
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

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

Date of Report (Date of earliest event reported) **July 31, 2020**

AVNET, INC.

(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction
of incorporation)

1-4224
(Commission
File Number)

11-1890605
(IRS Employer
Identification No.)

2211 South 47th Street, Phoenix, Arizona
(Address of principal executive offices)

85034
(Zip Code)

(480) 643-2000
(Registrant's telephone number, including area code.)

N/A
(Former name or former address, if changed since last report.)

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

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered:</u>
Common stock, par value \$1.00 per share	AVT	NASDAQ Global Select Market

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

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

Item 1.01 Entry into a Material Definitive Agreement.

Securitization Program

On July 31, 2020, Avnet, Inc. (the “Company”) and Avnet Receivables Corporation, a wholly owned subsidiary of the Company (“ARC”), entered into: (a) Amendment No. 2 to the Fourth Amended and Restated Receivables Purchase Agreement, dated August 16, 2018, as amended (the “Receivables Purchase Agreement”), with Wells Fargo Bank, N.A., as agent, and the financial institutions and companies party thereto (the “RPA Amendment”) and (b) Amendment No. 1 to the Second Amended and Restated Receivables Sale Agreement, dated August 16, 2018 (the “RSA Amendment”). Collectively, the RPA Amendment and RSA Amendment are referred to as the “Securitization Program Amendments”, and relate to the Company’s trade accounts receivable securitization program (the “Securitization Program”), which was due to expire on August 19, 2020.

Under the terms of the Securitization Program Amendments, the term of the Securitization Program was extended to July 30, 2021 and the amount of undivided interests in eligible receivables that ARC may sell pursuant to the Receivables Purchase Agreement was reduced from \$500,000,000 to \$450,000,000. These amendments also eliminated the amortization event relating to a breach of certain financial covenants, increased the applicable spread on borrowings from 0.75% to 1.05% and increased the unused fee rate from a range of 0.25% to 0.35% to a range of 0.30% to 0.40% depending on the outstanding borrowings under the Securitization Program.

Credit Facility

On August 4, 2020, the Company and Avnet Holding Europe BVBA, a subsidiary of the Company, entered into Amendment No. 1 to the Amended and Restated Credit Agreement, dated June 28, 2018 (the “Credit Agreement”), with Bank of America, N.A., as administrative agent, and the lenders party thereto (the “Credit Amendment”). The Credit Agreement is scheduled to mature on June 28, 2023.

Under the terms of the Credit Amendment, the two financial covenants under Section 7.10 were amended. As revised, (a) the minimum Consolidated Interest Coverage Ratio was temporarily reduced from 3:1 to 2.5: 1 for each four fiscal quarter period ending on or around September 30, 2020 through and including June 30, 2021 and (b) the maximum Consolidated Leverage Ratio was temporarily increased from 4:1 to a range of up to 5.25:1 commencing in the four fiscal quarter period ending on or around September 30, 2020 through the four fiscal quarter period ending on or around September 30, 2021. In addition, the Credit Amendment included temporary increases to the applicable interest rates if the Company’s debt ratings fall below certain levels; included an add-back to the formula for Consolidated EBITDA of up to \$100,000,000 for restructuring charges, reserves or integration costs or expenses incurred or accrued from June 28, 2020 through June 30, 2021; and permits the Company to maintain existing dividend levels subject to compliance with a maximum leverage ratio during the period from August 3, 2020 to the date on which the Company is confirmed to be in compliance with its financial covenants for the fiscal quarter ending on or around December 31, 2021.

As of June 27, 2020, the Company was in compliance with the Credit Agreement’s financial covenants. The Company entered into the Credit Amendment to ensure adequate liquidity to maintain its normal operations in the face of continuing uncertainty related to the scope, duration and ultimate impact of the COVID-19 pandemic on the Company’s business, results of operations and financial condition.

The Securitization Program Amendments and the Credit Amendment are collectively referred to as the “Amendments.” The descriptions of the Amendments set forth above are only a summary of their material terms and do not purport to be complete, and are qualified in their entirety by reference to the full and complete terms contained in the RPA Amendment, RSA Amendment and the Credit Amendment, which are filed as Exhibits 10.1, 10.2 and 10.3 to this Form 8-K, respectively, and incorporated into this Item 1.01 by reference. The Amendments are not intended to be a source of factual, business or operational information about the Company or its subsidiaries. The representations, warranties and covenants contained in the Amendments were made only for purposes of such agreements and as of specific dates, were solely for the benefit of the parties to such agreements, and may be subject to limitations agreed upon by the parties, including being qualified by disclosures for the purpose of allocating contractual risk between the parties instead of establishing matters as facts; and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors or security holders. Accordingly, investors should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of the parties.

Some or all of the parties to the Amendments, or their affiliates, have in the past provided investment or commercial banking services to the Company and its affiliates for which they received customary fees and expenses and they may provide similar services in the future.

Item 2.02 Results of Operations and Financial Condition.

On August 6, 2020, the Company issued a press release announcing its fourth quarter and year end results of operations for fiscal 2020. A copy of the press release is attached hereto as Exhibit 99.1.

The information under Item 2.02 of this Current Report on Form 8-K and Exhibit 99.1 attached hereto are being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933 except as shall be expressly set forth in such filing.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The disclosure required hereunder is provided under Item 1.01 above relating to the Securitization Program and is incorporated herein by reference.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On August 3, 2020, the Company issued a press release announcing that William J. Amelio, the Company’s Chief Executive Officer and member of the Company’s Board of Directors, was leaving both roles, effective immediately. The Company also announced that Philip R. Gallagher will serve as the Company’s Interim Chief Executive Officer.

