or conversion to, or continuation of Term SOFR Loans (to the extent of the affected Term SOFR 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 and (y) any outstanding Term SOFR Loans shall be deemed to have been converted to Base Rate Loans immediately at the end of their respective applicable Interest Period.

(b) Laws Affecting LIBOR-RateTerm SOFR Availability. If, ~~after the date hereof, the introduction of, or any change in, any Lender determines that~~ any Applicable Law ~~or any change in the interpretation or administration thereof by has made it unlawful, or that~~ any Governmental Authority, ~~central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any of the Lenders (or any of their respective Lending Offices) with any request or directive (whether or not having the force of law) of any such Governmental Authority, central bank or comparable agency, shall make it unlawful or impossible for any of the Lenders (or any of their respective Lending Offices) to honor its obligations hereunder~~ 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 LIBOR-RateSOFR or Term SOFR~~, or to determine or charge interest rates based upon ~~the LIBOR-Rate~~, such Lender shall promptly give notice thereof to the SOFR or Term SOFR, then, upon notice thereof by such Lender to the Borrower (through the Administrative Agent), (A) any obligation of such Lender to make or continue Term SOFR Loans or to convert Base Rate Loans to Term SOFR Loans shall be suspended, and (B) 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 Term SOFR 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 Term SOFR component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the ~~Administrative Agent shall promptly give notice to the Borrower and the other Lenders. Thereafter, until the Administrative Agent notifies the~~ Borrower that ~~such~~the circumstances giving rise to such determination no longer exist, (i) the obligations of the Lenders to make LIBOR-Rate Loans, and the right of the Borrower to convert any Loan to a LIBOR-Rate Loan or continue any Loan as a LIBOR-Rate Loan shall be suspended and thereafter the Borrower may select only. Upon receipt of such notice, (i) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Term SOFR 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 ~~LIBOR-RateTerm SOFR~~ component of the Base Rate), (ii) ~~if any of the Lenders either~~ on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Term SOFR Loan to such day, or immediately, if such Lender may not lawfully continue to maintain ~~a LIBOR-Rate Loan to the end of the then current Interest Period applicable thereto, the applicable Loan shall immediately be converted to a Base Rate Loan (other than a Swingline Loan) (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 LIBOR-Rate component of the Base Rate) for the remainder of such Interest Period~~such Term SOFR Loan and (~~iii~~) if such notice asserts the illegality of such Lender determining or charging interest rates based upon ~~LIBOR~~SOFR, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the ~~LIBOR-RateTerm SOFR~~ 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 LIBOR-Rate~~SOFR. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 4.9.

(c) Exchange Indemnification and Increased Costs. The Borrower shall, upon demand from ~~Bank of America, in its capacity as an~~the applicable Issuing Lender, or any L/C Participant,

pay to ~~Bank of America, in its capacity as an~~the applicable Issuing Lender; or such L/C Participant, the amount of (i) any loss or cost or increased cost incurred by ~~Bank of America, in its capacity as an~~the applicable Issuing Lender; or such L/C Participant, (ii) any reduction in any amount payable to or in the effective return on the capital to ~~Bank of America, in its capacity as an~~the applicable Issuing Lender; or such L/C Participant, (iii) any interest or any other return foregone by ~~Bank of America, in its capacity as an~~the applicable Issuing Lender; or such L/C Participant as a result of the introduction of, change over to or operation of the euro and (iv) any currency exchange loss, in each case ~~that~~ ~~Bank of America, in its capacity as an~~the applicable Issuing Lender; or such L/C Participant sustains as a result of the Borrower's or any L/C Participant's repayment in Dollars of any Alternative Currency Letter of Credit. A certificate of ~~Bank of America, in its capacity as an~~the applicable Issuing Lender; or such L/C Participant setting forth in reasonable detail the basis for determining such additional amount or amounts necessary to compensate ~~Bank of America, in its capacity as an~~the applicable Issuing Lender; or such L/C Participant shall be conclusively presumed to be correct save for manifest error.

(d) Alternative Rate of Interest. Notwithstanding anything to the contrary in this Agreement or any other Loan ~~Documents~~Document, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Borrower or Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Borrower) that the Borrower or Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining ~~LIBOR for any requested Interest Period~~one month or three month interest periods of Term SOFR, including, ~~without limitation,~~ because the ~~LIBOR~~Term SOFR Screen Rate is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) CME or any successor ~~the~~ administrator of the ~~LIBOR~~Term SOFR Screen Rate or a Governmental Authority having jurisdiction over the Administrative Agent or such administrator with respect to its publication of Term SOFR, in each case acting in such capacity, has made a public statement identifying a specific date after which ~~LIBOR or the LIBOR one month and three month interest periods of Term SOFR~~ or the Term SOFR Screen Rate shall no longer be made available, or permitted to be used for determining the interest rate of Dollar-denominated syndicated loans, or shall or will otherwise cease; provided, that, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent; that will continue to provide ~~LIBOR~~such interest periods of Term SOFR after such specific date (~~such specific date~~the latest date on which one month and three month interest periods of Term SOFR or the Term SOFR Screen Rate are no longer available permanently or indefinitely, the "Scheduled Unavailability Date"); ~~or then, on a date and time determined by the Administrative Agent (any such date, a "Term SOFR Replacement Date"), which date shall be at the end of an Interest Period or on the relevant interest payment date, as applicable, for interest calculated and, solely with respect to clause (ii) above, no later than the Scheduled Unavailability Date, Term SOFR will be replaced hereunder and under any other Loan Document with Daily Simple SOFR plus the SOFR Adjustment for any payment period for interest calculated that can be determined by the Administrative Agent, in each case, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document (the "Successor Rate"). If the Successor Rate is Daily Simple SOFR, plus the SOFR Adjustment, all interest payments will be payable on a monthly basis.~~

(iii) ~~syndicated loans currently being executed, or that include language similar to that contained in this Section 4.8, are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace LIBOR,~~

~~then, reasonably promptly after such determination by~~ Notwithstanding anything to the contrary herein, (A) if the Administrative Agent ~~or receipt by the Administrative Agent of such notice, as applicable~~ determines that Daily Simple SOFR is not available on or prior to the Term SOFR Replacement Date, or (B) if the events or circumstances of the type described in Section 4.8(d)(i) or Section 4.8(d)(ii) have occurred with respect to the Successor Rate then in effect, then, in each case, the Administrative Agent and the Borrower may amend this Agreement solely for the purpose of replacing ~~LIBOR~~ Term SOFR or any then-current Successor Rate in accordance with this Section 4.8 ~~with (x) one or more SOFR-Based Rates or (y) another alternate~~ (d) at the end of any Interest Period, relevant interest payment date or payment period for interest calculated, as applicable, with an alternative benchmark rate giving due consideration to any evolving or ~~then-existing~~ then-existing convention for similar ~~U.S. dollar-denominated syndicated~~ Dollar-denominated credit facilities syndicated and agented in the United States for such alternative ~~benchmarks~~ benchmark and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or ~~then-existing~~ then-existing convention for similar ~~Dollar-denominated syndicated~~ Dollar-denominated credit facilities syndicated and agented in the United States for such ~~benchmarks~~ benchmark, which adjustment or method for calculating such adjustment shall be published on an information service as selected by the Administrative Agent from time to time in its reasonable discretion and may be periodically updated ~~(the "Adjustment;" and~~ For the avoidance of doubt, any such proposed rate, ~~a "Replacement~~ and adjustments, shall constitute a "Successor Rate. ~~"); and any~~ Any such amendment shall become effective at 5:00 p.m. on the fifth (5th) Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Borrower unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders ~~(A) in the case of an amendment to replace LIBOR with a rate described in clause (x), object to the Adjustment; or (B) in the case of an amendment to replace LIBOR with a rate described in clause (y), object to such amendment; provided, that, for,~~

~~the avoidance of doubt, in the case of clause (A), the Required Lenders shall not be entitled to object to any SOFR-Based Rate contained in any such amendment. Such Replacement~~ The Administrative Agent will promptly (in one or more notices) notify the Borrower and each Lender of the implementation of any Successor Rate. Any Successor Rate shall be applied in a manner consistent with market practice; ~~provided, that~~ provided, that, to the extent such market practice is not administratively feasible for the Administrative Agent, such ~~Replacement~~ Successor Rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent.

~~If no Replacement Rate has been determined and the circumstances under clause (i) above exist or the Scheduled Unavailability Date has occurred (as applicable), the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, (x) the obligation of the Lenders to make or maintain LIBOR Rate Loans shall be suspended, (to the extent of the affected LIBOR Rate Loans or Interest Periods), and (y) the LIBOR Rate component shall no longer be utilized in determining the Base Rate. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of LIBOR Rate Loans (to the extent of the affected LIBOR 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 that are Revolving Credit Loans (subject to the foregoing clause (y)) in the amount specified therein.~~

Notwithstanding anything else herein, if at any ~~definition of Replacement Rate shall provide that in no event shall such Replacement Rate be less than zero for~~ time any Successor Rate as so determined would otherwise be less than zero, such Successor Rate will be deemed to be zero for the purposes of this Agreement and the other Loan Documents.

In connection with the implementation of a ~~Replacement~~Successor Rate, the Administrative Agent will have the right to make ~~Replacement Rate~~-Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such ~~Replacement Rate~~-Conforming Changes will become effective without any further action or consent of any other party to this Agreement; provided, that, with respect to any such amendment effected, the Administrative Agent shall post each such amendment implementing such ~~Replacement Rate~~-Conforming Changes to the Borrower and the Lenders reasonably promptly after such amendment becomes effective.

For purposes of this Section 4.8(d), those Lenders that either have not made, or do not have an obligation under this Agreement to make, the relevant Loans in Dollars shall be excluded from any determination of Required Lenders.

SECTION 1.26 Indemnity

The Borrower hereby indemnifies each of the Lenders against any loss or expense (including any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain a ~~LIBOR-Rate~~Term SOFR Loan or from fees payable to terminate the deposits from which such funds were obtained, but excluding loss of anticipated profits) which may arise or be attributable to each Lender's obtaining, liquidating or employing deposits or other funds acquired to effect, fund or maintain any Loan (a) as a consequence of any failure by the Borrower to make any payment when due of any amount due hereunder in connection with a ~~LIBOR-Rate~~Term SOFR Loan, (b) due to any failure of the Borrower to borrow or continue a ~~LIBOR-Rate~~Term SOFR Loan or convert to a ~~LIBOR-Rate~~Term SOFR Loan on a date specified therein in a Notice of Borrowing or Notice of Conversion/Continuation or (c) due to any payment, prepayment or conversion of any ~~LIBOR-Rate~~Term SOFR Loan on a date other than the last day of the Interest Period therefor. ~~The amount of such loss or expense shall be determined, in the applicable Lender's sole discretion, based upon the assumption that such Lender funded its Revolving Credit Commitment Percentage of the LIBOR-Rate Loans in the London interbank market and using any reasonable attribution or averaging methods which such Lender deems appropriate and practical.~~ A certificate of such Lender setting forth the basis for determining such amount or amounts necessary to compensate such Lender shall be forwarded to the Borrower through the Administrative Agent and shall be conclusively presumed to be correct save for manifest error.

SECTION 1.27 Increased Costs; ~~Reserves on LIBOR-Rate Loans.~~

(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 advances, loans or other credit extended or participated in by, any Lender ~~(except any reserve requirement described in clause (c) of this Section 4.10)~~ or any Issuing Lender;

(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 any Issuing Lender ~~or the London interbank market~~ any other condition, cost or expense (other than Taxes) affecting this Agreement or ~~LIBOR-Rate~~Term SOFR 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, the applicable Issuing Lender or such other Recipient of making, converting to, continuing or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender, such Issuing Lender or such other Recipient 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, such Issuing Lender or such other Recipient hereunder (whether of principal, interest or any other amount) then, upon written request of such Lender, such Issuing Lender or other Recipient, the Borrower shall promptly pay to any such Lender, such Issuing Lender or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, such Issuing Lender or other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or any Issuing Lender determines that any Change in Law affecting such Lender or such Issuing Lender or any Lending Office of such Lender or such Lender's or such Issuing Lender'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 such Issuing Lender's capital or on the capital of such Lender's or such Issuing Lender's holding company, if any, as a consequence of this Agreement, the Term Commitment or Revolving Credit Commitment of such Lender or the Loans made by, or participations in Letters of Credit or Swingline Loans held by, such Lender, or the Letters of Credit issued by such Issuing Lender, to a level below that which such Lender or such Issuing Lender or such Lender's or such Issuing Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such Issuing Lender's policies and the policies of such Lender's or such Issuing Lender's holding company with respect to capital adequacy and liquidity), then from time to time upon written request of such Lender or such Issuing Lender the Borrower shall promptly pay to such Lender or such Issuing Lender, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Lender or such Lender's or such Issuing Lender's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender, or an Issuing Lender or such other Recipient setting forth the amount or amounts necessary to compensate such Lender or such Issuing Lender, such other Recipient or any of their respective holding companies, as the case may be, as specified in Section 4.10(a) or 4.10(b) and delivered to the Borrower, shall be conclusive absent manifest error. The Borrower shall pay such Lender or such Issuing Lender or such other Recipient, 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 any Issuing Lender or such other Recipient to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or such Issuing Lender's or such other Recipient's right to demand such compensation; provided, that, the Borrower shall not be required to compensate any Lender or an Issuing Lender or any other Recipient pursuant to this Section for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender or such Issuing Lender or such other Recipient, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's or such Issuing Lender's or such other Recipient'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) Reserves on Eurodollar Rate Loans. The Borrower shall pay to each Lender, as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of~~

~~or including Eurocurrency funds or deposits (currently known as “Eurocurrency liabilities”), additional interest on the unpaid principal amount of each LIBOR Rate Loan equal to the actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive absent manifest error), which shall be due and payable on each date on which interest is payable on such Loan, provided, that, the Borrower shall have received at least ten (10) days’ prior notice (with a copy to the Administrative Agent) of such additional interest from such Lender. If a Lender fails to give notice ten (10) days prior to the relevant date on which any such additional interest is due, such additional interest shall be due and payable ten (10) days from receipt of such notice.~~

SECTION 1.28 Taxes.

(a) Defined Terms. For purposes of this Section 4.11, the term “Lender” includes any Issuing Lender and the term “Applicable Law” includes FATCA.

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

(c) Payment of Other Taxes by the Credit Parties. The Credit 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.

(d) Indemnification by the Credit Parties. The Credit Parties shall jointly and severally indemnify each Recipient, 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) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any 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 Borrower by a Recipient (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Recipient, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Credit Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Credit Parties to do so), (ii) any Taxes attributable to such Lender’s failure to comply with the provisions of Section 11.9(d) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan 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 hereby authorizes the Administrative Agent to setoff and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this clause (e). The agreements in clause (e) shall survive the resignation and/or replacement of the Administrative Agent.

(f) Evidence of Payments. As soon as practicable after any payment of Taxes by any Credit Party to a Governmental Authority pursuant to this Section 4.11, such Credit Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(g) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 4.11(g)(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.

(ii) Without limiting the generality of the foregoing:

(A) any Lender that is a U.S. Person shall deliver to the 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 the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from United States federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be 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 Borrower or the Administrative Agent), whichever of the following is applicable:

(1) 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 Loan Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, United States federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, United States federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(2) executed copies of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of *Exhibit H-1* to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or IRS Form W-8BEN-E (as applicable), a U.S. Tax Compliance Certificate substantially in the form of *Exhibit H-2* or *Exhibit H-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 H-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 Borrower 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 Borrower or the Administrative Agent), executed copies of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in United States federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to United States federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably

requested by the Borrower or the Administrative Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such 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.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(h) Treatment of Certain Refunds and Credits. If any party determines, in its sole discretion exercised in good faith, that it has received a refund or credit of any Taxes as to which it has been indemnified pursuant to this Section 4.11 (including by the payment of additional amounts pursuant to this Section 4.11), it shall pay to the indemnifying party an amount equal to such refund or credit (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund or credit), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund or credit). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this clause (h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund or credit to such Governmental Authority. Notwithstanding anything to the contrary in this clause (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this clause (h) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund or credit 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 clause (h) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person. For purposes of this clause (h), "credit" is intended to include only credits against future Taxes that are in lieu of cash refunds. "Credit" is not intended to include foreign tax credits or similar income tax credits.

(i) Survival. Each party's obligations under this Section 4.11 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the ~~Revolving Credit~~ Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

SECTION 1.29 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 4.10, or requires any Credit Party to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 4.11, then such Lender shall, at the request of the Borrower, 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, such designation or assignment (i) would eliminate or reduce amounts payable

pursuant to Section 4.10 or Section 4.11, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 4.10, or if any Credit Party 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 4.11, and, in each case, such Lender has declined or is unable to designate a different Lending Office in accordance with Section 4.12(a), or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower 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 11.9), all of its interests, rights (other than its existing rights to payments pursuant to Section 4.10 or Section 4.11) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided, that:

(i) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 11.9;

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and funded participations in Letters of Credit and Swingline Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 4.9) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 4.10 or payments required to be made pursuant to Section 4.11, such assignment will result in a reduction in such compensation or payments thereafter;

(iv) such assignment does not conflict with Applicable Law; and

(v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

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 Borrower to require such assignment and delegation cease to apply. Each party hereto agrees that (i) an assignment required pursuant to this Section 4.12 may be effected pursuant to an Assignment and Assumption executed by the Borrower, the Administrative Agent and the assignee and (ii) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided, that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender; provided, further, that, any such documents shall be without recourse to or warranty by the parties thereto. Notwithstanding anything in this Section 4.12 to the contrary, (A) any Lender that acts as an Issuing Lender may not be replaced hereunder at any time it has any Letter of Credit outstanding hereunder unless arrangements satisfactory to such Lender (including

the furnishing of a backstop standby letter of credit in form and substance, and issued by an issuer, reasonably satisfactory to such Issuing Lender or the depositing of Cash Collateral into a Cash Collateral account in amounts and pursuant to arrangements reasonably satisfactory to such Issuing Lender) have been made with respect to such outstanding Letter of Credit and (B) the Lender that acts as the Administrative Agent may not be replaced hereunder except in accordance with the terms of Section 10.6.

(c) Selection of Lending Office. Subject to Section 4.12(a), each Lender may make any Loan to the Borrower through any Lending Office; provided, that, the exercise of this option shall not affect the obligations of the Borrower to repay the Loan in accordance with the terms of this Agreement or otherwise alter the rights of the parties hereto.

SECTION 1.30 Incremental Loans.

(a) At any time following the ~~Closing~~First Amendment Effective Date, the Borrower may by written notice to the Administrative Agent elect to request the establishment of:

(i) one or more incremental term loan commitments (any such incremental term loan commitment, an “Incremental Term Loan Commitment”) to make one or more additional term loans, including a borrowing of an additional term loan the principal amount of which will be added to the outstanding principal amount of any then-existing tranche of term loans, if any (any such additional term loan, an “Incremental Term Loan”); or

(ii) one or more increases in the Revolving Credit Commitments (any such increase, an “Incremental Revolving Credit Commitment” and, together with the Incremental Term Loan Commitments, the “Incremental Loan Commitments”) to make revolving credit loans under the Revolving Credit Facility (any such loan, an “Incremental Revolving Credit Loan” and, together with the Incremental Term Loans, the “Incremental Loans”); provided, that: (1) the total aggregate initial principal amount (as of the date of incurrence thereof) of such requested Incremental Loan Commitments shall not exceed the Incremental Facilities Limit and (2) the total aggregate amount for each Incremental Loan Commitment (and the Incremental Loans made thereunder) shall not be less than a minimum principal amount of \$25,000,000 or, if less, the remaining amount permitted pursuant to the foregoing clause (1). Each such notice shall specify the date (each, an “Increased Amount Date”) on which the Borrower proposes that any Incremental Loan Commitment shall be effective, which shall be a date not less than ten (10) Business Days after the date on which such notice is delivered to the Administrative Agent (or such earlier date as may be approved by the Administrative Agent). The Borrower may invite any Lender, any Affiliate of any Lender and/or any Approved Fund, and/or any other Person reasonably satisfactory to the Administrative Agent, to provide an Incremental Loan Commitment (any such Person, an “Incremental Lender”). Any proposed Incremental Lender offered or approached to provide all or a portion of any Incremental Loan Commitment may elect or decline, in its sole discretion, to provide such Incremental Loan Commitment or any portion thereof. Any Incremental Loan Commitment shall become effective as of such Increased Amount Date; provided, that, subject to Section 1.13, each of the following conditions has been satisfied or waived as of such Increased Amount Date:

(A) no Default or Event of Default shall exist on such Increased Amount Date immediately prior to or after giving effect to (1) any Incremental

Loan Commitment, (2) the making of any Incremental Loans pursuant thereto and (3) any Permitted Acquisition consummated in connection therewith;

(B) the Administrative Agent shall have received from the Borrower an Officer's Compliance Certificate demonstrating, in form and substance reasonably satisfactory to the Administrative Agent, that the Borrower is in compliance with the financial ~~covenants~~covenant set forth in Section 8.11 based on the financial statements most recently delivered pursuant to Section 7.1(a) or 7.1(b), as applicable, both before and after giving effect (on a Pro Forma Basis) to (x) any Incremental Loan Commitment, (y) the making of any Incremental Loans pursuant thereto (with any Incremental Loan Commitment and the Revolving Credit Commitment being deemed to be fully funded) and (z) any Permitted Acquisition, refinancing of Indebtedness or other event giving rise to a pro forma adjustment consummated in connection therewith;

(C) the proceeds of any Incremental Loans shall be used for general corporate purposes of the Borrower and its Subsidiaries (including, without limitation, Permitted Acquisitions and permitted dividends, distributions, redemptions and repurchases of Equity Interests);

(D) each Incremental Loan Commitment (and the Incremental Loans made thereunder) shall constitute Obligations of the Borrower and shall be secured and guaranteed with the other Extensions of Credit on a pari passu basis;

(E) (1) in the case of each Incremental Term Loan (the terms of which shall be set forth in the relevant Lender Joinder Agreement):

(x) such Incremental Term Loan will mature and amortize in a manner reasonably acceptable to the Administrative Agent, the Incremental Lenders making such Incremental Term Loan and the Borrower, but will not in any event have a maturity date earlier than the Maturity Date;

(y) the Applicable Margin and pricing grid, if applicable, for such Incremental Term Loan shall be determined by the Administrative Agent, the applicable Incremental Lenders and the Borrower on the applicable Increased Amount Date; and

(z) except as provided above, all other terms and conditions applicable to any Incremental Term Loan shall be reasonably satisfactory to the Administrative Agent and the Borrower;

(2) in the case of each Incremental Revolving Credit Commitment and the related Incremental Revolving Credit Loans (the terms of which shall be set forth in the relevant Lender Joinder Agreement):

(w) such Incremental Revolving Credit Loans shall mature on the Maturity Date, shall bear interest and be entitled to fees, in each case at the rate applicable to the Revolving Credit

Loans, and shall be subject to the same terms and conditions as the Revolving Credit Loans;

- (x) the outstanding Revolving Credit Loans and Revolving Credit Commitment Percentages of Swingline Loans and L/C Obligations will be reallocated by the Administrative Agent on the applicable Increased Amount Date among the Revolving Credit Lenders (including the Incremental Lenders providing such Incremental Revolving Credit Commitments) in accordance with their revised Revolving Credit Commitment Percentages (and the Revolving Credit Lenders (including the Incremental Lenders providing such Incremental Revolving Credit Commitments) agree to make all payments and adjustments necessary to effect such reallocation and the Borrower shall pay any and all costs required pursuant to Section 4.9 in connection with such reallocation as if such reallocation were a repayment);
- (y) except as provided above, all of the other terms and conditions applicable to such Incremental Revolving Credit Commitments shall, except to the extent otherwise provided in this Section 4.13, be identical to the terms and conditions applicable to the Revolving Credit Facility; and
- (z) any Incremental Lender with an Incremental Revolving Credit Commitment shall be entitled to the same voting rights as the existing Revolving Credit Lenders under the Revolving Credit Facility and any Extensions of Credit made in connection with each Incremental Revolving Credit Commitment shall receive proceeds of prepayments on the same basis as the other Revolving Credit Loans made hereunder;
- (F) such Incremental Loan Commitments shall be effected pursuant to one or more Lender Joinder Agreements executed and delivered by the Borrower, the Administrative Agent and the applicable Incremental Lenders (which Lender Joinder Agreement may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of this Section 4.13 and make any related adjustments required (in the good faith judgment of the Administrative Agent)); and
- (G) the Borrower shall deliver or cause to be delivered any customary legal opinions or other documents (including, without limitation, a resolution duly adopted by the board of directors (or equivalent governing body) of each Credit Party authorizing such Incremental Loan and/or Incremental Loan Commitment), as may be reasonably requested by Administrative Agent in connection with any such transaction.
- (b) The Incremental Lenders shall be included in any determination of the Required Lenders, Required Term Lenders or Required Revolving Credit Lenders, as applicable, and, unless otherwise agreed, the Incremental Lenders will not constitute a separate voting class for any purposes under this Agreement.

(c) (i) On any Increased Amount Date on which any Incremental Term Loan Commitment becomes effective, subject to the foregoing terms and conditions, each Incremental Lender with an Incremental Term Loan Commitment shall make, or be obligated to make, an Incremental Term Loan to the Borrower in an amount equal to its Incremental Term Loan Commitment and shall become a Lender hereunder with respect to such Incremental Term Loan Commitment and the Incremental Term Loan made pursuant thereto.

(i) On any Increased Amount Date on which any Incremental Revolving Credit Commitment becomes effective, subject to the foregoing terms and conditions, each Incremental Lender with an Incremental Revolving Credit Commitment shall become a Lender hereunder with respect to such Incremental Revolving Credit Commitment.

SECTION 1.31 Cash Collateral

. At any time that there shall exist a Defaulting Lender, within one Business Day following the written request of the Administrative Agent, any Issuing Lender (with a copy to the Administrative Agent) or the Swingline Lender (with a copy to the Administrative Agent), the Borrower shall Cash Collateralize the Fronting Exposure of such Issuing Lender and/or the Swingline Lender, as applicable, with respect to such Defaulting Lender (determined after giving effect to Section 4.15(a)(iv) and any Cash Collateral provided by such Defaulting Lender) in an amount in Dollars not less than the Minimum Collateral Amount.

(a) Grant of Security Interest. The Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to the Administrative Agent, for the benefit of each Issuing Lender and the Swingline Lender, and agrees to maintain, a first priority security interest in all such Cash Collateral as security for the Defaulting Lender's obligation to fund participations in respect of L/C Obligations and Swingline Loans, to be applied pursuant to subsection (b) below. 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, each Issuing Lender and the Swingline Lender as herein provided (other than Liens permitted under clause (b) of the definition of Permitted Encumbrances), or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Borrower 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 (after giving effect to any Cash Collateral provided by the Defaulting Lender).

(b) Application. Notwithstanding anything to the contrary contained in this Agreement or any other Loan Document, Cash Collateral provided under this Section 4.14 or Section 4.15 in respect of Letters of Credit and Swingline Loans shall be applied to the satisfaction of the Defaulting Lender's obligation to fund participations in respect of L/C Obligations and Swingline Loans (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(c) Termination of Requirement. Cash Collateral (or the appropriate portion thereof) provided to reduce the Fronting Exposure of any Issuing Lender and/or the Swingline Lender, as applicable, shall no longer be required to be held as Cash Collateral pursuant to this Section 4.14 following (i) the elimination of the applicable Fronting Exposure (including by the termination of Defaulting Lender status of the applicable Lender), or (ii) the determination by the Administrative Agent, the Issuing Lenders and the Swingline Lender that there exists excess Cash Collateral; provided, that, subject to Section 4.15, the Person providing Cash Collateral, the Issuing Lenders and the Swingline Lender may agree that Cash Collateral shall be held to support future anticipated Fronting Exposure or other obligations; provided, further, that, to the extent that such Cash

Collateral was provided by the Borrower, such Cash Collateral shall remain subject to the security interest granted pursuant to the Loan Documents.

SECTION 1.32 Defaulting Lenders.

(a) Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by Applicable Law:

(i) Waivers and Amendments. 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 and Section 11.2.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article IX or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 11.4 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Lenders or the Swingline Lender hereunder; *third*, to Cash Collateralize the Fronting Exposure of the Issuing Lenders and the Swingline Lender with respect to such Defaulting Lender in accordance with Section 4.14; *fourth*, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan or funded participation in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to (A) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans and funded participations under this Agreement and (B) Cash Collateralize the Issuing Lenders' future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 4.14; *sixth*, to the payment of any amounts owing to the Lenders, the Issuing Lenders or the Swingline Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, any Issuing Lender or the Swingline 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 Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided, that, if (1) such payment is a payment of the principal amount of any Loans or funded participations in Letters of Credit or Swingline Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (2) such Loans were made or the related Letters of Credit or Swingline Loans were issued at a time when the conditions set forth in Section 5.2 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and funded participations in Letters of Credit or Swingline Loans owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or funded participations in Letters of Credit or Swingline Loans owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swingline Loans are held by the Lenders pro rata in accordance with the Revolving Credit

Commitments without giving effect to Section 4.15(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 4.15(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 Commitment Fee or Ticking Fee for any period during which that Lender is a Defaulting Lender (and the Borrower 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 commissions pursuant to Section 3.3 for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Revolving Credit Commitment Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 4.14.

(C) With respect to any Commitment Fee, Ticking Fee or letter of credit commission not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the Borrower shall (1) 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 Swingline Loans that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (2) pay to each applicable Issuing Lender and Swingline Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Issuing Lender's or Swingline Lender's Fronting Exposure to such Defaulting Lender, and (3) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Participations to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations and Swingline Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Revolving Credit Commitment Percentages (calculated without regard to such Defaulting Lender's Revolving Credit Commitment) but only to the extent that such reallocation does not cause the aggregate Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Credit Commitment. Subject to Section 11.22, 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 Swingline Loans. If the reallocation described in clause (iv) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any right or remedy available to it hereunder or under law, (x) first, repay Swingline Loans in an amount equal to the Swingline Lender's Fronting Exposure and (y) second, Cash Collateralize the Issuing Lenders' Fronting Exposure in accordance with the procedures set forth in Section 4.14.

(b) Defaulting Lender Cure. If the Borrower, the Administrative Agent, the Issuing Lenders and the Swingline Lender 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), such 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 Swingline Loans to be held pro rata by the Lenders in accordance with the Revolving Credit Commitments (without giving effect to Section 4.15(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 Borrower while that Lender was a Defaulting Lender; and provided, further, that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Non-Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

SECTION 4.16 ESG Amendment.

(a) After the First Amendment Effective Date, the Borrower, at its election and in consultation with the Sustainability Coordinators, may establish specified key performance indicators ("KPIs") with respect to certain environmental, social and governance ("ESG") targets of the Borrower and its Subsidiaries. The Sustainability Coordinators, the Administrative Agent, the Borrower and the Required Lenders may amend this Agreement (such amendment, an "ESG Amendment"; it being understood and agreed that (x) prior to the effectiveness of an ESG Amendment, the Borrower shall have mandated each Sustainability Coordinator to act as a sustainability coordinator in connection with such ESG Amendment and any ESG-related matters in connection therewith (such mandate to be in a writing signed by the Borrower and the applicable Sustainability Coordinator, or otherwise in form and substance reasonably satisfactory to the applicable Sustainability Coordinator), and (y) in connection with the effectiveness of an ESG Amendment, the Borrower shall have paid any fees required to be paid to each Sustainability Coordinator in connection with such ESG Amendment) solely for the purpose of incorporating the KPIs and other related provisions (the "ESG Pricing Provisions") into this Agreement, and any such amendment shall become effective upon receipt of the consent of the Required Lenders. Upon the effectiveness of any such ESG Amendment, based on the Borrower's performance against the KPIs, certain adjustments (increase, decrease or no adjustment) (such adjustments, the "ESG Applicable Margin Adjustments") to the otherwise applicable Applicable Margin for the Term Facility, the Revolving Credit Facility, the Swingline Loans, the letter of credit commissions pursuant to Section 3.3(a) and the Commitment Fee will be made; provided, that, the amount of the ESG Applicable Margin Adjustments shall not exceed (i) in the case of the Applicable Margin for the Commitment Fee, an increase and/or decrease of 0.01%, and (ii) in the case of the Applicable Margin for the Term Facility, the Revolving Credit Facility, the Swingline Loans and the letter of credit commissions pursuant to Section 3.3(a), an increase and/or decrease of 0.05%, and such adjustments shall not be cumulative year-over-year; provided, further, that, in no event shall the Applicable Margin for the Term Facility, the Revolving Credit Facility, the Swingline Loans, the letter of credit commissions pursuant to Section 3.3(a) or the Commitment Fee be less than zero. The KPIs, the Borrower's performance against the KPIs, and any related ESG Applicable Margin Adjustments resulting therefrom, will be determined based on certain certificates, reports and other documents, in each case, setting forth the calculation and measurement of the KPIs in a manner that is aligned with sustainability linked loan principles (as published from time to time by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading

Association) and to be mutually agreed between the Borrower, the Administrative Agent and each Sustainability Coordinator .

(b) Following the effectiveness of an ESG Amendment, any modification to the ESG Pricing Provisions shall be subject only to the consent of the Required Lenders so long as such modification does not have the effect of reducing the Applicable Margin for the Term Facility, the Revolving Credit Facility, the Swingline Loans, the letter of credit commissions pursuant to Section 3.3(a) and the Commitment Fee to a level not otherwise permitted by Section 4.16(a).

CONDITIONS OF CLOSING AND BORROWING

SECTION 1.33 Conditions to Closing and Initial Extensions of Credit

. The obligation of the Lenders to close this Agreement and to make the initial Loans or of the Issuing Lenders to issue, or of the Lenders to participate in, the initial Letters of Credit, if any, is subject to the satisfaction of each of the following conditions:

(a) Executed Loan Documents. This Agreement, a Revolving Credit Note in favor of each Revolving Credit Lender requesting a Revolving Credit Note, a Swingline Note in favor of the Swingline Lender (if requested thereby), the Guaranty Agreement, the Security Agreement, together with any other applicable Loan Documents, shall have been duly authorized, executed and delivered to the Administrative Agent by the parties thereto, shall be in full force and effect and no Default or Event of Default shall exist hereunder or thereunder.

(b) Closing Certificates; Etc. The Administrative Agent shall have received each of the following in form and substance reasonably satisfactory to the Administrative Agent:

(i) Officer's Certificate. A certificate from a Responsible Officer of the Borrower to the effect that (A) each of the conditions set forth in Sections 5.1(d) and 5.2(a) and (b) have been satisfied as of the Closing Date and (B) since April 30, 2019, no event has occurred or condition arisen, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

(ii) Certificate of Secretary of each Credit Party. A certificate of a Responsible Officer of each Credit Party certifying as to the incumbency and genuineness of the signature of each officer of such Credit Party executing Loan Documents to which it is a party and certifying that attached thereto is a true, correct and complete copy of (A) the articles or certificate of incorporation or formation (or equivalent), as applicable, of such Credit Party and all amendments thereto, certified as of a recent date by the appropriate Governmental Authority in its jurisdiction of incorporation, organization or formation (or equivalent), as applicable, (B) the bylaws or other governing document of such Credit Party as in effect on the Closing Date, (C) resolutions duly adopted by the board of directors (or other governing body) of such Credit Party authorizing and approving the transactions contemplated hereunder and the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party, and (D) each certificate required to be delivered pursuant to Section 5.1(b)(iii).

(iii) Certificates of Good Standing. Certificates as of a recent date of the good standing of each Credit Party under the laws of its jurisdiction of incorporation, organization or formation (or equivalent), as applicable, and, to the extent available, a

certificate of the relevant taxing authorities of such jurisdiction certifying that such Credit Party has filed all required tax returns and owes no delinquent taxes.

(iv) Opinions of Counsel. Customary opinions of counsel to the Credit Parties (including, without limitation, opinions of special counsel and local counsel as may be reasonably requested by the Administrative Agent) addressed to the Administrative Agent and the Lenders with respect to the Credit Parties, the Loan Documents and such other matters as the Administrative Agent shall request (which such opinions shall (A) include a non-contravention opinion with respect to the Senior Unsecured Note Documents and (B) expressly permit reliance by permitted successors and assigns of the Administrative Agent and the Lenders).

(c) Personal Property Collateral.

(i) Filings and Recordings. Subject to the express limitations set forth in the Security Documents, the Administrative Agent shall have received all filings and recordings that are necessary to perfect the security interests of the Administrative Agent, on behalf of the Secured Parties, in the Collateral and the Administrative Agent shall have received evidence reasonably satisfactory to the Administrative Agent that upon such filings and recordings such security interests constitute valid and perfected first priority Liens thereon (subject to Permitted Encumbrances).

(ii) Pledged Collateral. Subject to Section 7.16 and the express limitations set forth in the Security Documents, the Administrative Agent shall have received (A) original stock certificates or other certificates evidencing the certificated Equity Interests pledged pursuant to the Security Documents, together with an undated stock power for each such certificate duly executed in blank by the registered owner thereof and (B) each original promissory note pledged pursuant to the Security Documents together with an undated allonge for each such promissory note duly executed in blank by the holder thereof.

(iii) Lien Search. The Administrative Agent shall have received the results of a Lien search (including a search as to filings or recordings under the Uniform Commercial Code, federal and local judgments, federal and local tax liens and intellectual property matters), in form and substance reasonably satisfactory thereto, made against the Credit Parties under the Uniform Commercial Code (or applicable judicial docket) as in effect in each jurisdiction in which filings or recordings under the Uniform Commercial Code should be made to evidence or perfect security interests in all assets of such Credit Party, indicating among other things that the assets of each such Credit Party are free and clear of any Lien (except for Permitted Encumbrances).

(iv) Property and Liability Insurance. The Administrative Agent shall have received, in each case in form and substance reasonably satisfactory to the Administrative Agent, evidence of property, business interruption and liability insurance covering each Credit Party, evidence of payment of all insurance premiums for the current policy year of each policy, and if requested by the Administrative Agent, copies of such insurance policies.

(v) Intellectual Property. The Administrative Agent shall have received security agreements duly executed by the applicable Credit Parties for all federally registered copyrights, copyright applications, patents, patent applications, trademarks and

trademark applications included in the Collateral, in each case in proper form for filing with the U.S. Patent and Trademark Office or U.S. Copyright Office, as applicable.

(vi) Other Collateral Documentation. The Administrative Agent shall have received any documents required by the terms of the Security Documents to evidence its security interest in the Collateral (including, without limitation, any deposit account and securities account control agreements).

(d) Consents; Defaults.

(i) Governmental and Third Party Approvals. The Credit Parties shall have received all material governmental, shareholder and third party consents and approvals necessary (or any other material consents as determined in the reasonable discretion of the Administrative Agent) in connection with the transactions contemplated by this Agreement and the other Loan Documents and all applicable waiting periods shall have expired without any action being taken by any Person that could reasonably be expected to have a Material Adverse Effect on any of the Credit Parties or restrain, prevent or impose any material adverse conditions on the transactions contemplated by this Agreement or the other Loan Documents or that could seek or threaten any of the foregoing.

(ii) No Injunction, Etc. No action, proceeding or investigation shall have been instituted, threatened or proposed before any Governmental Authority to enjoin, restrain, or prohibit, or to obtain substantial damages in respect of, or which is related to or arises out of this Agreement or the other Loan Documents or the consummation of the transactions contemplated hereby or thereby, or which, in the Administrative Agent's sole discretion, would make it inadvisable to consummate the transactions contemplated by this Agreement or the other Loan Documents, or which could reasonably be expected to have a Material Adverse Effect.

(e) Financial Matters.

(i) Financial Projections. The Administrative Agent shall have received, in form and substance satisfactory to the Administrative Agent, projections, prepared by management of the Borrower, including projections of balance sheets, income statements and cash flow statements of the Borrower and its Subsidiaries.

(ii) Financial Condition/Solvency Certificate. The Borrower shall have delivered to the Administrative Agent a certificate of the chief financial officer of the Borrower, in form and substance satisfactory to the Administrative Agent, certifying that (A) after giving effect to the Transactions, the Credit Parties and their Subsidiaries, on a Consolidated basis, are Solvent, and (B) attached thereto are calculations evidencing compliance on a Pro Forma Basis after giving effect to the Transactions with each covenant contained in Section 8.11.

(iii) Payment at Closing. The Borrower shall have paid or made arrangements to pay contemporaneously with closing (A) to the Administrative Agent, the Arrangers and the Lenders the fees set forth or referenced in Section 4.3 and any other accrued and unpaid fees or commissions due hereunder, (B) all fees, charges and disbursements of counsel to the Administrative Agent (directly to such counsel if requested by the Administrative Agent) to the extent accrued and unpaid prior to or on 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 Borrower and the Administrative Agent) and (C) to any other Person such amount as may be due thereto in connection with the transactions contemplated hereby, including, without limitation, all Other Taxes, fees and other charges in connection with the execution, delivery, recording, filing and registration of any of the Loan Documents.

(f) Notice of Account Designation. The Administrative Agent shall have received a Notice of Account Designation specifying the account or accounts to which the proceeds of any Loans made on or after the Closing Date are to be disbursed.

(g) Existing Indebtedness. All existing Indebtedness of the Borrower and its Subsidiaries (including Indebtedness under the Existing Credit Agreement, but other than Indebtedness permitted under Section 8.1) shall have been repaid in full on the Closing Date, or shall be refinanced in full, substantially simultaneously with the consummation of the Transactions on the Closing Date, and any and all commitments with regard thereto and liens and guarantees provided in connection therewith have been or will be substantially concurrently with the effectiveness of this Agreement terminated and released.

(h) Senior Unsecured Notes. The Senior Unsecured Notes shall have been, or substantially concurrently with the consummation of the other Transactions on the Closing Date, shall be, issued.

(i) PATRIOT Act, etc.

(i) The Borrower and each of the Subsidiary Guarantors shall have provided to the Administrative Agent and each Lender the documentation and other information requested by the Administrative Agent or such Lender in order to comply with requirements of any Anti-Money Laundering Laws, including, without limitation, the PATRIOT Act and any applicable “know your customer” rules and regulations.

(ii) If the Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, it shall have delivered to the Administrative Agent and directly to any Lender requesting the same, a Beneficial Ownership Certification as required by the Beneficial Ownership Regulation.

(j) Other Documents. All opinions, certificates and other instruments and all proceedings in connection with the transactions contemplated by this Agreement shall be reasonably satisfactory in form and substance to the Administrative Agent. The Administrative Agent shall have received copies of all other documents, certificates and instruments reasonably requested thereby, as are customary for transactions of the type contemplated by this Agreement.

Without limiting the generality of the provisions of Section 10.3(c), for purposes of determining compliance with the conditions specified in this Section 5.1 and Section 2 of the First Amendment, the Administrative Agent and each Lender that has signed this Agreement (or the First Amendment, as applicable) 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 (or proposed First Amendment Effective Date, as applicable) specifying its objection thereto.

SECTION 1.34 Conditions to All Extensions of Credit

. The obligations of the Lenders to make or participate in any Extensions of Credit (including the initial Extension of Credit), and/or any Issuing Lender to issue or extend any Letter of Credit are subject to the satisfaction of the following conditions precedent on the relevant borrowing, issuance or extension date:

(a) Continuation of Representations and Warranties . The representations and warranties contained in this Agreement and the other Loan Documents shall be true and correct in all material respects, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects, on and as of such borrowing, issuance or extension date with the same effect as if made on and as of such date (except for any such representation and warranty that by its terms is made only as of an earlier date, which representation and warranty shall remain true and correct in all material respects as of such earlier date, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects as of such earlier date), and except that for purposes of this Section 5.2(a), the representations and warranties contained in the first sentence of Section 6.14 shall be deemed to refer to the most recent statements furnished pursuant to Section 7.1(a) or 7.1(b), as applicable.

(b) No Existing Default. No Default or Event of Default shall have occurred and be continuing (i) on the borrowing date with respect to such Loan or after giving effect to the Loans to be made on such date or (ii) on the issuance or extension date with respect to such Letter of Credit or after giving effect to the issuance or extension of such Letter of Credit on such date.

(c) Notices. The Administrative Agent shall have received a Notice of Borrowing or Letter of Credit Application, as applicable, from the Borrower in accordance with Section 2.3(a) or Section 3.2, as applicable.