Mr. Gallagher, age 59, has served as the Company’s President, Electronic Components since August 2018, and has previously served as the Company’s Global President, Core Distribution Business from May 2017 to August 2018. Mr. Gallagher has held a number of executive leadership positions in sales, marketing and operations at the Company, including as Global President of Technology Solutions from 2009 to 2014. He left the Company in 2014, and served as President, Americas Sales and Marketing at TTI, a leading authorized distributor of interconnect, passive, electromechanical and discrete components, from 2016 to 2017, before rejoining the Company in May 2017.

No family relationships exist between Mr. Gallagher and any of the Company’s directors or executive officers. There are no arrangements or understandings between Mr. Gallagher and any other person pursuant to which Mr. Gallagher was selected as the Interim Chief Executive Officer, nor are there any transactions to which the Company is or was a participant in which Mr. Gallagher has a material interest subject to disclosure pursuant to Item 404(a) of Regulation S-K.

The Company expects to pay Mr. Amelio severance pursuant to the terms of his September 1, 2016 employment letter agreement, which was attached as Exhibit 10.1 to the Form 8-K filed by the Company on September 7, 2016.

Item 8.01. Other Events.

On August 3, 2020, the Company issued a press release announcing the appointment of Mr. Gallagher as Interim Chief Executive Officer and Mr. Amelio’s departure from the Company. A copy of the press release is furnished as Exhibit 99.2 to this report on Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following materials are attached as exhibits to this Current Report on Form 8-K:

Exhibit Number	Description
<u>10.1</u>	<u>Amendment No. 2 to the Fourth Amended and Restated Receivables Purchase Agreement, dated July 31, 2020, among Avnet, Inc., Avnet Receivables Corporation, Wells Fargo Bank, N.A., as agent, and the companies and financial institutions party thereto.</u>
<u>10.2</u>	<u>Amendment No. 1 to the Second Amended and Restated Receivables Sale Agreement, dated July 31, 2020, among Avnet, Inc. and Avnet Receivables Corporation.</u>
<u>10.3</u>	<u>Amendment No. 1 to the Amended and Restated Credit Agreement, dated August 4, 2020, among Avnet, Inc., Avnet Holding Europe BVBA, Bank of America, N.A., as administrative agent, and the lenders party thereto.</u>
<u>99.1</u>	<u>Press Release, dated August 6, 2020.</u>
<u>99.2</u>	<u>Press Release Issued by the Company on August 3, 2020 to announce the appointment of Mr. Gallagher as Interim Chief Executive Officer and Mr. Amelio's departure from the Company.</u>
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

SIGNATURES

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

Date: August 6, 2020

AVNET, INC.

By: /s/ Thomas Liguori

Name: Thomas Liguori

Title: Chief Financial Officer

**AMENDMENT NO. 2 TO
FOURTH AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT**

This Amendment No. 2 to the Fourth Amended and Restated Receivables Purchase Agreement (this "Amendment") is dated as of July 31, 2020, among Avnet Receivables Corporation, a Delaware corporation ("Seller"), Avnet, Inc., a New York corporation ("Avnet"), as initial Servicer (the Servicer together with Seller, the "Seller Parties" and each a "Seller Party"), each of the entities party hereto identified as a "Financial Institution" (together with any of their respective successors and assigns hereunder, the "Financial Institutions"), each of the entities party hereto identified as a "Company" (together with any of their respective successors and assigns hereunder, the "Companies") and Wells Fargo Bank, N.A., as agent for the Purchasers or any successor agent hereunder (together with its successors and assigns hereunder, the "Agent"), amending the Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 16, 2018 (as amended by Amendment No. 1 thereto, dated February 28, 2020, the "Existing Agreement," and as further amended, modified or supplemented from time to time, including through the date hereof, the "Receivables Purchase Agreement").

RECITALS

The parties hereto are the current parties to the Existing Agreement and they now desire to amend the Existing Agreement, subject to the terms and conditions hereof, as more particularly described herein.

AGREEMENT

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

Section 1. Definitions Used Herein. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings set forth for such terms in, or incorporated by reference into, the Existing Agreement.

Section 2. Amendment. Subject to the terms and conditions set forth herein, the Existing Agreement is hereby amended by deleting the stricken text (indicated in the same manner as the following example: ~~stricken text~~) and adding the inserted text (indicated in the same manner as the following example: inserted text) as set forth on the pages of the Receivables Purchase Agreement attached as Annex A hereto.

Section 3. Conditions to Effectiveness of Amendment. This Amendment shall become effective as of the date hereof, upon the satisfaction of the conditions precedent that:

(a) Amendment. The Agent and each Seller Party shall have received, on or before the date hereof, executed counterparts of this Amendment, duly executed by each of the parties hereto.

(b) Receivables Sale Agreement. The Agent shall have received, on or before the date hereof, an executed copy of Amendment No. 1 to the Receivables Sale Agreement, dated as of the date hereof, by and between Avnet and Seller.

(c) Purchaser Fee Letter. The Agent, the Seller and each Purchaser shall have received executed counterparts of the Purchaser Fee Letter, duly executed by each of the parties thereto, and all fees due from Seller thereunder on the date hereof shall have been paid.

(d) Agent Fee Letter. The Agent shall have received an executed counterpart of the Agent Fee Letter, duly executed by the Seller, and all fees due from Seller thereunder on the date hereof shall have been paid.