(d) New Swingline Loans/Letters of Credit. So long as any Lender is a Defaulting Lender, (i) the Swingline Lender shall not be required to fund any Swingline Loans unless it is satisfied that it will have no Fronting Exposure after giving effect to such Swingline Loan and (ii) no Issuing Lender shall be required to issue, extend, renew or increase any Letter of Credit unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

~~(e) Alternative Currency Letters of Credit. In the case of an Alternative Currency Letter of Credit, there shall not have occurred any change in national or international financial, political or economic conditions or currency exchange rates or exchange controls which in the reasonable opinion of Bank of America, in its capacity as an Issuing Lender, or the Administrative Agent would make it impracticable for such Alternative Currency Letter of Credit to be denominated in the relevant Alternative Currency.~~

(e) Alternative Currency Letters of Credit. In the case of an Alternative Currency Letter of Credit, such currency remains an Eligible Currency.

(f) Term Loans. In the case of borrowings of Term Loans, (i) such funding occurs during the Term Loan Availability Period and (ii) the Administrative Agent shall have received from the Borrower an Officer's Compliance Certificate demonstrating, in form and substance reasonably satisfactory to the Administrative Agent, that the Borrower is in compliance with the financial covenant set forth in Section 8.11 based on the financial statements most recently delivered pursuant to Section 7.1(a) or 7.1(b), as applicable, both before and after giving effect (on a Pro Forma Basis) to such borrowing.

REPRESENTATIONS AND WARRANTIES OF THE CREDIT PARTIES

To induce the Administrative Agent and the Lenders to enter into this Agreement and to induce the Lenders to make Extensions of Credit and to induce the Issuing Lenders to issue or extend Letters of Credit, the Borrower hereby represents and warrants to the Administrative Agent and the Lenders that:

SECTION 1.35 Organization and Legal Status

. The Borrower is a corporation, duly organized and existing and in good standing under the laws of Delaware, and is qualified or licensed to do business (and is in good standing as a foreign corporation, if applicable) in all jurisdictions in which such qualification or licensing is required or in which the failure to so qualify or to be so licensed could reasonably be expected to result in a Material Adverse Effect. Each Material Subsidiary is a corporation, limited liability company or other business organization, duly organized and existing, or duly formed and existing (as applicable), and (to the extent applicable in the corresponding jurisdiction of organization) in good standing under the laws of its jurisdiction of organization or formation, and is qualified or licensed to do business (and is in good standing as a foreign organization, if applicable) in all jurisdictions in which such qualification or licensing is required or in which the failure to so qualify or to be so licensed could reasonably be expected to result in a Material Adverse Effect. No Credit Party nor any Subsidiary thereof is an ~~EEA~~Affected Financial Institution.

SECTION 1.36 Capital Structure

. As of the ~~Closing~~First Amendment Effective Date, each Credit Party and each Subsidiary of each Credit Party and the jurisdictions in which each Credit Party and each direct Subsidiary of a Credit Party are organized are listed on Schedule 6.2. As of the ~~Closing~~First Amendment Effective Date, the capitalization of each Credit Party (other than the Borrower) and each direct Subsidiary of a Credit Party consists of the number of shares, authorized, issued and outstanding, of such classes and series, described on Schedule 6.2. All outstanding shares have been duly authorized and validly issued and are fully paid and (to the extent applicable) nonassessable and not subject to any preemptive or similar rights, except as described in Schedule 6.2. Schedule 6.2 identifies each Material Subsidiary as of the ~~Closing~~First Amendment Effective Date.

SECTION 1.37 Organizational Power or Authority; Enforceability

. Each Credit Party has the right and power to execute, deliver and perform this Agreement and each of the other Loan Documents to which it is a party in accordance with their respective terms. This Agreement and each of the other Loan Documents have been duly authorized, and upon their execution and delivery in accordance with the provisions hereof will constitute legal, valid and binding agreements and obligations of the Borrower or the Credit Party that executes the same, enforceable in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws and equitable principles generally affecting creditors' rights.

SECTION 1.38 No Conflict with Laws or Material Agreements; Compliance with Laws

. The execution, delivery and performance by the Borrower or any Material Non-TP Subsidiary of the Loan Documents to which each such Person is a party, in accordance with their respective terms, the Extensions of Credit hereunder and the transactions contemplated hereby or thereby do not and will not, by the passage of time, the giving of notice or otherwise, (a) require any Governmental Approval or violate any Applicable Law relating to the Borrower or any Material Non-TP Subsidiary where the failure to obtain such Governmental Approval or such violation could reasonably be expected to have a Material Adverse Effect, (b) contravene any provision of the articles of incorporation or by-laws (or equivalent) of the Borrower or such Subsidiary, (c) conflict with, result in a breach of or constitute a default under any Material Contract, obligation, indenture or other instrument to which the Borrower or any such Subsidiary is a party or by which the Borrower or such Subsidiary may be bound other than such violations, breaches or defaults which

are not reasonably expected to have a Material Adverse Effect, and neither the Borrower nor any such Subsidiary is in violation of, or default under, any contract, obligation, indenture or other instrument described in this clause (c) in any respect that could reasonably be expected to have a Material Adverse Effect, (d) result in or require the creation or imposition of any Lien upon or with respect to any property now owned or hereafter acquired by such Person other than Permitted Encumbrances or (e) require any consent or authorization of, filing with, or other act in respect of, an arbitrator or Governmental Authority and no consent of any other Person is required in connection with the execution, delivery, performance, validity or enforceability of this Agreement other than (i) consents, authorizations, filings or other acts or consents for which the failure to obtain or make could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect and (ii) filings to perfect the Liens created by the Security Documents. Each of the Borrower and its Subsidiaries is in compliance with each Governmental Approval applicable to it and in compliance with all other Applicable Laws relating to it or any of its respective properties, except where the failure to comply could not reasonably be expected to have a Material Adverse Effect.

SECTION 1.39 Payment of Taxes

. Each Credit Party and each Material Subsidiary has duly filed or caused to be filed all federal income and other material tax returns required by Applicable Law to be filed by it, and has paid, or made adequate provision for the payment of, all material federal, state and other taxes, assessments and governmental charges or levies upon it and its property, income, profits and assets which are due and payable by it (other than any amount the 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 for on the books of the relevant Credit Party). As of the Closing Date, except as set forth on Schedule 6.5, the Borrower has no knowledge of any material pending assessments or adjustments of its or any of its Subsidiaries' income tax payable with respect to any year. No Governmental Authority has asserted any Lien or other claim against any Credit Party or any Subsidiary with respect to a material amount of unpaid taxes which has not been discharged or resolved (other than (a) any amount the 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 for on the books of the relevant Credit Party and (b) Permitted Encumbrances).

SECTION 1.40 Governmental Approvals; Intellectual Property

. The Borrower and each Material Subsidiary possess, and will hereafter possess, all Governmental Approvals required and rights to all trademarks, trade names, patents, and fictitious names, if any, necessary to enable them to conduct the business in which they are now engaged in compliance with Applicable Law, except where the failure to possess any such Governmental Approvals or rights could not reasonably be expected to have a Material Adverse Effect. No event has occurred which permits, or after notice or lapse of time or both would permit, the revocation or termination of any such Governmental Approvals or rights, and no Credit Party nor any Subsidiary is liable to any Person for infringement under Applicable Law with respect to the rights referred to in the preceding sentence as a result of its business operations.

SECTION 1.41 Environmental Regulations and Liabilities

. Except as set forth on Schedule 6.7 hereto, the Borrower and the Material Subsidiaries are in compliance in all material respects with all applicable Environmental Laws. To the best knowledge of the Borrower, none of the operations of the Borrower or the Material Subsidiaries is the subject of any federal or state investigation evaluating whether any remedial action involving a material expenditure is needed to respond to a release of any toxic or hazardous waste or substance into the environment. To the best knowledge of the Borrower, none of the Borrower nor any of the Material Subsidiaries has any material contingent liability in connection with any release of any toxic or hazardous waste or substance into the environment.

SECTION 1.42 ERISA.

(a) Each Plan, Credit Party and ERISA Affiliate is in compliance in all material respects with all applicable provisions of ERISA and the Code except as could not reasonably be expected to have a Material Adverse Effect.

(b) To the best knowledge of the Borrower, none of the Credit Parties nor any of the ERISA Affiliates has violated any provision of any defined employee pension benefit plan (as defined in ERISA) maintained or contributed to by the Borrower or any of the ERISA Affiliates (each, a “Plan”) where such violation could reasonably be expected to have a Material Adverse Effect.

(c) No Termination Event has occurred and is continuing with respect to any Plan.

(d) The Credit Parties and the ERISA Affiliates have met their minimum funding requirements under ERISA with respect to each Plan, except where the failure to meet such minimum funding requirements could not reasonably be expected to result in a Material Adverse Effect.

(e) Each Plan will be able to fulfill its benefit obligations as they come due in accordance with the Plan documents and under GAAP, except where the failure to fulfill such benefit obligations could not reasonably be expected to result in a Material Adverse Effect.

(f) As of the ~~Closing~~First Amendment Effective Date, the Borrower is not and will not be using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to the Borrower’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the ~~Revolving Credit~~ Commitments or this Agreement.

SECTION 1.43 Margin Stock

. No Credit Party nor any Subsidiary is engaged principally or as one of its activities in the business of extending credit for the purpose of “purchasing” or “carrying” any “margin stock” (as each such term is defined or used, directly or indirectly, in Regulation U of the Board of Governors of the Federal Reserve System). No part of the proceeds of any of the Loans or Letters of Credit will be used for purchasing or carrying margin stock or for any purpose which violates, or which would be inconsistent with, the provisions of Regulation T, U or X of such Board of Governors. Following the application of the proceeds of each Extension of Credit or drawing under each Letter of Credit, not more than twenty-five percent (25%) of the value of the assets (either of the Borrower only or of the Borrower and its Subsidiaries on a Consolidated basis) subject to the provisions of Section 8.2 or Section 8.4(d) or subject to any restriction contained in any agreement or instrument between the Borrower and any Lender or any Affiliate of any Lender relating to Indebtedness in excess of the amount set forth in Section 9.1(e) will be “margin stock”.

SECTION 1.44 Investment Company Act

. No Credit Party nor any Subsidiary is an “investment company” or a company “controlled” by an “investment company” (as each such term is defined or used in the Investment Company Act) and no Credit Party nor any Subsidiary is, or after giving effect to any Extension of Credit or drawing under any Letter of Credit will be, subject to regulation under the Interstate Commerce Act, or any other Applicable Law which limits its ability to incur or consummate the transactions contemplated hereby.

SECTION 1.45 Material Contracts

. As of the ~~Closing~~First Amendment Effective Date, each Material Contract is ~~is, and after giving effect to the consummation of the Transactions will be,~~ in full force and effect in accordance with the terms thereof. As of the ~~Closing~~First Amendment Effective Date, no

Credit Party nor any Subsidiary (nor, to its knowledge, any other party thereto) is in breach of or in default under any Material Contract in any material respect.

SECTION 1.46 Labor Matters

. As of the ~~Closing~~First Amendment Effective Date, no Credit Party nor any Subsidiary is party to any collective bargaining agreement, nor has any labor union been recognized as the representative of its employees. The Borrower knows of no pending, threatened or contemplated strikes, work stoppage or other collective labor disputes involving its employees or those of its Subsidiaries that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

SECTION 1.47 Burdensome Provisions

. The Credit Parties and their respective Subsidiaries do not presently anticipate that future expenditures needed to meet the provisions of any statutes, orders, rules or regulations of a Governmental Authority will be so burdensome as to have a Material Adverse Effect.

SECTION 1.48 Financial Statements

. The annual Consolidated financial statements of the Borrower and its Subsidiaries dated April 30, ~~2019~~2021 and all interim financial statements delivered to the Administrative Agent since said date, true copies of which have been delivered by the Borrower to the Administrative Agent prior to the ~~Closing~~First Amendment Effective Date, (a) are complete and correct and present fairly in all material respects the financial condition of the Borrower and its Subsidiaries as of the dates and for the periods to which they relate, (b) disclose all liabilities of the Borrower and its Subsidiaries that are required to be reflected or reserved against under GAAP, whether liquidated or unliquidated, fixed or contingent as of the dates and for the periods to which they relate, and (c) have been prepared in accordance with GAAP consistently applied subject (other than with respect to audited annual financial statements) to year-end audit adjustments and the absence of footnotes. Since April 30, ~~2019~~2021 no event has occurred or condition arisen, either individually or in the aggregate, that could reasonably be expected to have a Material Adverse Effect.

SECTION 1.49 Solvency

. The Credit Parties and their Subsidiaries, on a Consolidated basis, are Solvent.

SECTION 1.50 Ownership of Properties

. As of the ~~Closing~~First Amendment Effective Date, the real property listed on Schedule 6.16 constitutes all of the real property that is owned, leased, subleased or used by any Credit Party in the United States. Each Credit Party and each Subsidiary thereof has such title to the real property owned or leased by it, in each case as is necessary or desirable to the conduct of its business, and valid and legal title to all of its personal property and assets, except those which have been disposed of by the Credit Parties and their Subsidiaries subsequent to the ~~Closing~~First Amendment Effective Date which dispositions have been in the ordinary course of business or as otherwise expressly permitted hereunder.

SECTION 1.51 Litigation

. Except for matters set forth on Schedule 6.17, there are no pending, or to the best of the Borrower's knowledge, threatened, actions, claims, investigations, suits or proceedings by or before any Governmental Authority, arbitrator, court or administrative agency which could reasonably be expected to result in a Material Adverse Effect.

SECTION 1.52 Anti-Corruption Laws and Sanctions.

(a) None of (i) the Borrower, any Subsidiary, any of their respective directors, officers, or, to the knowledge of the Borrower or such Subsidiary, any of their respective employees or Affiliates, or (ii) to the knowledge of the Borrower, any agent or representative of the Borrower or any Subsidiary that will act in any capacity in connection with or benefit from the Credit Facility, (A) is a Sanctioned Person or currently the subject or target of any Sanctions, (B) is controlled by

or is acting on behalf of a Sanctioned Person, (C) has its assets located in a Sanctioned Country, (D) is under investigation for an alleged violation of, or received notice from or made a voluntary disclosure to any governmental entity regarding a possible violation of, Sanctions by a governmental authority that enforces Sanctions or any Anti-Corruption Laws or Anti-Money Laundering Laws, (E) directly or indirectly derives revenues from investments in, or transactions with, Sanctioned Persons, except to the extent permissible for a Person required to comply with Sanctions, (F) within the last five (5) years, has taken any action, directly or indirectly, that would result in a violation by such Persons of any Anti-Corruption Laws, or (G) within the last five (5) years, has violated any Anti-Money Laundering Law. Each of the Borrower and its Subsidiaries has implemented and maintains in effect policies and procedures designed to promote and achieve compliance by the Borrower and its Subsidiaries and their respective directors, officers, employees, agents and Affiliates with all Anti-Corruption Laws, Anti-Money Laundering Law and Sanctions. Each of the Borrower and its Subsidiaries and each of their respective directors, officers, and to the knowledge of Borrower, employees, agents and Affiliates, is in compliance with all Anti-Corruption Laws, Anti-Money Laundering Laws and applicable Sanctions.

(b) No proceeds of any Extension of Credit or Letter of Credit have been used, directly or indirectly, by the Borrower, any of its Subsidiaries or any of its or their respective directors, officers, employees and agents (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, including any payments (directly or indirectly) to a Sanctioned Person or a Sanctioned Country, except, in the case of this clause (b)(ii), to the extent permissible for a Person required to comply with Sanctions, or (iii) in any manner that would result in the violation of any Anti-Money Laundering Laws, Anti-Corruption Laws or any Sanctions applicable to any party hereto.

SECTION 1.53 No Default

. None of the Borrower nor any of the Material Subsidiaries is in default (subject to any applicable notice and/or cure periods) on any obligation for borrowed money in excess of \$2,500,000, any material purchase money obligation or any other material lease, commitment, contract, instrument or obligation and no event has occurred or is continuing which constitutes a Default or an Event of Default.

SECTION 1.54 Senior Indebtedness Status

. The Obligations of each Credit Party and each Subsidiary under this Agreement and each of the other Loan Documents rank and shall continue to rank at least senior in priority of payment to all Subordinated Indebtedness and (to the extent of the value of the Collateral) all senior unsecured Indebtedness of each such Person and is designated as "Senior Indebtedness" under all instruments and documents, now or in the future, relating to all Subordinated Indebtedness of such Person.

SECTION 1.55 Disclosure

. The Borrower and/or its Subsidiaries have disclosed to the Administrative Agent and the Lenders all agreements, instruments and corporate or other restrictions to which any Credit Party and/or any Subsidiary are subject, and all other matters known to them, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. No financial statement or other material written information (other than the Projections (as defined below) other forward-looking information and information of a general economic or industry specific nature) furnished by or on behalf of any Credit Party or any Subsidiary to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished), taken together as a whole, contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided,

that, with respect to projected financial information, pro forma financial information, estimated financial information and other projected or estimated information, (the “Projections”), the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being recognized by the Lenders that projections are not to be viewed as facts and that the actual results during the period or periods covered by such projections may vary from such projections).

SECTION 1.56 Insurance

. The Borrower maintains property, business interruption and liability insurance covering the Credit Parties and has paid of the all insurance premiums for the current policy year of each policy.

SECTION 1.57 Collateral

. All of the Collateral is owned by the grantor of the Lien or security interest therein in favor of the Administrative Agent free of any material title defects or any Liens, except for Permitted Encumbrances. The Liens and security interests granted to the Administrative Agent are, or in the case of after acquired property, will be, when properly perfected by the filing of a UCC financing statement, valid first priority Liens and security interests in the Collateral (subject only to Permitted Encumbrances) to the extent that the filing of Uniform Commercial Code financing statements is sufficient to perfect such Lien or security interest.

SECTION 1.58 Beneficial Ownership Certificate

. As of the ~~Closing~~First Amendment Effective Date, the information included in any Beneficial Ownership Certification, if applicable, is true and correct in all respects.

SECTION 1.59 Covered Entities

. No Credit Party is a Covered Entity.

AFFIRMATIVE COVENANTS

The Borrower covenants that until all of the Obligations (other than contingent indemnification obligations not then due) have been paid and satisfied in full in cash, all Letters of Credit have been terminated or expired (or been Cash Collateralized) and the ~~Aggregate Revolving Credit Commitment~~has Commitments have terminated, the Borrower will:

SECTION 1.60 Financial Statements and Budgets

. Deliver to the Administrative Agent, in form and detail satisfactory to the Administrative Agent (which shall promptly make such information available to the Lenders in accordance with its customary practice):

(a) Annual Financial Statements. Not later than 90 days (or, if earlier, the date of any required public filing thereof), after the end of each Fiscal Year, audited annual Consolidated financial statements of the Borrower and its Subsidiaries, as of the end of such Fiscal Year, audited by a nationally recognized public accounting firm without qualification or exception, to include balance sheet and statements of income, cash flows and shareholders’ equity (including all footnotes to the foregoing, all in reasonable detail and setting forth in comparative form the corresponding figures as of the end of, and for, the preceding Fiscal Year). Such financial statements shall be prepared in accordance with GAAP, consistently applied.

(b) Quarterly Financial Statements. Not later than 45 days (or, if earlier, the date of any required public filing thereof), after the end of each fiscal quarter of a Fiscal Year (other than the fourth fiscal quarter of each Fiscal Year), Consolidated financial statements of the Borrower and its Subsidiaries as of the end of such fiscal quarter, prepared by the Borrower, to include balance sheet and statements of income and cash flows (all in reasonable detail and setting forth in

comparative form the corresponding figures as of the end of, and for the corresponding period in, the preceding Fiscal Year). Such financial statements shall be prepared in accordance with GAAP, consistently applied, subject to normal year-end adjustments and the absence of footnotes.

SECTION 1.61 Certificates; Other Reports

. Deliver to the Administrative Agent, in form and detail satisfactory to the Administrative Agent (which shall promptly make such information available to the Lenders in accordance with its customary practice):

(a) Officer's Compliance Certificate. Contemporaneously with each delivery of annual and quarterly financial statements of the Borrower required hereby, an Officer's Compliance Certificate of the Borrower that said financial statements are prepared in accordance with GAAP, consistently applied (subject in the case of unaudited financial statements to normal year-end adjustments and the absence of footnotes), that there exists no Default or Event of Default and containing computations as to compliance with the ~~covenants~~covenant set forth in Section 8.11, a schedule identifying any changes in the list of Material Subsidiaries from that set forth in Schedule 6.2 or, if applicable, the most recent list delivered pursuant to this Section 7.2(a) and a report containing management discussion and analysis.

(b) Management Letters. Promptly after written request by the Administrative Agent, copies of any other (*i.e.*, to the extent not included in Section 7.1 or clause (a) above, but only to the extent otherwise prepared) detailed audit reports, management letters or recommendations submitted to the Borrower by independent accountants in connection with the accounts or books of the Borrower or any audit of the Borrower.

(c) SEC Filings. Promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of the Borrower, and copies of all annual, regular, periodic and special reports and registration statements which the Borrower may file or be required to file with the SEC under Section 13 or 15(d) of the Exchange Act, or with any national securities exchange, and in any case, not otherwise required to be delivered to the Administrative Agent pursuant hereto.

(d) Reports to Government Authorities. Promptly after written request by the Administrative Agent, copies of any report or other document that was filed by the Borrower with any Governmental Authority.

(e) Budget. As soon as available and in any event not later than 90 days after the commencement of each Fiscal Year of the Borrower, the budget and projected financial statements of the Borrower for such Fiscal Year and each of the two (2) Fiscal Years following such Fiscal Year (detailed on a quarterly basis), including, in each case, projected Consolidated balance sheets, statements of income and statements of cash flow of the Borrower and its Consolidated Subsidiaries all in reasonable detail and with reasonable assumptions.

(f) KYC Information. Promptly following any request therefor, information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the PATRIOT Act, and any change in its status as exempt from the reporting requirements of the Beneficial Ownership Regulation and, if applicable, deliver to the Administrative Agent or directly to the applicable Lender any additional information (including a Beneficial Ownership Certification) necessary in order to comply with the Beneficial Ownership Regulation.

(g) Material Reports and Information to Senior Unsecured Notes. Concurrently with the delivery to the holders of the Indebtedness evidenced by the Senior Unsecured Notes, a copy of each material notice, material report or other material information provided to such holders of such Indebtedness (or any trustee on their behalf).