(e) Representations and Warranties. As of the date hereof, both before and after giving effect to this Amendment, all of the representations and warranties of each Seller Party contained in the Receivables Purchase Agreement and in each other Transaction Document shall be true and correct in all material respects as though made on the date hereof (and by its execution hereof, each Seller Party shall be deemed to have represented and warranted such).

(f) No Amortization Event or Potential Amortization Event. As of the date hereof, both before and after giving effect to this Amendment, no Amortization Event or Potential Amortization Event shall have occurred and be continuing (and by its execution hereof, each Seller Party shall be deemed to have represented and warranted such).

Section 4. Reallocation of Aggregate Capital among Purchasers. In furtherance of the transactions contemplated by the changes made to Schedule A to the Receivables Purchase Agreement pursuant to Section 2 hereof, each Purchaser Group, to the extent applicable to it, agrees to pay to, or cause to be paid to, Agent the amount necessary to cause the ratio obtained by dividing such Purchaser Group's outstanding Capital to the Aggregate Capital to be equal to the ratio obtained by dividing such Purchaser Group's Purchase Limit to the aggregate amount of the Purchase Limits of all Purchaser Groups.

Section 5. Miscellaneous.

(a) Effect; Ratification. This Amendment is effective solely for the purposes set forth herein and shall be limited precisely as written, and shall not be deemed (i) to be a consent to, or an acknowledgment of, any amendment, waiver or modification of any other term or condition of the Existing Agreement or of any other instrument or agreement referred to therein or (ii) to prejudice any right or remedy which the Agent, any Company or Financial Institution (or any of their respective assigns) may now have or may have in the future under or in connection with the Receivables Purchase Agreement or any other instrument or agreement referred to therein. Each reference in the Receivables Purchase Agreement to "this Agreement," "herein," "hereof" and words of like import and each reference in the other Transaction Documents to the Existing Agreement or to the "Receivables Purchase Agreement" shall mean the Existing Agreement as amended hereby. This Amendment shall be construed in connection with and as part of the Receivables Purchase Agreement and all terms, conditions, representations, warranties, covenants and agreements set forth in the Receivables Purchase Agreement and each other instrument or agreement referred to therein, except as herein amended, are hereby ratified and confirmed and shall remain in full force and effect.

(b) Transaction Documents. This Amendment is a Transaction Document executed pursuant to the Receivables Purchase Agreement and shall be construed, administered and applied in accordance with the terms and provisions thereof.

(c) Costs, Fees and Expenses. Seller agrees to reimburse the Agent and each Purchaser and its assigns upon demand for all reasonable and documented out-of-pocket costs, fees and expenses in connection with the preparation, execution and delivery of this Amendment (including the reasonable fees and expenses of counsel to the Agent).

(d) Counterparts. This Amendment may be executed in any number of counterparts, each such counterpart constituting an original and all of which when taken together shall constitute one and the same instrument.

(e) Severability. Any provision contained in this Amendment which is held to be inoperative, unenforceable or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable or invalid without affecting the remaining provisions of this Amendment in that jurisdiction or the operation, enforceability or validity of such provision in any other jurisdiction.

(f) GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK EXCLUDING CHOICE-OF-LAW PRINCIPLES OF THE LAW OF SUCH STATE THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A JURISDICTION OTHER THAN SUCH STATE.

(g) WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AMENDMENT, ANY DOCUMENT EXECUTED BY ORIGINATOR PURSUANT TO THIS AMENDMENT OR THE RELATIONSHIP ESTABLISHED HEREUNDER OR THEREUNDER.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their respective duly authorized officers as of the date first written above.

AVNET RECEIVABLES CORPORATION,
as Seller

By: /s/ Kenneth A. Jacobson

Name: Kenneth A. Jacobson

Title: President and Treasurer

AVNET, INC., as Servicer

By: /s/ Joseph Burke

Name: Joseph Burke

Title: Vice President and Treasurer

WELLS FARGO BANK, N.A.,
as a Company and as a Financial Institution

By: /s/ Jonathan Davis
Name: Jonathan Davis
Title: Asst Vice President

WELLS FARGO BANK, N.A.,
as Agent

By: /s/ Jonathan Davis
Name: Jonathan Davis
Title: Asst Vice President

TRUIST BANK,
as a Company and as a Financial Institution

By: /s/ Ileana Chu

Name: Ileana Chu

Title: SVP

PNC BANK, NATIONAL ASSOCIATION, as a
Company and as a Financial Institution

By: /s/ Michael Brown

Name: Michael Brown

Title: Senior Vice President

LIBERTY STREET FUNDING LLC,
as a Company

By: /s/ Jill A. Russo

Name: Jill A. Russo

Title: Vice President

THE BANK OF NOVA SCOTIA,
as a Financial Institution

By: /s/ Doug Noe

Name: Doug Noe

Title: Managing Director

BANK OF AMERICA, N.A.,
as a Company and as a Financial Institution

By: /s/ Scott Bell

Name: Scott Bell

Title: SVP

Annex A

Amendments to Receivables Purchase Agreement

[see attached]

FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

dated as of August 16, 2018

Among

AVNET RECEIVABLES CORPORATION, as Seller,

AVNET, INC., as Servicer,

THE COMPANIES,

THE FINANCIAL INSTITUTIONS,

and

WELLS FARGO BANK, N.A.,
as Agent

TABLE OF CONTENTS

Page

Article I PURCHASE ARRANGEMENTS

Section 1.1	Purchase Facility
Section 1.2	Increases
Section 1.3	Decreases
Section 1.4	Payment Requirements