(h) Other Information. From time to time such other information as the Administrative Agent may reasonably request in writing.

Documents required to be delivered pursuant to Section 7.1(a) or (b) or Section 7.2(c) or (d) (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 Borrower posts such documents, or provides a link thereto on the Borrower's website on the Internet at the following website address *www.kornferry.com*, or (ii) on which such documents are posted on the Borrower's behalf on an Internet or intranet website, if any, to which the Administrative Agent has access; provided, that, in any such instance (whether pursuant to clause (i) or (ii) above), the Borrower shall notify the Administrative Agent (by facsimile or electronic mail) of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions of such documents. Notwithstanding anything contained herein, in every instance the Borrower shall be required to provide copies of the Officer's Compliance Certificates required by Section 7.2(a) directly to the Administrative Agent.

The Borrower hereby acknowledges that (a) the Administrative Agent and/or the Arrangers will make available to the Lenders and the Issuing Lenders materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on the Platform and (b) certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Borrower or its securities) (each, a "Public Lender"). The Borrower hereby agrees that it will use commercially reasonable efforts to identify that portion of the Borrower Materials that may be distributed to the Public Lenders and that (w) all such Borrower Materials shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, means that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent, the Arrangers, the Issuing Lenders and the Lenders to treat such Borrower Materials as not containing any material non-public information (although it may be sensitive and proprietary) with respect to the Borrower or its securities for purposes of United States Federal and state securities laws (provided, that, to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 11.10); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Investor;" and (z) the Administrative Agent and the 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 not designated "Public Investor."

SECTION 1.62 Notice of Litigation and Other Matters

. Promptly (but, as to clauses (b) through (e), in no event later than five (5) days after the occurrence of each such event or matter) notify the Administrative Agent in reasonable detail in writing of (which shall promptly make such information available to the Lenders in accordance with its customary practice):

- (a) any litigation pending or threatened in writing against the Borrower or any Subsidiary that could reasonably be expected to have a Material Adverse Effect;
- (b) the occurrence of any Default or Event of Default;
- (c) any change in the name or the organizational structure of the Borrower or any other Credit Party;

(d) the occurrence and nature of any Reportable Event or Prohibited Transaction, each as defined in ERISA, or any funding deficiency with respect to any Plan; and

(e) any termination or cancellation of any insurance policy which the Borrower or any Material Subsidiary is required to maintain pursuant to this Agreement or any Loan Document, or any uninsured or partially uninsured loss through liability or property damage, or through fire, theft or any other cause affecting the Borrower's property in excess of an aggregate of \$4,000,000.

Each notice pursuant to this Section 7.3 shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action the Borrower has taken and proposes to take with respect thereto. Each notice pursuant to Section 7.3(b) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

SECTION 1.63 Preservation of Corporate Existence, Rights and Privileges; Compliance with Laws and Regulations

. Except as permitted by Section 8.4(a) and any Permitted Restructuring, preserve and maintain, and cause each Material Subsidiary to preserve and maintain, its separate organizational existence and all material licenses, permits, Governmental Approvals, rights, privileges and franchises necessary for the conduct of its business; and comply in all material respects with the provisions of all documents pursuant to which the Borrower or any Material Subsidiary is organized and/or which govern the Borrower's or such Subsidiary's continued existence and materially comply with the requirements of all Applicable Laws applicable to the Borrower, its Material Subsidiaries and/or their respective businesses.

SECTION 1.64 Maintenance of Property

. Keep, and cause each Material Subsidiary to keep, all properties useful or necessary to the Borrower's and its Material Subsidiaries' businesses in good repair and condition in all material respects (subject to normal wear and tear), and from time to time make necessary repairs, renewals and replacements thereto so that such properties shall be fully and efficiently preserved and maintained.

SECTION 1.65 Insurance

. Maintain and keep in force, and cause each Material Subsidiary to maintain and keep in force, for each business in which the Borrower and its Material Subsidiaries are engaged, insurance of the types and in amounts customarily carried in similar lines of business, including but not limited to hazard, business interruption, fire, extended coverage, public liability, flood, property damage and workers' compensation, with all such insurance carried with companies and in amounts reasonably satisfactory to the Administrative Agent, and deliver to the Administrative Agent from time to time at the Administrative Agent's written request schedules setting forth all insurance then in effect, together with a lender's loss payee or additional insured endorsement for all such insurance naming the Administrative Agent as a lender loss payee or additional insured (in form and substance reasonably acceptable to the Administrative Agent). All policies of insurance shall provide for at least thirty (30) days prior written cancellation notice to the Administrative Agent (except as a result of non-payment of premium in which case only ten (10) days' prior written notice shall be required).

SECTION 1.66 Accounting Methods and Financial Records

. Maintain, and cause each Material Subsidiary to maintain, adequate books and records in accordance with GAAP consistently applied, and permit any representative of the Administrative Agent or any Lender, at any reasonable time, to inspect, audit and examine such books and records, to make copies of the same, and to inspect the properties of the Borrower or any such Material Subsidiary; provided, that, unless a Default or Event of Default shall have occurred and be continuing, (a) such inspections, audits and examinations shall be during the Borrower's or any such Material Subsidiary's normal business hours, (b) the Administrative Agent shall have provided the Borrower or such Material Subsidiary with at least three (3) Business Days' notice prior to any such

inspection, audit or examination and (c) the Administrative Agent shall not exercise such rights more often than two times during any calendar year at the Borrower's expense.

SECTION 1.67 Payment of Taxes and Other Obligations

. Pay and discharge, and cause each Material Subsidiary to pay and discharge, prior to delinquency (a) any and all material Indebtedness or obligations or (b) assessments and taxes, both real or personal, including without limitation, federal and state income taxes and state and local property taxes and assessments, except (i) in each case, such as the Borrower or any Material Subsidiary may in good faith contest or as to which a bona fide dispute may arise, and for which the Borrower or the applicable Material Subsidiary has made provision, to the Administrative Agent's reasonable satisfaction, for eventual payment thereof in the event the Borrower or any such Subsidiary is obligated to make such payment and (ii) in the case of clause (b), if the aggregate amount of such assessments and taxes to be paid is not material.

SECTION 1.68 Environmental Laws

. In addition to and without limiting the generality of Section 7.4, (a) comply with, and ensure such compliance by all Material Subsidiaries, tenants and subtenants with all applicable Environmental Laws and obtain and comply with and maintain, and ensure that all Material Subsidiaries, tenants and subtenants, if any, obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws and (b) conduct and complete, and cause all Material Subsidiaries to conduct and complete, all investigations, studies, sampling and testing, and all remedial, removal and other actions required under Environmental Laws, and promptly comply, and cause all Material Subsidiaries to promptly comply, with all lawful orders and directives of any Governmental Authority regarding Environmental Laws, except, in each case of clauses (a) and (b), as could not reasonably be expected to have a Material Adverse Effect.

SECTION 1.69 Compliance with ERISA

. In addition to and without limiting the generality of Section 7.4, (a) except where the failure to so comply could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) comply, and cause each Material Subsidiary to comply, with applicable provisions of ERISA, the Code and the regulations and published interpretations thereunder with respect to all Plans, (ii) not take any action or fail to take action, or cause any Material Subsidiary to take any action or fail to take action, the result of which could reasonably be expected to result in a liability to the PBGC or to a Multiemployer Plan, (iii) not participate, or cause any Material Subsidiary to participate, in any prohibited transaction that could result in any civil penalty under ERISA or tax under the Code and (iv) operate, and cause any Material Subsidiary to operate, each Plan in such a manner that will not incur any tax liability under Section 4980B of the Code or any liability to any qualified beneficiary as defined in Section 4980B of the Code, (b) notify the Administrative Agent upon the occurrence of a Termination Event and (c) furnish, and cause each Material Subsidiary to furnish, to the Administrative Agent upon the Administrative Agent's request such additional information about any Plan as may be reasonably requested by the Administrative Agent.

SECTION 1.70 Maintenance of Material Contracts

. Maintain, and cause each Material Subsidiary to maintain, in full force and effect, each Material Contract, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

SECTION 1.71 Additional Material Non-TP Subsidiaries.

(a) Cause each entity that becomes a Material Non-TP Subsidiary after the Closing Date (whether by a Permitted Acquisition, statutory division, a written designation by the Borrower as described in the definition of "Material Subsidiary," the failure to qualify as an Immaterial Subsidiary or otherwise) to (i) execute and deliver to the Administrative Agent, within 30 days of becoming a Material Non-TP Subsidiary (or such later date as may be approved by the Administrative Agent in its sole discretion), (A) an appropriate joinder to each of the Guaranty

Agreement and the Security Agreement and (B) such other agreements, documents and legal opinions as the Administrative Agent may reasonably request, in form and substance reasonably acceptable to the Administrative Agent, (ii) promptly take such actions to create and perfect Liens on such Material Non-TP Subsidiary's assets to secure the Secured Obligations as the Administrative Agent shall request, except as set forth in the Security Agreement and subject in any case to Permitted Encumbrances and (iii) cause such Material Non-TP Subsidiary to deliver simultaneously therewith documentation with respect to such Material Non-TP Subsidiary similar to the documentation required under Section 5.1 with respect to the Borrower as requested by the Administrative Agent (including, if requested, opinions of counsel).

(b) Upon the guarantee by any Subsidiary of the Senior Unsecured Notes, concurrently with the provision of such guarantee, (or such later date as may be approved by the Administrative Agent in its sole discretion), to the extent such Subsidiary is not a Subsidiary Guarantor hereunder, cause such Subsidiary to (i) execute and deliver to the Administrative Agent, (A) an appropriate joinder to each of the Guaranty Agreement and the Security Agreement and (B) such other agreements, documents and legal opinions as the Administrative Agent may reasonably request, in form and substance reasonably acceptable to the Administrative Agent, (ii) promptly take such actions to create and perfect Liens on such Subsidiary's assets to secure the Secured Obligations as the Administrative Agent shall request, except as set forth in the Security Agreement and subject in any case to Permitted Encumbrances and (iii) cause such Subsidiary to deliver simultaneously therewith documentation with respect to such Subsidiary similar to the documentation required under Section 5.1 with respect to the Borrower as requested by the Administrative Agent (including, if requested, opinions of counsel).

SECTION 1.72 Use of Proceeds.

(a) Use the proceeds of the ~~Revolving~~ Extensions of Credit for working capital and general corporate purposes of the Borrower and its Subsidiaries (including, without limitation, Permitted Acquisitions and permitted dividends, distributions, redemptions and repurchases of Equity Interests).

(b) Use the proceeds of any Incremental Term Loan and any Incremental Revolving Credit Loans as permitted pursuant to Section 4.13, as applicable.

(c) Not request any Extension of Credit or Letter of Credit, and not use, and ensure that its Subsidiaries and its or their respective directors, officers, employees and agents do not use, the proceeds of any Extension of Credit or Letter of Credit, directly or indirectly, (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, except to the extent permissible for a Person required to comply with Sanctions, or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

SECTION 1.73 Compliance with Anti-Corruption Laws and Sanctions and Beneficial Ownership

. (a) Maintain in effect and enforce policies and procedures designed to promote and achieve compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with all Anti-Corruption Laws, Anti-Money Laundering Laws and applicable Sanctions, (b) conduct and cause each of its Subsidiaries to conduct, its respective businesses in compliance in all material respects with all Anti-Corruption Laws, with all Anti-Money Laundering Laws and with all applicable Sanctions, and (c) notify the Administrative Agent and the Lenders of any change in its status as exempt from the

reporting requirements of the Beneficial Ownership Regulation and, if applicable, deliver to the Administrative Agent or directly to the applicable Lender any additional information (including a Beneficial Ownership Certification necessary in order to comply with the Beneficial Ownership Regulation).

SECTION 1.74 Collateral; Further Assurances

. As security for the Secured Obligations, from time to time take, and cause each Material Non-TP Subsidiary to take, such actions and execute and deliver, and cause each Material Non-TP Subsidiary to execute and deliver, such documents and instruments as the Administrative Agent shall require (other than Excluded Perfection Actions (as defined in the Security Agreement)) to ensure that the Administrative Agent shall have received currently effective Loan Documents (including Security Documents) pledging and granting security interests or other Liens reasonably acceptable to the Administrative Agent on substantially all of such Person's tangible and intangible personal property and assets now owned or hereafter acquired, including all accounts, chattel paper, commercial tort claims, deposit accounts, licenses, contracts, documents, equipment, intellectual property and other general intangibles, instruments, inventory and other goods, securities accounts and other investment property and cash, and all products, profits and proceeds of the foregoing (each as defined in Article 9 of the UCC, where applicable), and including (i) 100% of the Equity Interests of all present and future direct Subsidiaries (other than Tax Preferred Subsidiaries of the type described in clauses (a) and (c) of the definition of Tax Preferred Subsidiary) of any Credit Party and (ii) 65% of the voting Equity Interests and 100% of the non-voting Equity Interests of all present and future direct Subsidiaries that are Tax Preferred Subsidiaries of the type described in clauses (a) and (c) of the definition of Tax Preferred Subsidiary, but excluding all Excluded Assets, in each case subject to no prior Lien or other encumbrance or restriction on transfer except as expressly permitted hereunder or under such Security Documents. All of the foregoing shall be evidenced by and subject to the terms of such Security Documents, financing statements, and other documents as the Administrative Agent shall reasonably require, all in form and substance reasonably satisfactory to the Administrative Agent.

SECTION 1.75 Post-Closing Obligations

. The Borrower shall deliver (or cause to be delivered), (a) within thirty (30) days after the Closing Date (or such later date as agreed to by the Administrative Agent in its sole discretion), original stock certificates or other certificates evidencing the certificated Equity Interests pledged pursuant to the Security Documents of each of AchieveForum, Inc., a Delaware corporation, Miller Heiman Group, Inc., a Delaware corporation and TwentyEighty Strategy Execution, Inc., a Virginia corporation, and their Subsidiaries, in each case, together with an undated stock power for each such certificate duly executed in blank by the registered owner thereof, all in form and substance reasonably satisfactory to the Administrative Agent; and (b) within thirty (30) days after the Closing Date (or such later date as agreed to by the Administrative Agent in its sole discretion), the Administrative Agent shall have received, in form and substance reasonably satisfactory to the Administrative Agent, insurance endorsements naming the Administrative Agent as additional insured under all liability insurance policies and lenders loss payee under all property insurance policies and providing for at least thirty (30) days prior written cancellation notice to the Administrative Agent (except as a result of non-payment of premium in which case only ten (10) days' prior written notice shall be required).

NEGATIVE COVENANTS

The Borrower further covenants that until all of the Obligations (other than contingent, indemnification obligations not then due) have been paid and satisfied in full in cash, all Letters of Credit have been terminated or expired (or been Cash Collateralized) and the ~~Revolving Credit~~ Commitments terminated, the Borrower will not, and will not permit any of its Material Subsidiaries to:

SECTION 1.76 Indebtedness

. Create, incur, assume or permit to exist any Indebtedness or liabilities resulting from borrowings, loans or advances, whether secured or unsecured, matured or unmatured, liquidated or unliquidated, joint or several, other than:

- (a) Permitted Indebtedness;
- (b) Indebtedness incurred pursuant to Cash Secured Credit Facilities in an aggregate outstanding amount not to exceed \$35,000,000 at any time outstanding;
- (c) Indebtedness of the Borrower arising under the Senior Unsecured Notes in an aggregate principal amount not to exceed \$400,000,000 and any refinancings, refundings, renewals or extensions of such Indebtedness; provided, that: (i) the principal amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing, (ii) the direct or contingent obligor with respect thereto is not changed, as a result of such refinancing, refunding, renewal or extension, (iii) the final maturity date and Weighted Average Life to Maturity of such refinancing, refunding, renewal or extension shall not be prior to or shorter than that applicable to such Indebtedness prior to such refinancing, refunding, renewal or extension, and (iv) any such refinancing, renewal or extension shall be on terms that are no more restrictive to the Borrower and its Subsidiaries than those contained in the Senior Unsecured Notes Documents as of the Closing Date; provided, further, that, any Indebtedness incurred under this Section 8.1(c) (A) does not mature, require any scheduled payment of principal, require any mandatory payment, redemption or repurchase prior to the date that is ninety-one (91) days after the latest of (1) the applicable maturity date of any Incremental Term Loan that is outstanding at the time of the incurrence, refinancing, renewal or extension of such Indebtedness and (2) the Maturity Date (other than a customary mandatory prepayment or mandatory offer to repurchase in connection with a change of control or asset sale that permits a required prepayment of the Loans (or any of them) or required reduction of the ~~Aggregate Revolving Credit Commitment~~Commitments); provided, that, any Indebtedness that automatically converts to, or is exchangeable into, notes or other Indebtedness that satisfies the requirements of this clause (A) shall be deemed to satisfy the requirements of this clause (A) so long as the Borrower or applicable Credit Party irrevocably agrees at the time of the issuance thereof to take all actions necessary to convert or exchange such Indebtedness; and (B) does not include any financial performance “maintenance” covenants (whether stated as a covenant, default or otherwise, although “incurrence-based” financial tests may be included) or cross-defaults (but may include cross-payment defaults and cross-defaults at the final stated maturity thereof and cross-acceleration); and
- (d) any other Indebtedness of the Borrower and its Subsidiaries existing on the ~~Closing~~First Amendment Effective Date and listed on Schedule 8.1 and any refinancings, refundings, renewals or extensions thereof; provided, that: (i) the principal amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder, (ii) the direct or contingent obligor with respect thereto is not changed, as a result of such refinancing, refunding, renewal or extension, (iii) the final maturity date and Weighted Average Life to Maturity of such refinancing, refunding, renewal or extension shall not be prior to or shorter than that applicable to such Indebtedness prior to such refinancing, refunding, renewal or extension and (iv) any refinancing, refunding, renewal or extension of any Subordinated Indebtedness shall be (A) on subordination terms at least as favorable to the Lenders, (B) no more restrictive on the Borrower and its Subsidiaries than the

Subordinated Indebtedness being refinanced, refunded, renewed or extended and (C) in an amount not less than the amount outstanding at the time of such refinancing, refunding, renewal or extension.

SECTION 1.77 Liens

. Mortgage, pledge, grant or permit to exist a security interest in, or Lien upon, all or any portion of its assets now owned or hereafter acquired, other than Permitted Encumbrances.

SECTION 1.78 Investments

. Make any Investment in any Person other than Permitted Investments.

SECTION 1.79 Merger, Consolidation, Change of Business; Dispositions.

(a) Merge into or consolidate with any other entity, other than (i) mergers or consolidations of Subsidiaries into and with (x) the Borrower (with the Borrower as the surviving entity) or (y) another Subsidiary, including in either case in connection with Permitted Acquisitions and (ii) Permitted Acquisitions (provided, that, if any such Permitted Acquisition involves a merger with the Borrower, the Borrower shall be the surviving entity); provided, that, in each case any Subsidiary that is merging or consolidating is a Credit Party, the surviving entity shall be a Credit Party;

(b) Make any substantial change in the nature of the Borrower's or the Material Subsidiaries' businesses as conducted as of the ~~Closing~~First Amendment Effective Date not reasonably related to such businesses as of the ~~Closing~~First Amendment Effective Date;

(c) Consummate any Acquisition, other than a Permitted Acquisition; or

(d) Sell, lease, transfer, divide or otherwise dispose (each, a "Disposition") of the Borrower's or any Material Subsidiary's assets, except:

(i) (x) Dispositions of obsolete, worn-out or surplus property in the ordinary course of business, (y) Dispositions constituting Restricted Payments permitted by Section 8.5 or (z) Dispositions constituting Investments permitted by Section 8.3.

(ii) non-exclusive licenses for the use of the intellectual property of such licensor and exclusive licenses of intellectual property rights so long as substantially all of the economic value of the intellectual property rights is retained by the licensor;

(iii) Dispositions by (A) a Material Subsidiary (other than a Credit Party) to any other Subsidiary; provided, that, in the case of a Disposition made to a Credit Party the consideration paid with respect to such Disposition shall not exceed the fair market value of the assets received (as determined by the board of directors of the Borrower) and (B) the Borrower or any other Credit Party to the Borrower or any other Credit Party;

(iv) Dispositions of Equity Interests in any Subsidiary in order to qualify members of the board of directors (or the equivalent governing body) of such Subsidiary if required by Applicable Law;

(v) involuntary Dispositions as a result of any loss of, damage to, or destruction of, or any condemnation or other taking for public use of, any property of such Person;

(vi) Dispositions of assets for at least fair market value (as determined by the board of directors of the Borrower or a duly constituted committee thereof having authority to act for the board of directors under the Borrower's organizational documents and Applicable Law) so long as (i) the consideration received for any such Disposition shall be no less than seventy-five percent (75%) in cash and (ii) the net book value of all assets sold or otherwise disposed of after the ~~Closing~~First Amendment Effective Date and during the term of this Agreement does not exceed \$75,000,000 in the aggregate;

(vii) that any Subsidiary may be wound up or dissolved, or all or any part of its business, property or assets may be conveyed, sold, leased, transferred or otherwise disposed of, in one transaction or a series of transactions, to the Borrower or a Credit Party, or, if such Subsidiary is not a Credit Party, to any other Subsidiary;

(viii) the Disposition of inventory in the ordinary course of business;

(ix) the write-off, discount, sale or other Disposition of defaulted or past-due receivables and similar obligations in the ordinary course of business and not undertaken as part of an accounts receivable financing transaction;

(x) the Disposition of any Hedge Agreement;

(xi) Dispositions of Investments in cash and Cash Equivalents;

(xii) to the extent constituting Dispositions, Permitted Encumbrances;

(xiii) Permitted Restructurings; and

(xiv) Dispositions of Subject Receivables prior to their stated due dates in connection with customary supply chain financing or other similar arrangements that provide for payment to the Borrower or one of its Material Subsidiaries prior to the date that such Subject Receivables would otherwise be due; provided, that, the aggregate book value of the Subject Receivables sold pursuant to this clause (xiv) in any Fiscal Year shall not exceed ten percent (10.0%) of the book value of all accounts receivable of the Borrower and its Subsidiaries as of the immediately prior Fiscal Year end.

SECTION 1.80 Restricted Payments

. Declare or pay any dividend or distribution either in cash, stock or any other property on any Equity Interest of the Borrower or any Subsidiary now or hereafter outstanding, nor redeem, retire, repurchase or otherwise acquire any part of any class of the Borrower's or any Subsidiary's Equity Interests now or hereafter outstanding (all of the foregoing, "Restricted Payments"), other than, without duplication:

(a) dividends and distributions paid by Subsidiaries to the Borrower or another Subsidiary, including dividends payable in Qualified Equity Interests or rights to purchase Qualified Equity Interests of such Subsidiaries, provided, that, no such dividend or distribution shall be paid by any Credit Party to any Subsidiary that is not a Credit Party;

(b) so long as no Default or Event of Default has occurred and is continuing or would result therefrom, (i) dividends payable solely in Qualified Equity Interests or rights to purchase Qualified Equity Interests, in each case, of the Borrower, (ii) cashless repurchases of Qualified Equity Interests of the Borrower deemed to occur upon exercise of stock options if any such Qualified Equity Interest represents a portion of the exercise price of such options and (iii) cash

payments in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Qualified Equity Interests of the Borrower;

(c) other Restricted Payments; provided, that, after giving effect to any such Restricted Payment and any Indebtedness incurred in connection therewith on a Pro Forma Basis (i) no Default or Event of Default then exists or would result therefrom; and (ii) (A) the Consolidated Net Leverage Ratio shall be no greater than 4.005.00 to 1.00 and (~~iii) Liquidity shall not be less than \$50,000,000; and~~ (B) the Borrower shall be in compliance with the financial covenant set forth in Section 8.11 (in the case of each of clauses (A) and (B), determined based on the financial information received for the fiscal quarter most recently ended prior to the date of incurrence of such Indebtedness for which financial statements have been delivered to the Administrative Agent pursuant to Section 5.1, Section 7.1(a) or Section 7.1(b), as applicable); and

(d) Permitted Restructurings.

SECTION 1.81 Transactions with Affiliates

. Directly or indirectly enter into any transaction, including, without limitation, any purchase, sale, lease or exchange of Property, the rendering of any service or the payment of any management, advisory or similar fees, with (a) any officer, director, holder of any Equity Interests in, or other Affiliate of, the Borrower or any of its Subsidiaries or (b) any Affiliate of any such officer, director or holder, other than:

- (i) transactions permitted by Sections 8.1, 8.3, 8.4 and 8.5;
- (ii) transactions existing on the ~~Closing~~First Amendment Effective Date and described on Schedule 8.6;
- (iii) transactions solely among Credit Parties not prohibited hereunder;
- (iv) other transactions in the ordinary course of business on terms as favorable as could reasonably be obtained by it on a comparable arm's-length transaction with an independent, unrelated third party as determined in good faith by the board of directors (or equivalent governing body) of the Borrower or a duly constituted committee thereof having authority to act for the board of directors (or such equivalent governing body) under the Borrower's organizational documents and Applicable Law;
- (v) employment and severance arrangements (including equity incentive plans and employee benefit plans and arrangements) with their respective directors, officers and employees in the ordinary course of business;
- (vi) payment of customary fees and reasonable out of pocket costs to, and indemnities for the benefit of, directors, officers and employees of the Borrower and its Material Subsidiaries in the ordinary course of business to the extent attributable to the ownership or operation of the Borrower and its Subsidiaries; and
- (vii) Permitted Restructurings.

SECTION 1.82 Accounting Changes; Organizational Documents.

(a) Change its Fiscal Year end, or make (without the consent of the Administrative Agent) any material change in its accounting treatment and reporting practices except as required by GAAP.

(b) Amend, modify or change its articles of incorporation (or corporate charter or other similar organizational documents) or amend, modify or change its bylaws (or other similar documents) in any manner materially adverse to the rights or interests of the Lenders.

SECTION 1.83 Payments and Modifications of Subordinated Indebtedness.

(a) Amend, modify, waive or supplement (or permit the modification, amendment, waiver or supplement of) any of the terms or provisions of any Subordinated Indebtedness in any respect which would materially and adversely affect the rights or interests of the Administrative Agent and the Lenders hereunder or would violate the subordination terms thereof.

(b) Cancel, forgive, make any payment or prepayment on, or redeem or acquire for value (including, without limitation, (x) by way of depositing with any trustee with respect thereto money or securities before due for the purpose of paying when due and (y) at the maturity thereof) any Subordinated Indebtedness, except:

(i) refinancings, refundings, renewals, extensions or exchange of any Subordinated Indebtedness permitted hereunder and by any subordination provisions applicable thereto;

(ii) payments and prepayments of any Subordinated Indebtedness made solely with the proceeds of Qualified Equity Interests; and

(iii) the payment of principal interest, expenses and indemnities in respect of Subordinated Indebtedness to the extent such payments are not prohibited by any subordination provisions applicable thereto.

SECTION 1.84 No Further Negative Pledges.

(a) Enter into, assume or be subject to any agreement prohibiting or otherwise restricting the creation or assumption of any Lien upon its properties or assets, whether now owned or hereafter acquired, or requiring the grant of any security for such obligation if security is given for some other obligation, except (i) pursuant to this Agreement and the other Loan Documents, (ii) pursuant to any document or instrument governing Indebtedness incurred pursuant to clause (b) or (c) of the definition of Permitted Indebtedness (provided, that any such restriction contained therein relates only to the asset or assets financed thereby), (iii) customary restrictions contained in the organizational documents of any Non-Guarantor Subsidiary as of the Closing Date, (iv) customary restrictions in connection with any Permitted Encumbrance or any document or instrument governing any Permitted Encumbrance (provided, that any such restriction contained therein relates only to the asset or assets subject to such Permitted Encumbrance and with respect to any Permitted Encumbrance of the type specified in clause (a) or (s) of the definition thereof, such Permitted Encumbrance (or the documentation or instrument governing such Permitted Encumbrance) does not restrict the Liens created by the Security Documents), (v) obligations that are binding on a Material Subsidiary acquired after the Closing Date that are in effect at the time such Material Subsidiary first becomes a Subsidiary of the Borrower, so long as such obligations are not entered into in contemplation of such Person becoming a Subsidiary and are limited only to the property and assets of such Material Subsidiary and (vi) the Senior Unsecured Note Documents

(and any documentation governing any refinancings, refundings, renewals or extensions of the Indebtedness arising under the Senior Unsecured Notes that is permitted pursuant to Section 8.1(c)), if the Borrower, in its reasonable and good faith judgment determines that (x) such prohibitions and restrictions will not affect the ability of the Borrower to make principal, interest or fee payments on the Obligations or any other Indebtedness of the Borrower, (y) such prohibitions and restrictions are not less favorable in any material respect to the Lenders than is customary in comparable financings or agreements, and (z) such prohibitions and restrictions do not restrict the Liens created by the Security Documents.

(b) Create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on its ability to (i) pay dividends or make any other distributions to any Credit Party or any Subsidiary on its Equity Interests or with respect to any other interest or participation in, or measured by, its profits, (ii) pay any Indebtedness or other obligation owed to any Credit Party or (iii) make loans or advances to any Credit Party, except in each case for such encumbrances or restrictions existing under or by reason of (A) this Agreement and the other Loan Documents, (B) Applicable Law, (C) obligations that are binding on a Material Subsidiary acquired after the Closing Date that are in effect at the time such Material Subsidiary first becomes a Subsidiary of the Borrower, so long as such obligations are not entered into in contemplation of such Person becoming a Subsidiary and are limited only to the property and assets of such Material Subsidiary, (D) customary restrictions contained in an agreement related to the sale of Property (to the extent such sale is permitted pursuant to Section 8.4(d)) that limit the transfer of such Property pending the consummation of such sale and (E) the Senior Unsecured Note Documents (and any documentation governing any refinancings, refundings, renewals or extensions of the Indebtedness arising under the Senior Unsecured Notes that is permitted pursuant to Section 8.1(c)), if the Borrower, in its reasonable and good faith judgment determines that (x) such encumbrances or restrictions will not affect the ability of the Borrower to make principal, interest or fee payments on the Obligations or any other Indebtedness of the Borrower and (y) such encumbrances or restrictions are not less favorable in any material respect to the Lenders than is customary in comparable financings or agreements.

(c) Create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on its ability to (i) sell, lease or transfer any of its properties or assets to any Credit Party or (ii) act as a Credit Party pursuant to the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof, except in each case for such encumbrances or restrictions existing under or by reason of (A) this Agreement and the other Loan Documents, (B) Applicable Law, (C) any document or instrument governing Indebtedness incurred pursuant to clause (b) or (c) of the definition of Permitted Indebtedness (provided, that, any such restriction contained therein relates only to the asset or assets acquired in connection therewith), (D) any Permitted Encumbrance or any document or instrument governing any Permitted Encumbrance (provided, that, any such restriction contained therein relates only to the asset or assets subject to such Permitted Encumbrance and with respect to any Permitted Encumbrance of the type specified in clause (a) or (s) of the definition thereof, such Permitted Encumbrance (or the documentation or instrument governing such Permitted Encumbrance) does not restrict the Liens created by the Security Documents), (E) obligations that are binding on a Material Subsidiary acquired after the Closing Date that are in effect at the time such Material Subsidiary first becomes a Subsidiary of the Borrower, so long as such obligations are not entered into in contemplation of such Person becoming a Subsidiary and are limited only to the property and assets of such Material Subsidiary, (F) customary restrictions contained in an agreement related to the sale of Property (to the extent such sale is permitted pursuant to Section 8.4(d)) that limit the transfer of such Property pending the consummation of such sale, (G) customary restrictions in leases, subleases, licenses and sublicenses or asset sale agreements otherwise permitted by this Agreement so long as such

restrictions relate only to the assets subject thereto and (H) solely with respect to clause (c)(i) above, the Senior Unsecured Note Documents (and any documentation governing any refinancings, refundings, renewals or extensions of the Indebtedness arising under the Senior Unsecured Notes that is permitted pursuant to Section 8.1(c)), if the Borrower, in its reasonable and good faith judgment determines that (x) such encumbrances or restrictions will not affect the ability of the Borrower to make principal, interest or fee payments on the Obligations or any other Indebtedness of the Borrower and (y) such encumbrances or restrictions are not less favorable in any material respect to the Lenders than is customary in comparable financings or agreements and (I) customary provisions restricting assignment of any agreement entered into in the ordinary course of business.

SECTION 1.85 Sale Leasebacks

. Directly or indirectly become or remain liable as lessee or as guarantor or other surety with respect to any lease, whether an Operating Lease or a Capital Lease Obligation, of any Property (whether real, personal or mixed), whether now owned or hereafter acquired, (a) which any Credit Party or any Material Subsidiary has sold or transferred or is to sell or transfer to a Person which is not another Credit Party or Material Subsidiary or (b) which any Credit Party or any Material Subsidiary intends to use for substantially the same purpose as any other Property that has been sold or is to be sold or transferred by such Credit Party or such Material Subsidiary to another Person which is not another Credit Party or Material Subsidiary in connection with such lease.

SECTION 1.86 Financial ~~Covenants~~Covenant.

~~(a) Consolidated Net Leverage Ratio. Permit the Consolidated Net Leverage Ratio as of the end of any fiscal quarter to be greater than 4.00 to 1.00 (the “Maximum Permitted Net Leverage Ratio”); subject to Section 8.11(c).~~

(a) ~~(b)~~ Consolidated Secured Net Leverage Ratio. Permit the Consolidated Secured Net Leverage Ratio as of the end of any fiscal quarter to be greater than ~~3.25~~3.50 to 1.00 (the “Maximum Permitted Secured Net Leverage Ratio”), subject to Section 8.11(e).

(b) ~~(c)~~ Leverage Ratio Increase. Upon the consummation of any Material Acquisition and upon written request of the Borrower, ~~(i) the Maximum Permitted Net Leverage Ratio shall be increased to 4.25 to 1.00 and (ii) the Maximum Permitted Secured Net Leverage Ratio shall be increased to 3.50~~4.00 to 1.00, which such increases shall be applicable (A) with respect to a Permitted Acquisition that is not a Limited Conditionality Acquisition, for the fiscal quarter in which such Permitted Acquisition is consummated and the three (3) consecutive quarterly test periods thereafter or (B) with respect to a Permitted Acquisition that is a Limited Conditionality Acquisition, for purposes of determining compliance on a Pro Forma Basis with Sections 8.11(a) and 8.11(b) on the LCA Test Date, for the fiscal quarter in which such Permitted Acquisition is consummated and for the three (3) consecutive quarterly test periods after which such Permitted Acquisition is consummated (the increases described in clauses (i) and (ii) above, together, a “Leverage Ratio Increase”); provided, that: (1) there shall be no more than four Leverage Ratio Increases during the term of this Agreement and (2) there shall be at least two full fiscal quarters following the cessation of each such Leverage Ratio Increase during which no Leverage Ratio Increase shall then be in effect.

~~(d) Consolidated Interest Coverage Ratio. Permit the Consolidated Interest Coverage Ratio as of the end of any fiscal quarter to be less than 3.00 to 1.00.~~

SECTION 1.87 Tax Preferred Subsidiary

. Except in connection with a Permitted Restructuring, (a) cause an existing Subsidiary that is or was not a Tax Preferred Subsidiary to become a Tax Preferred Subsidiary, (b) engage in a transaction or series of transactions involving the transfer of one

or more Tax Preferred Subsidiaries (or material assets of any such Tax Preferred Subsidiary), owned by the Borrower or by a Subsidiary Guarantor, that is not considered an entity described in clause (c) of the definition of Tax Preferred Subsidiary to a Domestic Subsidiary that qualifies as such, or (c) enter into one or more transactions having a substantially similar effect to the transactions described in this Section 8.12. Notwithstanding the foregoing, the foregoing covenant shall not apply to the Tax Preferred Subsidiaries listed on Schedule 8.12 attached hereto.

SECTION 1.88 Prepayments and Modifications of the Senior Unsecured Notes.

- (a) Amend, modify, waive or supplement (or permit the modification, amendment, waiver or supplement of) any of the terms or provisions of any of the Senior Unsecured Note Documents in any respect which would materially and adversely affect the rights or interests of the Administrative Agent and the Lenders hereunder.
- (b) Cancel, forgive, make any prepayment on, or redeem or acquire for value (including, without limitation, (x) by way of depositing with any trustee with respect thereto money or securities before due for the purpose of paying when due and (y) at the maturity thereof) any Indebtedness arising in connection with the Senior Unsecured Notes, except:
 - (i) refinancings, refundings, renewals or extensions permitted pursuant to Section 8.1(c); and
 - (ii) prepayments made solely with the proceeds of Qualified Equity Interests.

DEFAULT AND REMEDIES

SECTION 1.89 Events of Default

. Each of the following shall constitute an Event of Default:

- (a) Default in Payment of Loans and Reimbursement Obligations. The Borrower shall fail to pay (i) any principal of any Loan or Reimbursement Obligation when due (whether at maturity, by reason of acceleration or otherwise), or (ii) any interest, fees or other amounts payable under any of the Loan Documents within three (3) Business Days of when due.
- (b) Misrepresentation. Any financial statement or certificate furnished to the Administrative Agent in connection with, or any representation or warranty made by the Borrower or any Subsidiary under this Agreement or any other Loan Document, shall prove to be incorrect, false or misleading in any material respect when furnished or made.
- (c) Default in Performance of Certain Covenants. Any Credit Party or any Subsidiary shall default in the performance or observance of any covenant or agreement contained in Sections 7.1, 7.2(a), 7.3(b), 7.4, 7.13, 7.14 or 7.15 or Article VIII.
- (d) Default in Performance of Other Covenants and Conditions. Any default in the performance of or compliance with:
 - (i) any obligation, agreement or other provision contained in Section 7.12 and such default shall continue for a period of ten (10) days from the earlier of (A) the date the Borrower first knew of such default or (B) written notice thereof from the Administrative Agent; or

(ii) any obligation, agreement or other provision contained herein or in any other Loan Document (other than those referred to in subsections (a), (b), (c) and (d)(i) above), and such default shall continue for a period of thirty (30) days from the earlier of (A) the date the Borrower first knew of such default or (B) written notice thereof from the Administrative Agent.

(e) Indebtedness Cross-Default. Any default in the payment or performance of any obligation (in each case, after giving effect to any applicable notice and/or cure periods), or any defined event of default (in each case, after giving effect to any applicable notice and/or cure periods), under the terms of any contract, instrument or document (other than any of the Loan Documents) pursuant to which the Borrower or any other Credit Party has incurred any debt or other liability to any Person relating to Indebtedness (other than Indebtedness hereunder) the principal amount outstanding (including undrawn committed or available amounts), or with respect to any Hedge Agreement, the Hedge Termination Value, of which is at least \$50,000,000.

(f) Change in Control. The occurrence of a Change in Control.

(g) Insolvency; Bankruptcy Proceedings. The Borrower or any Material Subsidiary shall become insolvent; the Borrower or any Subsidiary shall suffer or consent to or apply for the appointment of a receiver, trustee, custodian or liquidator of itself or any of its property, or shall generally fail to pay its debts as they become due or admits in writing its inability to pay its debts as they become due, or shall make a general assignment for the benefit of creditors; the Borrower or any Subsidiary shall file a voluntary petition in bankruptcy, or seeking reorganization, in order to effect a plan or other arrangement with creditors or any other relief under any Debtor Relief Laws, or under any state or federal law granting relief to debtors, whether now or hereafter in effect; or consent to, or fail to contest in a timely and appropriate manner any involuntary petition filed against it in bankruptcy or under any Debtor Relief Laws; or any involuntary petition or proceeding pursuant to any Debtor Relief Laws is filed or commenced against the Borrower or any Subsidiary, and such filing has not been stayed or dismissed within sixty (60) days after the filing thereof, or the Borrower or any Subsidiary shall file an answer admitting the jurisdiction of the court and the material allegations of any involuntary petition; or the Borrower or any Subsidiary shall be adjudicated a bankrupt, or an order for relief shall be entered against the Borrower or any Subsidiary by any court of competent jurisdiction under any Debtor Relief Laws.

(h) Failure of Agreements. Any provision of this Agreement or any provision of any other Loan Document shall for any reason cease to be valid and binding on any Credit Party or any Subsidiary party thereto or any such Person shall so state in writing, or any Loan Document shall for any reason cease to create a valid and perfected first priority Lien (subject to Permitted Encumbrances) on, or security interest in, any of the Collateral purported to be covered thereby having, in the aggregate, a value in excess of \$2,000,000, in each case other than in accordance with the express terms hereof or thereof.

(i) ERISA Events. The occurrence of any of the following events: (i) any Credit Party or any ERISA Affiliate fails to make full payment when due of all amounts which, under the provisions of any Pension Plan or Sections 412 or 430 of the Code, any Credit Party or any ERISA Affiliate is required to pay as contributions thereto and such unpaid amounts are in excess of \$50,000,000, (ii) a Termination Event or (iii) any Credit Party or any ERISA Affiliate as employers under one or more Multiemployer Plans makes a complete or partial withdrawal from any such Multiemployer Plan and the plan sponsor of such Multiemployer Plans notifies such withdrawing employer that such employer has incurred a withdrawal liability requiring payments in an amount exceeding \$50,000,000.

(j) Judgment. The filing of a notice of judgment Lien against the Borrower or any Subsidiary, and such judgment Lien has not been released, as of record, within thirty (30) days after the filing thereof; or the recording of any abstract of judgment against the Borrower or any Subsidiary in any jurisdiction in which the Borrower or such Subsidiary has an interest in real property and such abstract of judgment has not been released, as of record, within thirty (30) days after the recording thereof; or the service of a notice of levy and/or of a writ of attachment or execution, or other like process, against the assets of the Borrower or any Subsidiary which has not been released by the date that is thirty (30) days prior to the date such levy or attachment is to be made or enforced; or the entry of a judgment against the Borrower or any Subsidiary for the payment of money in excess of \$50,000,000 (inclusive of amounts covered by insurance with respect to which the insurer has not disputed coverage therefor) which has not been released, discharged, bonded against, or stayed pending appeal within thirty (30) days after entry thereof; or the entry of a judgment against the Borrower or any Subsidiary which materially restricts the business operations of the Borrower or such Subsidiary, was not stayed pending an appeal immediately upon the entry thereof and which has not been reversed within thirty (30) days after the date of entry thereof.

(k) Subordination Terms. (i) Any of the Secured Obligations for any reason shall cease to be “senior debt,” “senior indebtedness,” “designated senior debt” or “senior secured financing” (or any comparable term) under, and as defined in, the documentation governing any Subordinated Indebtedness that is subordinated (in terms of payment or lien priority) to the Secured Obligations, (ii) the subordination provisions set forth in the documentation for any Subordinated Indebtedness that is subordinated (in terms of payment or lien priority) to the Secured Obligations shall, in whole or in part, cease to be effective or cease to be legally valid, binding and enforceable against the holders of any Subordinated Indebtedness, if applicable, or (iii) any Credit Party or any Subsidiary, shall assert any of the foregoing in writing.

SECTION 1.90 Remedies

. Upon the occurrence and during the continuance of an Event of Default, with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower:

(a) Acceleration; Termination of Credit Facility. Terminate the ~~Aggregate Revolving Credit Commitment~~Commitments and declare the principal of and interest on the Loans and the Reimbursement Obligations at the time outstanding, and all other amounts owed to the Lenders and to the Administrative Agent under this Agreement or any of the other Loan Documents and all other Obligations, to be forthwith due and payable, whereupon the same shall immediately become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived by each Credit Party, anything in this Agreement or the other Loan Documents to the contrary notwithstanding, and terminate the Credit Facility and any right of the Borrower to request borrowings or Letters of Credit thereunder; provided, that, upon the occurrence of an Event of Default specified in Section 9.1(g), the Credit Facility shall be automatically terminated and all Obligations shall automatically become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived by each Credit Party, anything in this Agreement or in any other Loan Document to the contrary notwithstanding.

(b) Letters of Credit. With respect to all Letters of Credit with respect to which presentment for honor shall not have occurred at the time of an acceleration pursuant to the preceding paragraph, demand that the Borrower deposit in a Cash Collateral account opened by the Administrative Agent an amount equal to 105% of the aggregate then undrawn and unexpired amount of such Letters of Credit. Amounts held in such Cash Collateral account shall be applied by the Administrative Agent to the payment of drafts drawn under such Letters of Credit, and the

unused portion thereof after all such Letters of Credit shall have expired or been fully drawn upon, if any, shall be applied to repay the other Secured Obligations in accordance with Section 9.3. After all such Letters of Credit shall have expired or been fully drawn upon, the Reimbursement Obligation shall have been satisfied and all other Secured Obligations shall have been paid in full, the balance, if any, in such Cash Collateral account shall be returned to the Borrower.