Article II PAYMENTS AND COLLECTIONS

Section 2.1	Payments
Section 2.2	Collections Prior to Amortization
Section 2.3	Collections Following Amortization
Section 2.4	Application of Collections
Section 2.5	Payment Rescission
Section 2.6	Maximum Purchaser Interests
Section 2.7	Repurchase Option
Section 2.8	Release of Lock-Box Arrangements
Section 2.9	Compliance with FATCA

Article III COMPANY FUNDING

Section 3.1	CP Costs
Section 3.2	CP Costs Payments
Section 3.3	Calculation of CP Costs
Section 3.4	Suspension of the LIBO Rate
Section 3.5	Effect of Benchmark Transition Event

Article IV FINANCIAL INSTITUTION FUNDING

Section 4.1	Financial Institution Funding
Section 4.2	Yield Payments
Section 4.3	Selection and Continuation of Tranche Periods
Section 4.4	Suspension of the LIBO Rate
Section 4.5	Effect of Benchmark Transition Event
Section 4.5 4.6	Extension of Liquidity Termination Date

Article V REPRESENTATIONS AND WARRANTIES

Section 5.1	Representations and Warranties of the Seller Parties
Section 5.2	Financial Institution Representations and Warranties

Article VI CONDITIONS OF PURCHASES

Section 6.1	Conditions Precedent to Amendment and Restatement
Section 6.2	Conditions Precedent to All Purchases and Reinvestments

Article VII COVENANTS

Section 7.1	Affirmative Covenants of the Seller Parties
Section 7.2	Negative Covenants of the Seller Parties

Article VIII ADMINISTRATION AND COLLECTION

Section 8.1	Designation of Servicer
Section 8.2	Duties of Servicer
Section 8.3	Collection Notices
Section 8.4	Responsibilities of Seller
Section 8.5	Reports

Section 8.6	Servicing Fees
Section 8.7	Limited Recourse to Servicer
Section 8.8	Risk Retention Compliance

Article IX AMORTIZATION EVENTS

Section 9.1	Amortization Events
Section 9.2	Remedies

Article X INDEMNIFICATION

Section 10.1	Indemnities by The Seller Parties
Section 10.2	Increased Cost and Reduced Return
Section 10.3	Other Costs and Expenses

Article XI THE AGENT

Section 11.1	Authorization and Action
Section 11.2	Delegation of Duties
Section 11.3	Exculpatory Provisions
Section 11.4	Reliance by Agent
Section 11.5	Non-Reliance on Agent and Other Purchasers
Section 11.6	Reimbursement and Indemnification
Section 11.7	Agent in its Individual Capacity
Section 11.8	Successor Agent

Article XII ASSIGNMENTS; PARTICIPATIONS; DEFAULTING PURCHASERS

Section 12.1	Assignments
Section 12.2	Participations
Section 12.3	Security Interests
Section 12.4	Defaulting Purchasers

Article XIII MISCELLANEOUS

Section 13.1	Waivers and Amendments
Section 13.2	Notices
Section 13.3	Ratable Payments
Section 13.4	Protection of Interests of the Purchasers
Section 13.5	Confidentiality
Section 13.6	Bankruptcy Petition
Section 13.7	Limitation of Liability
Section 13.8	CHOICE OF LAW
Section 13.9	CONSENT TO JURISDICTION
Section 13.10	WAIVER OF JURY TRIAL
Section 13.11	Integration; Binding Effect; Survival of Terms
Section 13.12	Counterparts; Severability; Section References
Section 13.13	Wells Fargo Roles
Section 13.14	Characterization
Section 13.15	Confirmation and Ratification of Terms
Section 13.16	PATRIOT Act and Beneficial Ownership Regulation
Section 13.17	Acknowledgment Regarding any Unsupported QFCs

Exhibits and Schedules

Exhibit I	Definitions
Exhibit II	Form of Purchase Notice
Exhibit III	Jurisdictions of Organization of the Seller Parties; Locations of Records; Organizational Number(s); Federal Employer Identification Number(s); Other Names
Exhibit IV	Names of Collection Banks; Collection Accounts
Exhibit V	Form of Compliance Certificate
Exhibit VI	[Reserved]
Exhibit VII	Form of Assignment Agreement
Exhibit VIII	Credit and Collection Policy
Exhibit IX	Form of Contract(s)
Exhibit X	Form of Monthly Report
Exhibit XI	Collateral Description
Exhibit XII	Form of General Electric Entity Designation Notice Weekly Report
Schedule A	Commitments
Schedule B	Closing Documents

ARTICLE I
PURCHASE ARRANGEMENTS

*FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT*

Section 1.1 **Purchase Facility.** Upon the terms and subject to the conditions hereof, Seller may, at its option, sell and assign Purchaser Interests to the Agent for the benefit of one or more of the Purchasers. During the period from the Initial Closing Date to but not including the Facility Termination Date, in accordance with the terms and conditions set forth herein, each Company may, at its option, instruct the Agent to purchase on behalf of such Company, or if any Company shall decline to purchase, the Agent shall purchase, on behalf of such declining Company's Related Financial Institutions, Purchaser Interests from time to time in an aggregate amount for all Purchasers not to exceed at such time the lesser of (i) the Purchase Limit and (ii) the aggregate amount of the Commitments.

Section 1.2 **Increases.** Seller shall provide the Agent and each Purchaser (based solely on contact information provided by the Agent), by 1:00 p.m. (Eastern time) on the date of each Incremental Purchase, with prior written notice in a form set forth as Exhibit II hereto of such Incremental Purchase (a "Purchase Notice"). Each Purchase Notice shall be subject to Section 6.2 hereof and, except as set forth below, shall be irrevocable and shall specify the requested Purchase Price (which shall not be less than the lesser of (i) ~~\$10,000,000~~ \$5,000,000 and (ii) the unused portion of the Purchase Limit on the applicable purchase date) and date of purchase and, in the case of an Incremental Purchase to be funded by any of the Financial Institutions, the requested Discount Rate. Following its receipt of a Purchase Notice, the Agent will notify each Company of such Purchase Notice no later than 2:00 p.m. (Eastern time) on the date of such Incremental Purchase and the Agent will identify the Companies that agree to make the purchase. If any Company declines to make a proposed Incremental Purchase, Seller may cancel the Purchase Notice as to all Purchasers or, in the absence of such a cancellation, the Incremental Purchase of the Purchaser Interests that such Company has declined to purchase will be made by such declining Company's Related Financial Institutions in accordance with the rest of this Section 1.2. If the proposed Incremental Purchase or any portion thereof is to be made by any of the Financial Institutions, the Agent shall send notice of the proposed Incremental Purchase to the applicable Financial Institutions concurrently by telecopier or other electronic transmission specifying (i) the date of such Incremental Purchase, (ii) each Financial Institution's Pro Rata Share of the aggregate Purchase Price of the Purchaser Interests the Financial Institutions in such Financial Institution's Purchaser Group are then purchasing and (iii) the requested Discount Rate. On the date of each Incremental Purchase, upon satisfaction of the applicable conditions precedent set forth in Article VI and the conditions set forth in this Section 1.2, the Companies and/or the Financial Institutions, as applicable, shall deposit, or cause to be deposited, to the Agent Account, in immediately available funds, no later than 3:00 p.m. (Eastern time), an amount equal to (i) in the case of a Company that has agreed to make such Incremental Purchase, such Company's Pro Rata Share of the aggregate Purchase Price of the Purchaser Interests of such Incremental Purchase or (ii) in the case of a Financial Institution, such Financial Institution's Pro Rata Share of the aggregate Purchase Price of the Purchaser Interests the Financial Institutions in such Financial Institution's Purchaser Group are then purchasing. The Agent shall deposit the amounts received in the Agent Account pursuant to the immediately preceding sentence into an account designated by the Seller (which may be designated by standing instructions) by no later than 4:00 p.m. (Eastern Time) on the date of such Incremental Purchase. The Agent and each Purchaser acknowledge that Seller may designate an account of Originator for the deposit of any such Incremental Purchase for the purpose of satisfying Seller's purchase price obligations under the Receivables Sale Agreement. Each Financial Institution's Commitment hereunder shall be limited to purchasing Purchaser Interests that the Company in such Financial Institution's Purchaser Group has declined to purchase. Each Financial Institution's obligation shall be several, such that the failure of any Financial Institution to make available to Seller any funds in connection with any purchase shall not relieve any other Financial Institution of its obligation, if any, hereunder to make funds available on the date of such purchase, but no Financial Institution shall be responsible for the failure of any other Financial Institution to make funds available in connection with any purchase. If any Purchaser shall not remit the full amount that it is required to make available to Agent in immediately available funds as and when required hereunder and if Agent has made available to Seller such amount, then each such Purchaser shall be obligated to immediately remit such amount to Agent, together with interest at the Alternative Base Rate plus 2.00% for each day until the date on which such amount is so remitted. A notice submitted by Agent to any Purchaser with respect to amounts owing under this Section 1.2 shall be conclusive, absent manifest error.

under FATCA or to determine the amount to deduct and withhold from such payment. In the event that a Purchaser does not deliver to the Seller Parties and the Agent the documentation prescribed by applicable law or reasonably requested by the Seller Parties or the Agent, as required under this Section 2.9, the Seller Parties and the Agent shall be authorized to deduct from payments to be made to such Purchaser amounts representing taxes payable by such Purchaser under FATCA, as determined in the sole discretion of the Seller Parties or the Agent, and to remit such amounts to the applicable governmental authorities. For purposes of this [Section 2.9](#), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

ARTICLE III
COMPANY FUNDING

Section 3.1 [CP Costs](#). Seller shall pay CP Costs with respect to the Capital associated with each Purchaser Interest of the Companies for each day that any Capital in respect of any such Purchaser Interest is outstanding.

Section 3.2 [CP Costs Payments](#). On each Settlement Date, Seller shall pay to each Company an aggregate amount equal to all accrued and unpaid CP Costs in respect of the Capital associated with all Purchaser Interests of such Company for the immediately preceding Accrual Period in accordance with [Article II](#). On or before the third Business Day immediately preceding the Settlement Date for each Purchaser Interest of the Companies, the Agent shall calculate the aggregate amount of accrued and unpaid CP Costs due and payable on the applicable Settlement Date and shall notify Seller of the aggregate amount of accrued and unpaid CP Costs due and payable to each Company on the applicable Settlement Date.

Section 3.3 [Calculation of CP Costs](#). Subject to [Section 3.4](#) and [Section 3.5](#), the CP Costs for any Purchaser Interest held by the Companies shall be the LIBO Rate, and the Agent shall calculate the LIBO Rate applicable to each day in the applicable Accrual Period.