(c) General Remedies. Exercise on behalf of the Secured Parties all of its other rights and remedies under this Agreement, the other Loan Documents and Applicable Law, in order to satisfy all of the Secured Obligations.

SECTION 1.91 Rights and Remedies Cumulative; Non-Waiver; etc.

(a) The enumeration of the rights and remedies of the Administrative Agent and the Lenders set forth in this Agreement is not intended to be exhaustive and the exercise by the Administrative Agent and the Lenders of any right or remedy shall not preclude the exercise of any other rights or remedies, all of which shall be cumulative, and shall be in addition to any other right or remedy given hereunder or under the other Loan Documents or that may now or hereafter exist at law or in equity or by suit or otherwise. No delay or failure to take action on the part of the Administrative Agent or any Lender in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege or shall be construed to be a waiver of any Event of Default. No course of dealing between the Borrower, the Administrative Agent and the Lenders or their respective agents or employees shall be effective to change, modify or discharge any provision of this Agreement or any of the other Loan Documents or to constitute a waiver of any Event of Default.

(b) Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Credit 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 9.2 for the benefit of all the Lenders and the Issuing Lenders; provided, 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 Loan Documents, (b) any Issuing Lender or the Swingline Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as an Issuing Lender or Swingline Lender, as the case may be) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff rights in accordance with Section 11.4 (subject to the terms of Section 4.6), 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 Credit Party under any Debtor Relief Law; provided, further, that, if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 9.2 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 4.6, 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.

SECTION 1.92 Crediting of Payments and Proceeds

. In the event that the Obligations have been accelerated pursuant to Section 9.2 or the Administrative Agent or any Lender has exercised any remedy set forth in this Agreement or any other Loan Document, all payments received on account of the

Secured Obligations and all net proceeds from the enforcement of the Secured Obligations, subject to the provisions of Section 4.14 and 4.15, shall be applied by the Administrative Agent as follows:

First, to payment of that portion of the Secured Obligations constituting fees, indemnities, expenses and other amounts, including attorney fees, payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Secured Obligations constituting fees (other than Ticking Fees payable to the Term Lenders and Commitment Fees and Letter of Credit fees payable to the Revolving Credit Lenders), indemnities and other amounts (other than principal and interest) payable to the Lenders, the Issuing Lenders and the Swingline Lender under the Loan Documents, including attorney fees, ratably among the Lenders, the Issuing Lenders and the Swingline Lender in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Secured Obligations constituting accrued and unpaid Ticking Fees payable to the Term Lenders and Commitment Fees, Letter of Credit fees payable to the Revolving Credit Lenders and interest on the Loans and Reimbursement Obligations, ratably among the Lenders, the Issuing Lenders and the Swingline Lender in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Secured Obligations constituting unpaid principal of the Loans and Reimbursement Obligations and obligations then owing under Secured Hedge Agreements, Secured Cash Management Agreements and Secured Permitted Letter of Credit Issuer Documents, ratably among the Lenders, the Issuing Lenders, the Hedge Banks, the Permitted Letter of Credit Issuers and the Cash Management Banks in proportion to the respective amounts described in this clause Fourth payable to them;

Fifth, to the Administrative Agent for the account of the Issuing Lenders, to Cash Collateralize any L/C Obligations then outstanding; and

Last, the balance, if any, after all of the Secured Obligations have been paid in full, to the Borrower or as otherwise required by Applicable Law.

Notwithstanding the foregoing, Secured Obligations arising under Secured Cash Management Agreements, Secured Permitted Letter of Credit Issuer Documents and Secured Hedge Agreements shall be excluded from the application described above if the Administrative Agent has not received written notice thereof, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank, Permitted Letter of Credit Issuer or Hedge Bank, as the case may be following such acceleration or exercise of remedies and at least three (3) Business Days prior to the application of the proceeds thereof. Each Cash Management Bank, Permitted Letter of Credit Issuer or Hedge 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.

SECTION 1.93 Administrative Agent May File Proofs of Claim

. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Credit 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 the Borrower) shall be entitled and empowered (but not obligated) 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 Secured Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the Issuing Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the Issuing Lenders and the Administrative Agent under Sections 3.3, 4.3 and 11.3) 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 each Issuing Lender 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 Issuing Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 3.3, 4.3 and 11.3.

SECTION 1.94 Credit Bidding.

(a) The Administrative Agent, on behalf of itself and the Secured Parties, shall have the right, exercisable at the discretion of the Required Lenders, to credit bid and purchase for the benefit of the Administrative Agent and the Secured Parties all or any portion of Collateral at any sale thereof conducted by the Administrative Agent under the provisions of the UCC, including pursuant to Sections 9-610 or 9-620 of the UCC, at any sale thereof conducted under the provisions of the United States Bankruptcy Code, including Section 363 thereof, or a sale under a plan of reorganization, or at any other sale or foreclosure conducted by the Administrative Agent (whether by judicial action or otherwise) in accordance with Applicable Law. Such credit bid or purchase may be completed through one or more acquisition vehicles formed by the Administrative Agent to make such credit bid or purchase and, in connection therewith, the Administrative Agent is authorized, on behalf of itself and the other Secured Parties, to adopt documents providing for the governance of the acquisition vehicle or vehicles, and assign the applicable Secured Obligations to any such acquisition vehicle in exchange for Equity Interests and/or debt issued by the applicable acquisition vehicle (which shall be deemed to be held for the ratable account of the applicable Secured Parties on the basis of the Secured Obligations so assigned by each Secured Party); provided, that, any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or Equity Interests thereof, shall be governed, directly or indirectly, by the vote of the Required Lenders, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in Section 11.2.

(b) Each Lender hereby agrees, on behalf of itself and each of its Affiliates that is a Secured Party, that, except as otherwise provided in any Loan Document or with the written consent of the Administrative Agent and the Required Lenders, it will not take any enforcement action, accelerate obligations under any of the Loan Documents, or exercise any right that it might otherwise have under Applicable Law to credit bid at foreclosure sales, UCC sales or other similar dispositions of Collateral.

THE ADMINISTRATIVE AGENT

SECTION 1.95 Appointment and Authority.

(a) Each of the Lenders and each Issuing Lender hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan 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 reasonably incidental thereto. Except as provided in Sections 10.6 and 10.9 the provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the Issuing Lenders, and neither the Borrower nor any Subsidiary thereof 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 Loan 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.

(b) The Administrative Agent shall also act as the “collateral agent” under the Loan Documents, and each of the Lenders (including in its capacity as a potential Hedge Bank, Permitted Letter of Credit Issuer or Cash Management Bank) and the Issuing Lenders hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and such Issuing Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Credit Parties to secure any of the Secured Obligations, together with such powers and discretion as are reasonably incidental thereto (including, without limitation, to enter into additional Loan Documents or supplements to existing Loan Documents on behalf of the Secured Parties). In this connection, the Administrative Agent, as “collateral agent” and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to this Article X for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Security Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent, shall be entitled to the benefits of all provisions of Articles X and XI (including Section 11.3, as though such co-agents, sub-agents and attorneys-in-fact were the “collateral agent” under the Loan Documents) as if set forth in full herein with respect thereto.

SECTION 1.96 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 the Borrower 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.

SECTION 1.97 Exculpatory Provisions.

(a) ~~Neither~~None of the Administrative Agent ~~-nor, any Sustainability Coordinator or~~ any Arranger, as applicable, shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature.

Without limiting the generality of the foregoing, ~~neither~~none of the Administrative Agent ~~nor~~, any Sustainability Coordinator or any Arranger, as applicable, and its Related Parties:

(i) shall be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing;

(ii) shall 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 Loan 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 Loan 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 Loan 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 effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(iii) shall have any duty or responsibility to disclose, or shall be liable for the failure to disclose, to any Lender or any Issuing Lender any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any of the Credit Parties or any of their Affiliates that is communicated to, or in the possession of, the Administrative Agent, any Sustainability Coordinator, any Arranger or any of their Related Parties in any capacity, except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent herein.

(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 Section 11.2 and Section 9.2) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until notice describing such Default or Event of Default is given to the Administrative Agent by the Borrower, a Lender or an Issuing Lender.

(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 Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith (including, without limitation, any report provided to it by an Issuing Lender pursuant to Section 3.9), (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 or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, (v) the satisfaction of any condition set forth in Article V or elsewhere herein, or in Section 2 of the First Amendment, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent or (vi) the utilization of any Issuing Lender's L/C Commitment (it being understood and agreed that each Issuing Lender shall monitor compliance with its own L/C Commitment without any further action by the Administrative Agent).

SECTION 1.98 Reliance by the 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 an Issuing Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender or such Issuing Lender unless the Administrative Agent shall have received notice to the contrary from such Lender or such Issuing Lender 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 Borrower), 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.

SECTION 1.99 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 Loan 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 Facility 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 nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

SECTION 1.100 Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders, the Issuing Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, 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 so appointed by the Required Lenders and shall have accepted such appointment within 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 Issuing Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above; provided, that, in no event shall any such successor Administrative Agent be a Defaulting Lender. 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 Borrower and such Person, remove such Person as Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 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), (i) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders or the Issuing Lenders under any of the Loan Documents, the retiring or removed Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (ii) except for any indemnity payments 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 each Issuing Lender 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 any rights to indemnity payments owed to the retiring or removed Administrative Agent), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent’s resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 11.3 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 or removed Administrative Agent was acting as Administrative Agent.

(d) Any resignation by, or removal of, Bank of America as Administrative Agent pursuant to this Section shall also constitute its resignation as an Issuing Lender and Swingline Lender. Upon the acceptance of a successor’s appointment as Administrative Agent hereunder, (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Issuing Lender, if in its sole discretion it elects to, and Swingline Lender, (ii) the retiring Issuing Lender and Swingline Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents, and (iii) the successor Issuing Lender, if in its sole discretion it elects to, 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 the retiring Issuing Lender to effectively assume the obligations of the retiring Issuing Lender with respect to such Letters of Credit.

SECTION 1.101 Non-Reliance on Administrative Agent, Arrangers, Sustainability Coordinators and Other Lenders

. Each Lender and each Issuing Lender expressly acknowledges that none of the Administrative Agent ~~nor~~, any Sustainability Coordinator or any Arranger has made any representation or warranty to it, and that no act by the Administrative Agent, any Sustainability Coordinator or any Arranger hereafter taken, including any consent to, and acceptance of any assignment or review of the affairs of any Credit Party or any Affiliate thereof, shall be deemed to constitute any representation or warranty by the Administrative Agent, any Sustainability Coordinator or any Arranger to any Lender or each Issuing Lender as to any matter, including whether the Administrative Agent, any Sustainability Coordinator or any Arranger has disclosed material information in their (or their Related Parties’) possession. Each Lender and each Issuing Lender represents to the Administrative Agent, the Sustainability Coordinators and the Arrangers that it has, independently and without reliance upon the Administrative Agent, any Sustainability Coordinator, any Arranger, 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 of, appraisal of, and investigation into, the business, prospects, operations, property, financial and other condition and creditworthiness of the Credit Parties and their Subsidiaries, and all applicable bank or other regulatory laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to the Borrower hereunder. Each Lender and each Issuing Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any Sustainability Coordinator, any Arranger, 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 credit analysis, appraisals and decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of the Credit Parties. Each Lender and each Issuing Lender represents and warrants that (i) the Loan Documents set forth the terms of a commercial lending facility and (ii) it is engaged in making, acquiring or holding commercial loans in the ordinary course and is entering into this Agreement as a Lender or Issuing Lender for the purpose of making, acquiring or holding commercial loans and providing other facilities set forth herein as may be applicable to such Lender or Issuing Lender, and not for the purpose of purchasing, acquiring or holding any other type of financial instrument, and each Lender and each Issuing Lender agrees not to assert a claim in contravention of the foregoing. Each Lender and each Issuing Lender represents and warrants that it is sophisticated with respect to decisions to make, acquire and/or hold commercial loans and to provide other facilities set forth herein, as may be applicable to such Lender or such Issuing Lender, and either it, or the Person exercising discretion in making its decision to make, acquire and/or hold such commercial loans or to provide such other facilities, is experienced in making, acquiring or holding such commercial loans or providing such other facilities.

SECTION 1.102 No Other Duties, Etc

2. Anything herein to the contrary notwithstanding, none of the syndication agents, documentation agents, co-agents, [sustainability coordinators](#), arrangers or bookrunners listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or an Issuing Lender hereunder.

SECTION 1.103 Collateral and Guaranty Matters.

(a) Each of the Lenders (including in its or any of its Affiliate's capacities as a potential Hedge Bank, Permitted Letter of Credit Issuer or Cash Management Bank) irrevocably authorize the Administrative Agent, at its option and in its discretion:

(i) to release any Lien on any Collateral granted to or held by the Administrative Agent, for the ratable benefit of the Secured Parties, under any Loan Document (A) upon the termination of the ~~Aggregate Revolving Credit Commitment~~[Commitments](#) and payment in full of all Secured Obligations (other than (1) contingent indemnification obligations and (2) obligations and liabilities under Secured Cash Management Agreements, Secured Permitted Letter of Credit Issuer Documents or Secured Hedge Agreements as to which arrangements satisfactory to the applicable Cash Management Bank, Permitted Letter of Credit Issuer or Hedge Bank have been made) and the expiration or termination of all Letters of Credit (other than Letters of Credit as to which other arrangements satisfactory to the Administrative Agent and the applicable Issuing Lender shall have been made), (B) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition to a Person other than a Credit Party permitted under the Loan Documents, or (C) if approved, authorized or ratified in writing in accordance with [Section 11.2](#);

(ii) to subordinate any Lien on any Collateral granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien permitted pursuant to clause (d) of the definition of Permitted Encumbrances; and

(iii) to release any Subsidiary Guarantor from its obligations under any Loan Documents if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents.

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Subsidiary Guarantor from its obligations under the Guaranty Agreement pursuant to this Section 10.9. In each case as specified in this Section 10.9, the Administrative Agent will, at the Borrower's expense, execute and deliver to the applicable Credit Party such documents as such Credit Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under the Security Documents or to subordinate its interest in such item, or to release such Subsidiary Guarantor from its obligations under the Guaranty Agreement, in each case in accordance with the terms of the Loan Documents and this Section 10.9. In the case of any such sale, transfer or disposal of any property constituting Collateral in a transaction constituting a Disposition permitted pursuant to Section 8.4(d) to a Person other than a Credit Party, the Liens created by any of the Security Documents on such property shall be automatically released without need for further action by any person.

(b) The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Credit Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

SECTION 1.104 Secured Hedge Agreements, Secured Cash Management Agreements and Secured Permitted Letter of Credit Issuer Documents

No Cash Management Bank, Permitted Letter of Credit Issuer or Hedge Bank that obtains the benefits of Section 9.4 or any Collateral by virtue of the provisions hereof or of any Security Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan 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, Secured Cash Management Agreements, Secured Hedge Agreements and Secured Permitted Letter of Credit Issuer Documents, unless the Administrative Agent has received written notice of such Secured Cash Management Agreements, Secured Hedge Agreements and Secured Permitted Letter of Credit Issuer Documents, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank, Permitted Letter of Credit Issuer or Hedge Bank, as the case may be; provided, that, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Secured Cash Management Agreements, Secured Hedge Agreements and Secured Permitted Letter of Credit Issuer Documents in connection with a release of Liens described in Section 10.9(a)(i)(A).

SECTION 10.11 Recovery of Erroneous Payments

Without limitation of any other provision in this Agreement, if at any time the Administrative Agent makes a payment hereunder in error to any Lender Party, whether or not in respect of an Obligation due and owing by the Borrower at such

time, where such payment is a Rescindable Amount, then in any such event, each Lender Party receiving a Rescindable Amount severally agrees to repay to the Administrative Agent forthwith on demand the Rescindable Amount received by such Lender Party in immediately available funds in the currency so received, with interest thereon, for each day from and including the date such Rescindable Amount is received by it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation. Each Lender Party irrevocably waives any and all defenses, including any "discharge for value" (under which a creditor might otherwise claim a right to retain funds mistakenly paid by a third party in respect of a debt owed by another) or similar defense to its obligation to return any Rescindable Amount. The Administrative Agent shall inform each Lender Party promptly upon determining that any payment made to such Lender Party comprised, in whole or in part, a Rescindable Amount.

MISCELLANEOUS

SECTION 1.105 Notices.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in Section 11.1(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:

If to the Borrower:

KORN FERRY

1900 Avenue of the Stars, Suite ~~2600~~1500

Los Angeles, California 90067

Attention of: ~~Robert Rozek, EVP and CFO~~ Andrew M. Katz, Senior Vice President, Corporate Tax and Treasury

Telephone No.: (310) 226- ~~6366~~2688

Facsimile No.: (310) ~~553~~943 - ~~8640~~1474

E-mail: ~~robert.rozek~~ kandy.katz@kornferry.com

With copies to:

Gibson, Dunn & Crutcher LLP

333 South Grand Avenue

Los Angeles, CA 90071

Attention of: Cromwell Montgomery

Fax: (213) 229-7520

If to the Administrative Agent:

Administrative Agent's Office (for payments and Notices of Borrowing):

Bank of America, N.A.

~~Street Address: 2380 PERFORMANCE DR Bldg C~~

Mail Code: ~~FX2FL9 - 984-03-23400-04-04~~

~~City, State ZIP Code Richardson, TX 75082~~

Bank of America Office Park

9000 Southside Blvd. Bldg. 400

Jacksonville, FL 32256-0787

Attention: Traci Kuketz

Telephone: ~~469~~904 - ~~201~~987 - ~~0888~~8360

Electronic Mail: traci.r.kuketz@bofa.com

Other Notices as Administrative Agent:

Bank of America, N.A.
Agency Management
Street Address: 2380 PERFORMANCE DR Bldg C
Mail Code: TX2-984-03-23
City, State ZIP Code Richardson, Tx 75082
Attention: ~~Taelitha Bonds-Harris~~ [Michelle D. Diggs.](#)
Telephone: ~~214469~~ - ~~209201~~ - ~~34088292~~
Electronic Mail: ~~Taelitha.m.harris~~ michelle.diggs@bofa.com

Swingline Lender:

Bank of America, N.A.
~~Street Address: 2380 PERFORMANCE DR Bldg C~~
Mail Code: ~~TX2FL9~~ - ~~984-03-23~~ [400-04-04](#)
~~City, State ZIP Code Richardson, TX 75082~~
[Bank of America Office Park](#)
[9000 Southside Blvd. Bldg. 400](#)
[Jacksonville, FL 32256-0787](#)
Attention: Traci Kuketz
Telephone: ~~469904~~ - ~~201987~~ - [08888360](#)
Electronic Mail: traci.r.kuketz@bofa.com

Bank of America, N.A., as Issuing Lender:

Bank of America, N.A.
Trade Operations
Facsimile: (800) 755-8743
Electronic Mail: ~~scranton_standby_lc@bankofamerica.com~~ scranton_standby_lc@bofa.com

If to any Lender:

To the address of such Lender set forth on the Register with respect to deliveries of notices and other documentation that may contain material non-public information.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by 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 delivered through electronic communications to the extent provided in Section 11.1(b) below, shall be effective as provided in Section 11.1(b).

(b) Electronic Communications. Notices and other communications to the Lenders and the Issuing Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to an electronic communications agreement (or such other procedures approved by the Administrative Agent ; in its sole discretion), provided, that, the foregoing shall not apply to notices to any Lender or any Issuing Lender pursuant to Article II or III if such Lender or such Issuing Lender, as applicable, has notified the Administrative Agent that is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept

notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided, that, approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided, that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or other communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

(c) Administrative Agent's Office. The Administrative Agent hereby designates its office located at the address set forth above, or any subsequent office which shall have been specified for such purpose by written notice to the Borrower and Lenders, as the Administrative Agent's Office referred to herein, to which payments due are to be made and at which Loans will be disbursed and Letters of Credit requested.

(d) Change of Address, Etc. Each of the Borrower, the Administrative Agent, any Issuing Lender or the Swingline Lender may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto. Any Lender may change its address or facsimile number for notices and other communications hereunder by notice to the Borrower, the Administrative Agent, each Issuing Lender and the Swingline Lender.

(e) Platform.

(i) Each Credit Party agrees that the Administrative Agent may, but shall not be obligated to, make the Borrower Materials available to the Issuing Lenders and the other Lenders by posting the Borrower Materials on the Platform.

(ii) 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 or omissions in the Borrower Materials. No warranty of any kind, express, implied or statutory, including, without limitation, 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 Credit Party, any Lender or any other Person or entity for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Credit Party's or the Administrative Agent's transmission of communications through the Internet (including, without limitation, the Platform), except to the extent that such losses, claims, damages, liabilities or 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 Agent Party; provided, that, in no event shall any Agent Party have any liability to any Credit Party, any Lender, any Issuing Lender or any other Person for indirect, special, incidental, consequential or punitive damages, losses or expenses (as opposed to actual damages, losses or expenses).

(f) Private Side Designation. 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 Applicable 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 Borrower or its securities for purposes of United States Federal or state securities Applicable Laws.