Section 3.4 [Suspension of the LIBO Rate](#) ~~is~~ [Subject to Section 3.5, if](#) any Company notifies the Agent that it has determined that funding its Pro Rata Share of the Purchaser Interests of the Companies in such Company's Purchaser Group at the LIBO Rate would violate any applicable law, rule, regulation, or directive of any governmental or regulatory authority, whether or not having the force of law, or that (i) deposits of a type and maturity appropriate to match fund its Purchaser Interests at the LIBO Rate are not available or (ii) the LIBO Rate does not accurately reflect the cost of acquiring or maintaining a Purchaser Interest at the LIBO Rate, then the Agent shall suspend the availability of the LIBO Rate for the Companies in such Company's Purchaser Group and CP Costs for any Purchaser Interest funded by the Companies in such Company's Purchaser Group shall be the Alternative Base Rate.

[Section 3.5](#) [Effect of Benchmark Transition Event](#).

(a) [Benchmark Replacement. Notwithstanding anything to the contrary in this Agreement or in any other Transaction Document, upon the occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, the Agent and the Seller may amend this Agreement to replace LIBOR with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. on the fifth \(5th\) Business Day after the Agent has posted such proposed amendment to all Purchasers and the Seller so long as the Agent has not received, by such time, written notice of objection to such amendment from Purchasers comprising the Required Purchasers. Any such amendment with respect to an Early Opt-in Election will become effective on the date that Purchasers comprising the Required Purchasers have delivered to the Agent written notice that such Required Purchasers accept such amendment. No replacement of LIBOR with a Benchmark Replacement pursuant to this Section 3.5 will occur prior to the applicable Benchmark Transition Start Date.](#)

(b) *Benchmark Replacement Conforming Changes.* In connection with the implementation of a Benchmark Replacement, the Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

(c) *Notices; Standards for Decisions and Determinations.* The Agent will promptly notify the Seller and the Purchasers of (i) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date and Benchmark Transition Start Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes and (iv) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Agent or Purchasers pursuant to this Section 3.5, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section 3.5.

(d) *Benchmark Unavailability Period.* Upon the Seller's receipt of notice of the commencement of a Benchmark Unavailability Period, the Seller may revoke any request for an Incremental Purchase to be made during any Benchmark Unavailability Period and, failing that, the Seller will be deemed to have converted any such request to a request for the funding of any Purchaser Interests at the Alternative Base Rate. During any Benchmark Unavailability Period, the component of the Discount Rate that is based upon LIBOR will not be used in any determination of the Discount Rate.

ARTICLE IV FINANCIAL INSTITUTION FUNDING

Section 4.1 *Financial Institution Funding.* The Capital associated with the Purchaser Interests of the Financial Institutions shall accrue Yield for each day during its Tranche Period in accordance with the terms and conditions hereof. Subject to Section 4.4 and Section 4.5, the Discount Rate for the Capital associated with any Purchaser Interests held by the Financial Institutions shall be the LIBO Rate, and the Agent shall calculate the LIBO Rate applicable to each day in the applicable Tranche Period. If any Purchaser Interest of any Company is assigned or transferred to, or funded by, any Funding Source of such Company pursuant to any Funding Agreement or to or by any other Person, each such Purchaser Interest so assigned, transferred or funded shall each be deemed to have a new Tranche Period commencing on the date of any such transfer or funding and the Capital associated therewith shall accrue Yield for each day during the Tranche Period at the Discount Rate for the corresponding Accrual Period (or portion thereof) in accordance with the terms and conditions hereof as if each such Purchaser Interest was held by a Financial Institution, and with respect to each such Purchaser Interest, the assignee or transferee thereof or lender with respect thereto shall be deemed to be a Financial Institution in the transferring Company's Purchaser Group solely for the purposes of Sections 4.1, 4.2, 4.3 and 4.4. Notwithstanding the foregoing, any Financial Institution that is also a Company shall continue to receive CP Costs in accordance with Article III rather than Yield in accordance with this Article IV.

Section 4.2 *Yield Payments.* On the Settlement Date for each Purchaser Interest of each Financial Institution, Seller shall pay to each Financial Institution an aggregate amount equal to all accrued and unpaid Yield for the entire Tranche Period of each Purchaser Interest funded by such Financial Institution. On or before the third Business Day immediately preceding the Settlement Date for each Purchaser Interest of the Financial Institutions, the Agent shall calculate the aggregate amount of accrued and unpaid Yield due and payable on the applicable Settlement Date and shall notify Seller of the aggregate amount of accrued and unpaid Yield due and payable to each Financial Institution on the applicable Settlement Date.

Section 4.3 Selection and Continuation of Tranche Periods.

(a) Prior to the Amortization Date, each Tranche Period will commence on the first day of each Accrual Period, or in the event a Financial Institution acquires any Purchaser Interest, on the date of such acquisition. On and after the Amortization Date, the applicable Financial Institution shall select the Business Day on which any Tranche Period will commence.

(b) Seller or the applicable Financial Institution, upon notice to and consent by the other received at least three Business Days prior to the end of a Tranche Period (the "Terminating Tranche") for any Purchaser Interest, may, effective on the last day of the Terminating Tranche: (i) divide any such Purchaser Interest into multiple Purchaser Interests by subdividing the associated Capital for such Purchaser Interest into smaller amounts of Capital, (ii) combine any such Purchaser Interest with one or more other Purchaser Interests that have a Terminating Tranche ending on the same day as such Terminating Tranche by combining the associated Capital for such Purchaser Interests or (iii) combine any such Purchaser Interest with a new Purchaser Interest to be purchased on the day such Terminating Tranche ends by combining the associated Capital for such Purchaser Interests; provided that in no event may a Purchaser Interest of any Purchaser be combined with a Purchaser Interest of any other Purchaser.