SECTION 1.106 Amendments, Waivers and Consents

. Except as set forth below or as specifically provided in any Loan Document, any term, covenant, agreement or condition of this Agreement or any of the other Loan Documents may be amended or waived by the Lenders, and any consent given by the Lenders, if, but only if, such amendment, waiver or consent is in writing signed by the Required Lenders (or by the Administrative Agent with the consent of the Required Lenders) and delivered to the Administrative Agent and, in the case of an amendment, signed by the Borrower; provided, that, no amendment, waiver or consent shall:

(a) without the prior written consent of the Required Revolving Credit Lenders or the Required Term Lenders, as the case may be, amend, modify or waive (i) Section 5.2 or any other provision of this Agreement if the effect of such amendment, modification or waiver is to require the Revolving Credit Lenders or Term Lenders, as the case may be, (pursuant to, in the case of any such amendment to a provision hereof other than Section 5.2, any substantially concurrent request by the Borrower for a borrowing of Term Loans, Revolving Credit Loans or issuance of Letters of Credit) to make Term Loans or Revolving Credit Loans, as the case may be, when such Term Lenders or Revolving Credit Lenders, as the case may be, would not otherwise be required to do so, (ii) the amount of the Swingline Commitment or (iii) the amount of the L/C Sublimit;

(b) increase or extend the ~~Revolving Credit~~ Commitment of any Lender (or reinstate any ~~Revolving Credit~~ Commitment terminated pursuant to Section 9.2) or increase the amount of Loans of any Lender, in any case, without the written consent of such Lender;

(c) waive, extend or postpone any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender directly and adversely affected thereby;

(d) reduce the principal of, or the rate of interest specified herein on, any Loan or Reimbursement Obligation, or (subject to clauses (iv) and (ix) of the proviso set forth in the paragraph below) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly and adversely affected thereby; provided, that, only the consent of the Required Lenders shall be necessary to (i) waive any obligation of the Borrower to pay interest at the rate set forth in Section 4.1(b) during the continuance of an Event of Default ~~or~~, (ii) amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or L/C Obligation or to reduce any fee payable hereunder, or (iii) modify the ESG Pricing Provisions in the manner contemplated by Section 4.16(a);

(e) change Section 4.6 or Section 9.4 in a manner that would alter the pro rata sharing of payments or order of application required thereby without the written consent of each Lender directly and adversely affected thereby;

(f) except as otherwise permitted by this Section 11.2, change any provision of this Section or reduce the percentages specified in the definitions of “Required Lenders”, “Required Term Lenders” or “Required Revolving Credit Lenders” or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender directly and adversely affected thereby;

(g) release (i) all of the Subsidiary Guarantors or (ii) Subsidiary Guarantors comprising substantially all of the credit support for the Secured Obligations, in any case, from any Guaranty Agreement (other than as authorized in Section 10.9), without the written consent of each Lender; ~~or~~

(h) release all or substantially all of the value of the Collateral or release any Security Document (other than as authorized in Section 10.9 or as otherwise specifically permitted or contemplated in this Agreement or the applicable Security Document) without the written consent of each Lender; or

(i) subordinate the Secured Obligations to any other Indebtedness or other objections or (ii) subordinate the Liens securing the Secured Obligations to Liens securing any other Indebtedness or other obligation, in each case, without the consent of each Lender affected thereby;

provided further, that: (i) no amendment, waiver or consent shall, unless in writing and signed by each affected Issuing Lender in addition to the Lenders required above, affect the rights or duties of such Issuing Lender under this Agreement or any Letter of Credit Application relating to any Letter of Credit issued or to be issued by it; (ii) no amendment, waiver or consent shall, unless in writing and signed by the Swingline Lender in addition to the Lenders required above, affect the rights or duties of the Swingline Lender under this Agreement; (iii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document or modify Section 11.25 hereof; (iv) the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto; (v) each Letter of Credit Application may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto; provided, that, a copy of such amended Letter of Credit Application shall be promptly delivered to the Administrative Agent upon such amendment or waiver; (vi) the Administrative Agent and the Borrower shall be permitted to amend any provision of the Loan Documents (and such amendment shall become effective without any further action or consent of any other party to any Loan Document) if the Administrative Agent and the Borrower shall have jointly identified an obvious error or any error, ambiguity, defect or inconsistency or omission of a technical or immaterial nature in any such provision; (vii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent and ~~Bank of America, in its capacity as an each~~ Issuing Lender that may issue Letters of Credit in an Alternative Currency, amend Section 1.11 or the definition of “Alternative Currency”; (viii) the Administrative Agent, the Borrower and ~~Bank of America, in its capacity as an each~~ Issuing Lender that may issue Letters of Credit in an Alternative Currency, may, without the consent of any other Lender or Issuing Lender make such changes as may be necessary to incorporate provisions with respect to the issuance of Letters of Credit in any Alternative Currency approved by ~~Bank of America, in its capacity as an such~~ Issuing ~~Lender~~Lenders; (ix) Schedule 2.1C may be amended to reflect any updates to the L/C Commitments, as permitted pursuant to this Agreement; ~~and-~~ (x) the Administrative Agent and the Borrower may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Loan Documents or to enter into additional Loan Documents as the Administrative Agent reasonably deems appropriate in order to implement any ~~Replacement~~Successor Rate and/or Conforming Changes or otherwise effectuate the terms of Section 4.8(d) in accordance with the

terms of Section 4.8(d), (xi) the Administrative Agent shall have the right to make Conforming Changes from time to time and any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document, so long as, with respect to any such amendment effected, the Administrative Agent shall post each such amendment implementing such Conforming Changes to the Borrower and the Lenders reasonably promptly after such amendment becomes effective and (xii) in order to implement an ESG Amendment in accordance with Section 4.16(a), this Agreement may be amended (or amended and restated) for such purpose (but solely to the extent necessary to implement an ESG Amendment in accordance with Section 4.16(a)) by the Borrower, the Administrative Agent and the Required Lenders. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that (A) the Revolving Credit Commitment or Term Commitment of such Lender may not be increased or extended without the consent of such Lender, and (B) any amendment, waiver, or consent hereunder which requires the consent of all Lenders or each affected Lender that by its terms disproportionately and adversely affects any such Defaulting Lender relative to other affected Lenders shall require the consent of such Defaulting Lender.

Notwithstanding anything in this Agreement to the contrary, each Lender hereby irrevocably authorizes the Administrative Agent on its behalf, and without further consent of such Lender, to (x) amend and restate this Agreement if, upon giving effect to such amendment and restatement, such Lender shall no longer be a party to this Agreement (as so amended and restated), the ~~Revolving Credit Commitment~~Commitments of such Lender shall have terminated, such Lender shall have no other commitment or other obligation hereunder and shall have been paid in full all principal, interest and other amounts owing to it or accrued for its account under this Agreement and the other Loan Documents and (y) enter into amendments or modifications to this Agreement (including, without limitation, amendments to this Section 11.2) or any of the other Loan Documents or to enter into additional Loan Documents as the Administrative Agent reasonably deems appropriate in order to effectuate the terms of Section 4.13 (including, without limitation, as applicable, (1) to permit the Incremental Term Loans and the Incremental Revolving Credit Loans to share ratably in the benefits of this Agreement and the other Loan Documents, and (2) to include the Incremental Term Loan Commitments and the Incremental Revolving Credit Commitments, as applicable, or outstanding Incremental Term Loans and outstanding Incremental Revolving Credit Loans, as applicable, in any determination of (i) Required Lenders, Required Term Lenders or Required Revolving Credit Lenders, as applicable or (ii) similar required lender terms applicable thereto); provided, that, no amendment or modification shall result in any increase in the amount of any Lender's ~~Revolving Credit~~ Commitment or any increase in any Lender's Revolving Credit Commitment Percentage or Term Loan Percentage, in each case, without the written consent of such affected Lender.

SECTION 1.107 Expenses; Indemnity.

(a) Costs and Expenses. The Borrower and any other Credit Party, jointly and severally, shall pay (i) all reasonable and documented out of pocket expenses incurred by the Administrative Agent and its Affiliates (including, without limitation, the reasonable and documented fees, charges and disbursements of one primary counsel for the Administrative Agent and, if reasonably necessary, one local counsel for the Administrative Agent in each relevant jurisdiction and one specialty counsel for the Administrative Agent in each relevant specialty (and, solely in the case of an actual or potential conflict of interest of any of the foregoing counsel, one additional primary, local or specialty counsel, as the case may be, to the affected Persons similarly situated and taken as a whole)), in connection with the syndication of the Credit Facility, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan 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 reasonable and documented out of pocket expenses incurred by any Issuing Lender in connection

with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder, (iii) all reasonable and documented out of pocket expenses incurred by the Administrative Agent, any Lender or any Issuing Lender (including, without limitation, reasonable and documented fees and expenses of one primary counsel for the Administrative Agent, the Lenders and the Issuing Lenders (taken as a whole) and, if reasonably necessary, one local counsel for the Administrative Agent, the Lenders and the Issuing Lenders (taken as a whole) in each relevant jurisdiction and one specialty counsel for the Administrative Agent, the Lenders and the Issuing Lenders (taken as a whole) in each relevant specialty (and, solely in the case of an actual or potential conflict of interest, one additional primary, local or specialty counsel, as the case may be, to the affected Persons similarly situated and taken as a whole)) in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan 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. This Section 11.3(a) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(b) Indemnification by the Borrower. The Credit Parties shall, jointly and severally, indemnify each Arranger, the Administrative Agent (and any sub-agent thereof), each Sustainability Coordinator, each Lender and each Issuing Lender and each Related Party of any of the foregoing Persons (each such Person being called an “Indemnatee”) against, and hold each Indemnatee harmless from and against, and shall pay or reimburse any such Indemnatee for, any and all losses, claims (including, without limitation, any Environmental Claims), penalties, damages, liabilities and related expenses (including the reasonable fees, disbursements, settlement costs and other charges of any counsel for any Indemnatee (but limited, in the case of legal fees and expenses, to the reasonable and documented out of pocket fees, disbursements and other charges of one primary counsel to all Indemnitees (taken as a whole) and, if reasonably necessary, a single local counsel for all Indemnitees (taken as a whole) in each relevant jurisdiction and a single specialty counsel for all Indemnitees (taken as a whole) with respect to each relevant specialty, and in the case of an actual or perceived conflict of interest, one additional primary, local or specialty counsel, as the case may be, to the affected Indemnitees similarly situated and taken as a whole)), incurred by any Indemnatee or asserted against any Indemnatee by any Person (including the Borrower or any other Credit Party), arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan 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 (including, without limitation, the Transactions) (including, without limitation, the Indemnatee’s reliance on any Communication executed using an Electronic Signature, or in the form of an Electronic Record), (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by any Issuing Lender 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 any toxic or hazardous waste or substance on or from any property owned or operated by any Credit Party or any Subsidiary thereof, or any Environmental Claim related in any way to any Credit Party or any Subsidiary, (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 any Credit Party or any Subsidiary thereof, and regardless of whether any Indemnatee is a party thereto, or (v) any claim (including, without limitation, any Environmental Claims), investigation, litigation or other proceeding (whether or not the Administrative Agent or any Lender is a party thereto) and the prosecution and defense thereof, arising out of or in any way connected with the Loans, this Agreement, any other Loan Document,

or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby, including without limitation, reasonable and documented attorneys and consultant's fees; 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. This Section 11.3(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 Borrower for any reason fails to pay any amount required under clause (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), any Issuing Lender, the Swingline 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), such Issuing Lender, the Swingline 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, or if the Total Credit Exposure has been reduced to zero, then based on such Lender's share of the Total Credit Exposure immediately prior to such reduction) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender); provided, that, with respect to such unpaid amounts owed to any Issuing Lender or the Swingline Lender solely in its capacity as such, only the Revolving Credit Lenders shall be required to pay such unpaid amounts, such payment to be made severally among them based on such Revolving Credit Lenders' Revolving Credit Commitment Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought or, if the Revolving Credit Commitment has been reduced to zero as of such time, determined immediately prior to such reduction); 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), such Issuing Lender or the Swingline 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), such Issuing Lender or the Swingline Lender in connection with such capacity. The obligations of the Lenders under this clause (c) are subject to the provisions of Section 4.7.

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by Applicable Law, the Borrower and each other Credit Party shall not assert, and hereby waives, 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 Loan 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 clause (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 Loan Documents or the transactions contemplated hereby or thereby.

(e) Payments. All amounts due under this Section shall be payable promptly after written demand therefor.

(f) Survival. Each party's obligations under this Section shall survive the termination of the Loan Documents and payment of the obligations hereunder.

SECTION 1.108 Right of Setoff

. If an Event of Default shall have occurred and be continuing, each Lender, each Issuing Lender, the Swingline Lender 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 setoff 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, such Issuing Lender, the Swingline Lender or any such Affiliate to or for the credit or the account of the Borrower or any other Credit Party against any and all of the obligations of the Borrower or such Credit Party now or hereafter existing under this Agreement or any other Loan Document to such Lender, such Issuing Lender or the Swingline Lender or any of their respective Affiliates, irrespective of whether or not such Lender, such Issuing Lender, the Swingline Lender or any such Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Credit Party may be contingent or unmatured or are owed to a branch or office of such Lender, such Issuing Lender, the Swingline Lender or such Affiliate different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided, that, in the event that any Defaulting Lender or any Affiliate thereof shall exercise any such right of setoff, (x) all amounts so setoff shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 4.15 and, pending such payment, shall be segregated by such Defaulting Lender or Affiliate of a Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the Issuing Lenders, the Swingline Lender and the Lenders, and (y) the Defaulting Lender or its Affiliate shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Secured Obligations owing to such Defaulting Lender or any of its Affiliates as to which such right of setoff was exercised. The rights of each Lender, each Issuing Lender, the Swingline Lender and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, such Issuing Lender, the Swingline Lender or their respective Affiliates may have. Each Lender, such Issuing Lender and the Swingline Lender agree to notify the Borrower 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.

SECTION 1.109 Governing Law; Jurisdiction, Etc.

(a) Governing Law. This Agreement and the other Loan Documents and any claim, 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 Loan Document (except, as to any other Loan 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. The Borrower and each other Credit Party irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Administrative Agent, any Lender, any Issuing Lender, the Swingline Lender, or any Related Party of the foregoing in any way relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, in any forum other than 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, and each of the parties hereto irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees that all claims in respect of any such action, litigation 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, litigation 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 Loan Document shall affect any right that the Administrative Agent, any Lender, any Issuing Lender or the Swingline Lender

may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against the Borrower or any other Credit Party or its properties in the courts of any jurisdiction.

(c) Waiver of Venue. The Borrower and each other Credit Party 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 Loan Document in any court referred to in Section 11.5(b). 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. Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 11.1. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by Applicable Law.

SECTION 1.110 Waiver of Jury Trial

. 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 LOAN 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 LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 1.111 Reversal of Payments

. To the extent any Credit Party makes a payment or payments to the Administrative Agent for the ratable benefit of any of the Secured Parties or to any Secured Party directly or the Administrative Agent or any Secured Party receives any payment or proceeds of the Collateral or any Secured Party exercises its right of setoff, which payments or proceeds (including any proceeds of such setoff) or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any Debtor Relief Law, other Applicable Law or equitable cause, then, to the extent of such payment or proceeds repaid, the Secured Obligations or part thereof intended to be satisfied shall be revived and continued in full force and effect as if such payment or proceeds had not been received by the Administrative Agent, and each Lender and each Issuing Lender severally agrees to pay to the Administrative Agent upon demand its (or its Affiliates') applicable ratable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent plus interest thereon at a per annum rate equal to the Federal Funds Rate from the date of such demand to the date such payment is made to the Administrative Agent.

SECTION 1.112 Injunctive Relief

. The Borrower recognizes that, in the event the Borrower fails to perform, observe or discharge any of its obligations or liabilities under this Agreement, any remedy of law may prove to be inadequate relief to the Lenders. Therefore, the Borrower agrees that the Lenders, at the Lenders' option, shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

SECTION 1.113 Successors and Assigns; Participations.

(a) Successors and Assigns Generally

(b) . The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Borrower nor any other Credit Party may assign or otherwise transfer any of its rights or obligations hereunder 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 Section 11.9(b), (ii) by way of participation in accordance with the provisions of Section 11.9(d) or (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 11.9(e) (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 Section 11.9(d) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent 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 (including all or a portion of its ~~Revolving-Credit~~ Commitment and the 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 ~~Revolving-Credit~~ Commitment under any Credit Facility and/or the Loans at the time owing to it ~~or~~ (in each case under any Credit Facility) or contemporaneous assignments to related Approved Funds (determined after giving effect to such assignments) that equal at least the amount specified in Section 11.9(b)(i)(B) 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 Section 11.9(b)(i)(A) , the aggregate amount of the ~~Revolving-Credit~~ Commitment (which for this purpose includes Loans outstanding thereunder) or, if the ~~Revolving-Credit~~ 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 any assignment in respect of the Revolving Credit Facility, or \$1,000,000 in the case of any assignment in respect of the Term Facility, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided, that, the Borrower shall be deemed to have given its consent ten (10) Business Days after the date written notice thereof has been delivered by the assigning Lender (through the Administrative Agent) unless such consent is expressly refused by the Borrower prior to such tenth (10th) Business Day;

(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 Loan and/ or the ~~Revolving-Credit~~ Commitment assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by Section 11.9(b)(i)(B) and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided, that, the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof;

(B) 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 Commitment or any Revolving Credit Commitment if such assignment is to a Person that is not a Lender with a Commitment in respect of the applicable Credit Facility, 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; and

(C) the consents of the Issuing Lenders and the Swingline Lender shall be required for any assignment in respect of the Revolving Credit Facility.

(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 of \$3,500 for each assignment; provided, that: (A) only one such fee will be payable in connection with simultaneous assignments to two or more related Approved Funds by a Lender and (B) 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 to (A) the Borrower or any of its Subsidiaries or Affiliates or (B) 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).

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person).

(vii) 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 Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested, but not funded by, the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (A) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, the Issuing Lenders, the Swingline

Lender and each other Lender hereunder (and interest accrued thereon), and (B) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swingline Loans in accordance with its Revolving Credit Commitment Percentage or Term Loan Percentage, as applicable. 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 Section 11.9(c), 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 4.8, 4.9, 4.10, 4.11 and 11.3 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. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 11.9(d) (other than a purported assignment to a natural Person or the Borrower or any of the Borrower's Subsidiaries or Affiliates, which shall be null and void.)

(c) Register. The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices in Charlotte, North Carolina, a copy of each Assignment and Assumption and each Lender Joinder Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders, and the ~~Revolving Credit~~ Commitment of, and principal amounts of (and stated interest on) the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, 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 Borrower and any Lender (but only to the extent of entries in the Register that are applicable to such 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 Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural Person or the Borrower or any of the Borrower's Subsidiaries or Affiliates) (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 ~~Revolving Credit~~ Commitment and/or the 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 Borrower, the Administrative Agent, each Issuing Lender, the Swingline Lender and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance

of doubt, each Lender shall be responsible for the indemnity under Section 11.3(c) with respect to any payments made by such Lender to its Participant(s).

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, modification or waiver described in Section 11.2(b), (c), (d) or (e) that directly and adversely affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 4.9, 4.10 and 4.11 (subject to the requirements and limitations therein, including the requirements under Section 4.11(g) (it being understood that the documentation required under Section 4.11(g) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 11.9(b); provided, that, such Participant (A) agrees to be subject to the provisions of Section 4.12 as if it were an assignee under Section 11.9(b); and (B) shall not be entitled to receive any greater payment under Sections 4.10 or 4.11, with respect to any participation, than its participating Lender 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 Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 4.12(b) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.4 as though it were a Lender; provided, that, such Participant agrees to be subject to Section 4.6 and Section 11.4 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 Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts of (and stated interest on) each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided, that, no Lender shall have any obligation to disclose all or any portion of the Participant Register (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 Loan 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 or as otherwise required by applicable Tax law. 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 to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank; provided, that, no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 1.114 Treatment of Certain Information; Confidentiality

. Each of the Administrative Agent, the Lenders and each Issuing Lender agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective Related Parties in connection with the Credit Facility, this Agreement, the transactions contemplated hereby or in connection with marketing of services by such Affiliate or Related

Party to the Borrower or any of its Subsidiaries (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, or required to be disclosed to, any regulatory or similar 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) or in accordance with the Administrative Agent's, each Issuing Lender's or any Lender's regulatory compliance policy if the Administrative Agent, each Issuing Lender or such Lender, as applicable, deems such disclosure to be necessary for the mitigation of claims by those authorities against the Administrative Agent, each Issuing lender or such Lender, as applicable, or any of its Related Parties (in which case, the Administrative Agent, each Issuing Lender or such Lender, as applicable, shall use commercially reasonable efforts to, except with respect to any audit or examination conducted by bank accountants or any governmental bank regulatory authority exercising examination or regulatory authority, promptly notify the Borrower, in advance, to the extent practicable and otherwise permitted by Applicable Law), (c) as to the extent required by Applicable Laws or regulations or in any legal, judicial, administrative proceeding or other compulsory process, (d) to any other party hereto, (e) in connection with the exercise of any remedies under this Agreement, under any other Loan Document or under any Secured Hedge Agreement, Secured Cash Management Agreement or Secured Permitted Letter of Credit Issuer Document, or any action or proceeding relating to this Agreement, any other Loan Document or any Secured Hedge Agreement, Secured Cash Management Agreement or Secured Permitted Letter of Credit Issuer 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, (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 the Borrower and its obligations, this Agreement or payments hereunder, (iii) an investor or prospective investor in an Approved Fund that also agrees that Information shall be used solely for the purpose of evaluating an investment in such Approved Fund, (iv) a trustee, collateral manager, servicer, backup servicer, noteholder or secured party in an Approved Fund in connection with the administration, servicing and reporting on the assets serving as collateral for an Approved Fund, or (v) a nationally recognized rating agency that requires access to information regarding the Borrower and its Subsidiaries, the Loans and the Loan Documents in connection with ratings issued with respect to an Approved Fund, (g) on a confidential basis to (i) any rating agency in connection with rating the Borrower or its Subsidiaries or the Credit Facility or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the Credit Facility, (h) with the consent of the Borrower, (i) deal terms and other information customarily reported to Thomson Reuters, other bank market data collectors and similar service providers to the lending industry and service providers to the Administrative Agent and the Lenders in connection with the administration of the Loan Documents, (j) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent, any Lender, any Issuing Lender or any of their respective Affiliates from a third party that is not, to such Person's knowledge, subject to confidentiality obligations to the Borrower, (k) to the extent that such information is independently developed by such Person, or (l) for purposes of establishing a "due diligence" defense. For purposes of this Section, "Information" means all information received from any Credit Party or any Subsidiary thereof relating to any Credit Party or any Subsidiary thereof or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or any Issuing Lender on a nonconfidential basis prior to disclosure by any Credit Party or any Subsidiary thereof; provided, that, in the case of information received from a Credit Party or any Subsidiary thereof after the ~~date hereof~~[Closing Date](#), 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 Issuing Lenders acknowledges that \(i\) the Information](#)

may include material non-public information concerning a Credit Party or a Subsidiary, as the case may be, (ii) it has developed compliance procedures regarding the use of material non-public information and (iii) it will handle such material non-public information in accordance with Applicable Law, including United States federal and state securities laws. The Credit Parties and their Affiliates agree that they will not in the future issue any press releases or other public disclosure using the name of the Administrative Agent or any Lender or their respective Affiliates or referring to this Agreement or any of the Loan Documents without the prior written consent of the Administrative Agent, unless (and only to the extent that) the Credit Parties or such Affiliate is required to do so under law and then, in any event the Credit Parties or such Affiliate will consult with such Person before issuing such press release or other public disclosure. The Credit Parties consent to the publication by the Administrative Agent or any Lender of customary advertising material relating to the transactions contemplated hereby using the name, product photographs, logo or trademark of the Credit Parties.