Section 4.4 Suspension of the LIBO Rate. ~~Subject to Section 4.5, if~~ any Financial Institution notifies the Agent that it has determined that funding its Pro Rata Share of the Purchaser Interests of the Financial Institutions in such Financial Institution's Purchaser Group at the LIBO Rate would violate any applicable law, rule, regulation, or directive of any governmental or regulatory authority, whether or not having the force of law, or that (i) deposits of a type and maturity appropriate to match fund its Purchaser Interests at the LIBO Rate are not available or (ii) the LIBO Rate does not accurately reflect the cost of acquiring or maintaining a Purchaser Interest at the LIBO Rate, then the Agent shall suspend the availability of the LIBO Rate for the Financial Institutions in such Financial Institution's Purchaser Group and the Discount Rate for any Purchaser Interest funded by the Financial Institutions in such Financial Institution's Purchaser Group shall be the Alternative Base Rate.

Section 4.5 Effect of Benchmark Transition Event. The terms of Section 3.5 are incorporated by reference into this Article IV mutatis mutandis, substituting references to "Section 3.5" with "Section 4.5," and shall be applicable to each Financial Institution.

Section ~~4.54.6~~ Extension of Liquidity Termination Date.

(a) Seller may request one or more 364-day extensions of the Liquidity Termination Date then in effect by giving written notice of such request to the Agent (each such notice an "Extension Notice") at least 60 days prior to the Liquidity Termination Date then in effect. After the Agent's receipt of any Extension Notice, the Agent shall promptly advise each Financial Institution of such Extension Notice. Each Financial Institution may, in its sole discretion, by a revocable notice (a "Consent Notice") given to the Agent on or prior to the 30th day prior to the Liquidity Termination Date then in effect (such period from the date of the Extension Notice to such 30th day being referred to herein as the "Consent Period"), consent to such extension of such Liquidity Termination Date; provided, however, that, except as provided in Section 4.54.6(b), such extension shall not be effective with respect to any of the Financial Institutions if any one or more Financial Institutions: (i) notifies the Agent during the Consent Period that such Financial Institution either does not wish to consent to such extension or wishes to revoke its prior Consent Notice or (ii) fails to respond to the Agent within the Consent Period (each Financial Institution that does not wish to consent to such extension or wishes to revoke its prior Consent Notice or fails to respond to the Agent within the Consent Period is herein referred to as a "Non-Renewing Financial Institution"). If none of the events described in the foregoing clause (i) or (ii) occurs during the Consent Period and all Consent Notices have been received, then, the Liquidity Termination Date shall be irrevocably extended until the date that is 364 days after the Liquidity Termination Date then in effect. The Agent shall promptly notify Seller of any Consent Notice or other notice received by the Agent pursuant to this Section 4.54.6(a).

(b) Upon receipt of notice from the Agent pursuant to Section 4.54.6(a) of any Non-Renewing Financial Institution or that the Liquidity Termination Date has not been extended, one or more of the Financial Institutions (including any Non-Renewing Financial Institution) may proffer to the Agent and the Company in such Non-Renewing Financial Institution's Purchaser Group the names of one or more institutions meeting the criteria set forth in Section 12.1(b)(i) that are willing to accept assignments of and assume the rights and obligations under this Agreement and the other applicable Transaction Documents of the Non-Renewing Financial Institution. Provided the proffered name(s) are acceptable to the Agent and the Company in such Non-Renewing Financial Institution's Purchaser Group, the Agent shall notify the remaining Financial Institutions of such fact, and the then existing Liquidity Termination Date shall be extended for an additional 364 days upon satisfaction of the conditions for an assignment in accordance with Section 12.1 and the Commitment of each Non-Renewing Financial Institution shall be reduced to zero. If the rights and obligations under this Agreement and the other applicable Transaction Documents of each Non-Renewing Financial Institution are not assigned as contemplated by this Section 4.54.6(b) (each such Non-Renewing Financial Institution whose rights and obligations under this Agreement and the other applicable Transaction Documents are not so assigned is herein referred to as a "Terminating Financial Institution") and at least one Financial Institution is not a Non-Renewing Financial Institution, the then existing Liquidity Termination Date shall be extended for an additional 364 days; provided, however, that (i) the Purchase Limit shall be reduced on the Liquidity Provider Termination Date applicable to each Terminating Financial Institution by an aggregate amount equal to the Terminating Commitment Availability of each Terminating Financial Institution as of such date and shall thereafter continue to be reduced by amounts equal to any reduction in the Capital of any Terminating Financial Institution (after application of Collections pursuant to Sections 2.2 and 2.3), (ii) the Company Purchase Limit of each Company shall be reduced by the aggregate amount of the Terminating Commitment Amount of each Terminating Financial Institution in such Company's Purchaser Group and (iii) the Commitment of each Terminating Financial Institution shall be reduced to zero on the Liquidity Provider Termination Date applicable to such Terminating Financial Institution. Upon reduction to zero of the Capital of all of the Purchaser Interests of a Terminating Financial Institution (after application of Collections thereto pursuant to Sections 2.2 and 2.3), all rights and obligations of such Terminating Financial Institution hereunder shall be terminated and such Terminating Financial Institution shall no longer be a "Financial Institution"; provided, however, that the provisions of Article X shall continue in effect for its benefit with respect to Purchaser Interests held by such Terminating Financial Institution prior to its termination as a Financial Institution.