SECTION 1.115 Performance of Duties

. Each of the Credit Party's obligations under this Agreement and each of the other Loan Documents shall be performed by such Credit Party at its sole cost and expense.

SECTION 1.116 All Powers Coupled with Interest

. All powers of attorney and other authorizations granted to the Lenders, the Administrative Agent and any Persons designated by the Administrative Agent or any Lender pursuant to any provisions of this Agreement or any of the other Loan Documents shall be deemed coupled with an interest and shall be irrevocable so long as any of the Obligations remain unpaid or unsatisfied, any of the ~~Revolving Credit~~ Commitments remain in effect or the Credit Facility has not been terminated.

SECTION 1.117 Survival.

(a) All representations and warranties set forth in Article VI and all representations and warranties contained in any certificate, or any of the Loan Documents (including, but not limited to, any such representation or warranty made in or in connection with any amendment thereto) shall constitute representations and warranties made under this Agreement. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default or Event of Default at the time of any Extension of Credit or drawing under a Letter of Credit, 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.

(b) Notwithstanding any termination of this Agreement, the indemnities to which the Administrative Agent and the Lenders are entitled under the provisions of this Article XI and any other provision of this Agreement and the other Loan Documents shall continue in full force and effect and shall protect the Administrative Agent and the Lenders against events arising after such termination as well as before.

SECTION 1.118 Titles and Captions

. Titles and captions of Articles, Sections and subsections in, and the table of contents of, this Agreement are for convenience only, and neither limit nor amplify the provisions of this Agreement.

SECTION 1.119 Severability of Provisions

. Any provision of this Agreement or any other Loan Document which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remainder of

such provision or the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction. In the event that any provision is held to be so prohibited or unenforceable in any jurisdiction, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such provision to preserve the original intent thereof in such jurisdiction (subject to the approval of the Required Lenders).

SECTION 1.120 Counterparts; Integration; Effectiveness; Electronic Execution.

(a) ~~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 and the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent, any Issuing Lender, the Swingline Lender, the Sustainability Coordinators and/or the Arrangers, 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 5.1, 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 in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement., and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.~~

(b) ~~Electronic Execution of Assignments.~~ The words "delivery," "execute," "execution," "signed," "signature," and words of like import in ~~any Loan 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 ; Electronic Records; Counterparts. This Agreement, any other Loan Document, and any other Communication, including Communications required to be in writing, may be in the form of an Electronic Record and may be executed using Electronic Signatures. Each of the Credit Parties, the Administrative Agent, and each Lender Party agrees that any Electronic Signature on or associated with any Communication shall be valid and binding on such Person to the same extent as a manual, original signature, and that any Communication entered into by Electronic Signature will constitute the legal, valid and binding obligation of such Person enforceable against such Person in accordance with the terms thereof to the same extent as if a manually executed original signature was delivered. Any Communication may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts are one and the same Communication. For the avoidance of doubt, the authorization under this paragraph may include use or acceptance of a manually signed paper Communication which has been converted into electronic form (such as scanned into .pdf), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. The Administrative Agent and each of the Lender Parties may, at its option, create one or more copies of any Communication in the form of an imaged Electronic Record (each, an "Electronic Copy"), which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document. All Communications in the form of an Electronic Record, including an Electronic Copy, shall be considered an original for all purposes, and shall have the same legal effect, validity ~~or,~~ and 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~~ paper record. Notwithstanding anything contained herein to the contrary, none of the Administrative Agent, the Swingline Lender, or any Issuing Lender is under ~~no~~any obligation to ~~agree to~~ accept ~~electronic signatures~~an Electronic Signature in any form or in any format unless expressly agreed to by ~~the Administrative Agent~~ such Person pursuant to procedures approved by it; ~~provided~~, ~~further that~~, without limiting the foregoing, (a) to the extent the Administrative Agent, the Swingline Lender, and/or any Issuing Lender has agreed to accept such Electronic Signature, the Administrative Agent and each of the Lender Parties shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of any Credit Party, the Administrative Agent and/or any other Lender Party without further verification, and (b) upon the request of the Administrative Agent, ~~any electronic signature~~ -or any Lender Party, any Electronic Signature shall be promptly followed by such manually executed counterpart.

None of the Administrative Agent, the Swingline Lender, or any Issuing Lender shall be responsible for or have any duty to ascertain or inquire into the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document (including, for the avoidance of doubt, in connection with the Administrative Agent's, the Swingline Lender's or any Issuing Lender's reliance on any Electronic Signature transmitted by telecopy, emailed .pdf or any other electronic means). Each of the Administrative Agent, the Swingline Lender, and each Issuing Lender shall be entitled to rely on, and shall incur no liability under or in respect of this Agreement or any other Loan Document by acting upon, any Communication (which writing may be a fax, any electronic message, Internet or intranet website posting or other distribution or signed using an Electronic Signature) or any statement made to it orally or by telephone and believed by it to be genuine and signed or sent or otherwise authenticated (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the maker thereof).

Each of the Credit Parties, the Administrative Agent, and each Lender Party hereby waives (a) any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement or any other Loan Document based solely on the lack of paper original copies of this Agreement or such other Loan Document, and (b) any claim against the Administrative Agent and each other Lender Party for any liabilities arising solely from the Administrative Agent's and/or any Lender Party's reliance on or use of Electronic Signatures, including any liabilities arising as a result of the failure of the Credit Parties to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

SECTION 1.121 Term of Agreement

. This Agreement shall remain in effect from the Closing Date through and including the date upon which all Obligations (other than contingent indemnification obligations not then due) arising hereunder or under any other Loan Document shall have been indefeasibly and irrevocably paid and satisfied in full, all Letters of Credit have been terminated or expired (or been Cash Collateralized) or otherwise satisfied in a manner acceptable to the applicable Issuing Lender and the ~~Aggregate Revolving Credit Commitment has~~Commitments have been terminated. No termination of this Agreement shall affect the rights and obligations of the parties hereto arising prior to such termination or in respect of any provision of this Agreement which survives such termination.

SECTION 1.122 USA PATRIOT Act; Anti-Money Laundering Laws

. Each Lender that is subject to the PATRIOT Act and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower and the other Credit Parties that pursuant to the requirements of the PATRIOT Act, it is required to obtain, verify and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Credit Party in accordance with the

PATRIOT Act. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all such other documentation and information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the PATRIOT Act.

SECTION 1.123 Independent Effect of Covenants

. The Borrower expressly acknowledges and agrees that each covenant contained in Articles VII or VIII hereof shall be given independent effect. Accordingly, the Borrower shall not engage in any transaction or other act otherwise permitted under any covenant contained in Articles VII or VIII, before or after giving effect to such transaction or act, the Borrower shall or would be in breach of any other covenant contained in Articles VII or VIII.

SECTION 1.124 No Advisory or Fiduciary Responsibility.

(a) In connection with all aspects of each transaction contemplated hereby, each Credit Party acknowledges and agrees, and acknowledges its Affiliates’ understanding, that (i) the facilities provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document) are an arm’s-length commercial transaction between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Sustainability Coordinators, the Arrangers and the Lenders, on the other hand, and the Borrower is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents (including any amendment, waiver or other modification hereof or thereof), (ii) in connection with the process leading to such transaction, each of the Administrative Agent, the Sustainability Coordinators, the Arrangers and the Lenders is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary, for the Borrower or any of its Affiliates, stockholders, creditors or employees or any other Person, (iii) none of the Administrative Agent, the Sustainability Coordinators, the Arrangers or the Lenders has assumed or will assume an advisory, agency or fiduciary responsibility in favor of the Borrower with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver or other modification hereof or of any other Loan Document (irrespective of whether any Sustainability Coordinator, any Arranger or any Lender has advised or is currently advising the Borrower or any of its Affiliates on other matters) and none of the Administrative Agent, the Sustainability Coordinators, the Arrangers or the Lenders has any obligation to the Borrower or any of its Affiliates with respect to the financing transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents, (iv) the Arrangers, the Sustainability Coordinators and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from, and may conflict with, those of the Borrower and its Affiliates, and none of the Administrative Agent, the Sustainability Coordinators, the Arrangers or the Lenders has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship and (v) the Administrative Agent, the Sustainability Coordinators, the Arrangers and the Lenders have not provided and will not provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Loan Document) and the Credit Parties have consulted their own legal, accounting, regulatory and tax advisors to the extent they have deemed appropriate.

(b) Each Credit Party acknowledges and agrees that each Lender, each Sustainability Coordinator, each Arranger and any Affiliate thereof may lend money to, invest in, and generally engage in any kind of business with, any of the Borrower, any Affiliate thereof or any other person or entity that may do business with or own securities of any of the foregoing, all as if such Lender, Sustainability Coordinator, Arranger or Affiliate thereof were not a Lender, Sustainability

Coordinator or Arranger or an Affiliate thereof (or an agent or any other person with any similar role under the Credit Facilities) and without any duty to account therefor to any other Lender, the Arrangers, the Borrower or any Affiliate of the foregoing. Each Lender, the Sustainability Coordinators, the Arrangers and any Affiliate thereof may accept fees and other consideration from the Borrower or any Affiliate thereof for services in connection with this Agreement, the Credit Facilities or otherwise without having to account for the same to any other Lender, the Arrangers, the Borrower or any Affiliate of the foregoing.

SECTION 1.125 Inconsistencies with Other Documents

. In the event there is a conflict or inconsistency between this Agreement and any other Loan Document, the terms of this Agreement shall control; provided, that, any provision of the Security Documents which imposes additional burdens on the Borrower or any of its Subsidiaries or further restricts the rights of the Borrower or any of its Subsidiaries or gives the Administrative Agent or Lenders additional rights shall not be deemed to be in conflict or inconsistent with this Agreement and shall be given full force and effect.

SECTION 1.126 Acknowledgement and Consent to Bail-In of ~~EEA~~Affected Financial Institutions

. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any ~~EEA~~Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an ~~EEA~~applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by ~~an EEA~~the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an ~~EEA~~Affected Financial Institution; and
- (b) the effects of any ~~Bail-in~~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~~Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
 - (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of ~~any EEA~~the applicable Resolution Authority.

SECTION 1.127 Judgment Currency

. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan 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 the Borrower in respect of any such sum due from it to the Administrative Agent or any Lender hereunder or under the other Loan 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 the Borrower in the Agreement Currency, the 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 the Borrower (or to any other Person who may be entitled thereto under Applicable Law).

SECTION 1.128 Acknowledgement Regarding Any Supported QFCs

. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any Hedge Agreement or any other agreement or instrument that is a QFC (such support, “QFC Credit Support”, and each such QFC, a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States): in the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

SECTION 1.129 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Credit 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 Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit ~~or, the Revolving Credit~~ Commitments, or this Agreement;

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified

professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the ~~Revolving Credit~~ Commitments and this Agreement;

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the ~~Revolving Credit~~ Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the ~~Revolving Credit~~ Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the ~~Revolving Credit~~ Commitments and this Agreement; or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of the Administrative Agent, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Credit Party, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the ~~Revolving Credit~~ Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

[Signature pages ~~to follow~~omitted]

EXHIBIT 21.1

Note: Korn Ferry or one of its Subsidiaries has 100% ownership of the Subsidiaries listed below, except for Agensi Pekerjaan Korn Ferry (49%), Korn Ferry Mexico, S.C. (49%), Hay Group S.C. and Hay Group CR S.R.L. are wholly owned subsidiaries of Korn Ferry Mexico, S.C.

Subsidiaries		Jurisdiction
1.	Korn/Ferry International S.A.	Argentina
2.	Hay Argentina S.A.	Argentina
3.	Korn/Ferry Futurestep Argentina S.R.L.	Argentina
4.	AchieveForum (AUS) Pty Ltd	Australia
5.	Futurestep (Australia) Pty Limited	Australia
6.	Korn Ferry (AU) Pty Ltd	Australia
7.	Miller Heiman Group (ANZ) Pty. Ltd.	Australia
8.	Korn Ferry (AT) GmbH	Austria
9.	Korn Ferry (BE) BVBA	Belgium
10.	Korn Ferry (BR) Consultores Ltda.	Brazil
11.	Korn Ferry Bulgaria EOOD	Bulgaria
12.	Korn Ferry (CA) Ltd.	Canada
13.	Hay Group Ltda.	Chile
14.	Korn Ferry International S.A.	Chile
15.	WOFE Korn/Ferry International Human Capital Consulting (Beijing) Limited	China
16.	Boca Enterprise Management (Shanghai) Co. Ltd	China
17.	Futurestep (Shanghai) Talent Consulting Company Limited	China
18.	Hay Group Co., Ltd.	China
19.	Korn/Ferry (Shanghai) Human Capital Consulting Company Limited	China
20.	Guangzhou Korn/Ferry Human Capital Consulting Company Limited	China
21.	Shanghai Korn/Ferry Human Capital Consulting Co., Ltd.	China
22.	PuDe Management Consulting (Shanghai) Co. Ltd.	China
23.	Hay Group Ltda.	Colombia
24.	Korn/Ferry International Consultores Asociados, C.A.– Colombia Branch	Colombia
25.	Korn Ferry CR S.R.L.	Costa Rica
26.	Korn Ferry s.r.o.	Czech Republic
27.	Futurestep (Danmark) ApS	Denmark
28.	Korn Ferry (DK) A/S	Denmark
29.	Korn Ferry (FI) Oy	Finland
30.	Korn/Ferry International Oy	Finland
31.	KF France SARL	France
32.	Korn Ferry (FR) SARL	France
33.	Miller Heiman Group (France) SAS	France
34.	Korn Ferry (DE) GmbH	Germany
35.	Hay Group S.A.	Greece
36.	Korn/Ferry International S.A.	Greece
37.	Korn Ferry (H.K.) Limited	Hong Kong
38.	Korn Ferry RPOPS (HK) Limited	Hong Kong
39.	Hay Group Management Consultants Ltd.	Hungary
40.	Korn/Ferry International Budapest Individual Consulting and Service Ltd.	Hungary

Subsidiaries		Jurisdiction
41.	PDI Hungary, Kft.	Hungary
42.	ESI Performance Improvement Private Limited	India
43.	Futurestep Recruitment Services Private Limited.	India
44.	Hay Consultants India Private Ltd.	India
45.	Korn/Ferry International Private Limited	India
46.	PT Hay Group	Indonesia
47.	PT. Korn/Ferry International	Indonesia
48.	Hay Management Consultants Ireland Ltd.	Ireland
49.	Korn Ferry (IE) Limited	Ireland
50.	Korn Ferry (IT) S.r.l.	Italy
51.	Personnel Decisions International Italia SRL	Italy
52.	Korn Ferry (Japan) Ltd.	Japan
53.	Hay Group UAB	Lithuania
54.	Korn Ferry (Luxembourg) S.A.R.L.	Luxembourg
55.	Agensi Pekerjaan Futurestep Worldwide (M) Sdn. Bhd.	Malaysia
56.	Agensi Pekerjaan Korn Ferry Sdn. Bhd.	Malaysia
57.	Hay Group Sdn. Bhd.	Malaysia
58.	Talent Q Distribution Limited	Malta
59.	Talent Q International Limited	Malta
60.	Korn/Ferry Investment India Limited (Mauritius OCB)	Mauritius
61.	Hay Group S.C.	Mexico
62.	Korn Ferry Mexico, S.C.	Mexico
63.	Korn Ferry (NL) BV	Netherlands
64.	Korn Ferry Advisory (NL) B.V.	Netherlands
65.	Korn Ferry Investments B.V.	Netherlands
66.	Korn Ferry Management B.V.	Netherlands
67.	Korn Ferry NL91 B.V.	Netherlands
68.	Korn Ferry (NZ)	New Zealand
69.	Futurestep (Norge) AS	Norway
70.	Hay Group AS	Norway
71.	Korn Ferry A/S	Norway
72.	Hay Group S.A.	Peru
73.	Korn/Ferry International Peru S.A.	Peru
74.	Korn Ferry Futurestep (The Philippines) Inc.	Philippines
75.	Korn Ferry (PL) Sp.z.o.o.	Poland
76.	Korn Ferry S.A.	Portugal
77.	Hay Group LLC	Qatar
78.	Korn Ferry SRL	Romania
79.	Korn Ferry LLC	Russia
80.	Hay Group Saudi Arabia Limited	Saudi Arabia
81.	Boca Performance Solutions Asia Pte. Ltd	Singapore
82.	Korn Ferry (SG) Pte. Ltd.	Singapore
83.	Korn Ferry RPOPS (SG) Pte. Ltd.	Singapore
84.	Korn Ferry SG91 Pte. Ltd.	Singapore

Subsidiaries		Jurisdiction
85.	Korn Ferry (SK) s.r.o.	Slovakia
86.	Korn Ferry (Pty) Ltd.	South Africa
87.	Hay Group Ltd.	South Korea
88.	Korn/Ferry International (Korea) Limited	South Korea
89.	Korn Ferry (Espana) SL	Spain
90.	Korn Ferry (Sweden) AB	Sweden
91.	Korn Ferry (Schweiz) GmbH	Switzerland
92.	Korn/Ferry International (Taiwan) Co., Ltd.	Taiwan
93.	Hay Group Limited	Thailand
94.	Korn/Ferry (Thailand) Limited	Thailand
95.	Korn Ferry Recruitment (Thailand) Ltd.	Thailand
96.	Hay Group Danismanlik Limited Sirketi	Turkey
97.	Korn/Ferry International Musavirlik Limited Sirketi	Turkey
98.	Korn Ferry LLC	Ukraine
99.	AchieveForum (UK) Limited	United Kingdom
100.	Boca U.K. Holding Limited	United Kingdom
101.	Boca U.K. Intermediate Holdings Ltd.	United Kingdom
102.	Futurestep (UK) Limited	United Kingdom
103.	Hay Group Intermediary Limited	United Kingdom
104.	Hay Group UK Holdings Limited	United Kingdom
105.	KFI (UK) Limited	United Kingdom
106.	Korn Ferry (UK) Limited	United Kingdom
107.	Korn Ferry GH1 Limited	United Kingdom
108.	Korn Ferry Global Holdings (UK) Limited	United Kingdom
109.	Korn Ferry Global Ventures 2 LP	United Kingdom
110.	Korn Ferry Global Ventures LP	United Kingdom
111.	Korn Ferry WHM LLP	United Kingdom
112.	Korn/Ferry International Limited	United Kingdom
113.	Miller Heiman Group (UK) Limited	United Kingdom
114.	Personnel Decisions International UK Ltd	United Kingdom
115.	Personnel Decisions International, Europe Limited	United Kingdom
116.	TwentyEighty Strategy Execution (UK) Ltd.	United Kingdom
117.	KF WHM Ltd.	United Kingdom
118.	Korn Ferry GP Ventures 2 LLC	United States, Delaware
119.	Korn Ferry (US)	United States, Delaware
120.	Korn Ferry Global Holdings, Inc.	United States, Delaware
121.	Korn Ferry GP Ventures LLC	United States, Delaware
122.	Sensa Solutions, Inc.	United States, Virginia
123.	Hay Group Venezuela, S.A.	Venezuela
124.	Inversiones Korn/Ferry International C.A.	Venezuela
125.	Korn/Ferry International Consultores Asociados, C.A.	Venezuela
126.	Hay Group Consulting Limited Liability	Vietnam
127.	Korn Ferry RPO (Sweden) AB	Sweden
128.	Korn Ferry GV Limited	United Kingdom

Subsidiaries		Jurisdiction
129.	Korn Ferry SP LLC	United States, Florida
130.	Patina Solutions Group, Inc.	United States, Delaware
131.	Patina Executive Search, LLC	United States, Delaware
132.	LAI Holdings II, Inc.	United States, Delaware
133.	Lucas Associates, Inc.	United States, Georgia
134.	Lucas Associates Temps. Inc.	United States, Georgia

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

- Registration Statements (Form S-8 Nos. 333-161844, 333-159900, 333-158632, 333-49580, 333-73147, 333-111038, 333-146346, 333-108696, 333-185438, 333-200840 and 333-214123) pertaining to the employee benefit plans of Korn Ferry;

of our reports dated June 28, 2022, with respect to the consolidated financial statements of Korn Ferry and subsidiaries and the effectiveness of internal control over financial reporting of Korn Ferry and subsidiaries included in this Annual Report (Form 10-K) of Korn Ferry and subsidiaries for the year ended April 30, 2022.

/s/ Ernst & Young LLP

Los Angeles, California
June 28, 2022

EXHIBIT 31.1

CERTIFICATIONS

I, Gary D. Burnison, certify that:

1. I have reviewed this annual report on Form 10-K of Korn Ferry;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 28, 2022

By: /s/ GARY D. BURNISON

Name: **Gary D. Burnison**

Title: **Chief Executive Officer and President**

EXHIBIT 31.2

CERTIFICATIONS

I, Robert P. Rozek, certify that:

1. I have reviewed this annual report on Form 10-K of Korn Ferry;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 28, 2022

By: /s/ ROBERT P. ROZEK

Name: **Robert P. Rozek**

Title: **Executive Vice President, Chief Financial Officer, and Chief Corporate Officer**



EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned Chief Executive Officer and Chief Financial Officer of Korn Ferry, a Delaware corporation (the "Company"), hereby certify that, to the best of their knowledge:

- (a) the Annual Report on Form 10-K for the year ended April 30, 2022 (the "Report") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (b) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: June 28, 2022

By: /s/ GARY D. BURNISON

Name: Gary D. Burnison

Title: Chief Executive Officer and President

By: /s/ ROBERT P. ROZEK

Name: Robert P. Rozek

Title: Executive Vice President, Chief Financial Officer, and Chief Corporate Officer