(c) Any requested extension may be approved or disapproved by a Financial Institution in its sole discretion. In the event that the Commitments are not extended in accordance with the provisions of this Section 4.54.6, the Commitment of each Financial Institution shall be reduced to zero on the Liquidity Termination Date. Upon reduction to zero of the Commitment of a Financial Institution and upon reduction to zero of the Capital of all of the Purchaser Interests of such Financial Institution all rights and obligations of such Financial Institution hereunder shall be terminated and such Financial Institution shall no longer be a "Financial Institution"; provided, however, that the provisions of Article X shall continue in effect for its benefit with respect to Purchaser Interests held by such Financial Institution prior to its termination as a Financial Institution.

ARTICLE V
REPRESENTATIONS AND WARRANTIES

Section 5.1 Representations and Warranties of the Seller Parties. Each Seller Party hereby represents and warrants to the Agent and the Purchasers, as to itself (and not as to any other Seller Party), as of the Amendment Date and as of the date of each Incremental Purchase and the date of each Reinvestment that:

(a) Corporate Existence and Power. Such Seller Party is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation. Such Seller Party is duly qualified to do business and is in good standing as a foreign corporation, and has and holds all corporate power and all governmental licenses, authorizations, consents and approvals required to carry on its business in each jurisdiction in which its business is conducted, except where the failure of the Servicer to so qualify or so hold could not reasonably be expected to have a Material Adverse Effect.

*FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT*

(b) Power and Authority; Due Authorization, Execution and Delivery. The execution and delivery by such Seller Party of this Agreement and each other Transaction Document to which it is a party, and the performance of its obligations hereunder and thereunder and, in the case of Seller, Seller's use of the proceeds of purchases made hereunder, are within its corporate powers and authority and have been duly authorized by all necessary corporate action on its part. This Agreement and each other Transaction Document to which such Seller Party is a party has been duly executed and delivered by such Seller Party.

(c) No Conflict. The execution and delivery by such Seller Party of this Agreement and each other Transaction Document to which it is a party, and the performance of its obligations hereunder and thereunder do not contravene or violate (i) its certificate or articles of incorporation or by-laws, (ii) any law, rule or regulation applicable to it, (iii) any restrictions under any agreement, contract or instrument to which it is a party or by which it or any of its property is bound, or (iv) any order, writ, judgment, award, injunction or decree binding on or affecting it or its property, and do not result in the creation or imposition of any Adverse Claim on assets of such Seller Party or its Subsidiaries (except as created hereunder); and no transaction contemplated hereby requires compliance with any bulk sales act or similar law.

(d) Governmental Authorization. Other than the filing of the financing statements required hereunder, no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution and delivery by such Seller Party of this Agreement and each other Transaction Document to which it is a party and the performance of its obligations hereunder and thereunder.

(e) Actions, Suits. There are no actions, suits or proceedings pending, or to the best of such Seller Party's knowledge, threatened, against or affecting such Seller Party, or any of its properties, in or before any court, arbitrator or other body, except for actions, suits or proceedings (i) that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect or (ii) that have been publicly disclosed in any periodic report or other filing made by such Seller Party pursuant to, and in full conformity with the requirements of, the Securities Exchange Act of 1934, as amended. In addition to the foregoing, there are no actions, suits or proceedings pending, or to the best of such Seller Party's knowledge, threatened against or affecting the Receivables, the Related Security or any Transaction Document, in or before any court, arbitration or other body. Such Seller Party is not in default with respect to any order of any court, arbitrator or governmental body.

(f) Binding Effect. This Agreement and each other Transaction Document to which such Seller Party is a party constitute the legal, valid and binding obligations of such Seller Party enforceable against such Seller Party in accordance with their respective terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to or limiting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(g) Accuracy of Information. All information heretofore furnished by such Seller Party or any of its Affiliates to the Agent or the Purchasers for purposes of or in connection with this Agreement, any of the other Transaction Documents or any transaction contemplated hereby or thereby is, and all such information hereafter furnished by such Seller Party or any of its Affiliates to the Agent or the Purchasers will be, true and accurate in every material respect on the date such information is stated or certified and does not and will not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein not misleading. [As of the Second Amendment Date, the information included in the Beneficial Ownership Certification, if applicable, is true and correct in all material respects.](#)

(h) Use of Proceeds. No proceeds of any purchase hereunder will be used by the Seller Parties (i) for a purpose that violates, or would be inconsistent with, Regulation T, U or X promulgated by the Board

of Governors of the Federal Reserve System from time to time ~~or~~, (ii) to acquire any security in any transaction which is subject to Section 12, 13 or 14 of the Securities Exchange Act of 1934, as amended or (iii) for any purpose in contravention of any Law or of any Transaction Document.

(i) **Good Title.** Immediately prior to each purchase hereunder, Seller shall be the legal and beneficial owner of the Receivables and Related Security with respect thereto, free and clear of any Adverse Claim, except as created by the Transaction Documents. There have been duly filed all financing statements or other similar instruments or documents necessary under the UCC (or any comparable law) of all appropriate jurisdictions to perfect Seller's ownership interest in each Receivable, its Collections and the Related Security.

(j) **Perfection.** This Agreement, together with the filing of the financing statements contemplated hereby, is effective to, and shall, upon each purchase hereunder, transfer to the Agent for the benefit of the relevant Purchaser or Purchasers (and the Agent for the benefit of such Purchaser or Purchasers shall acquire from Seller) a valid and perfected first priority undivided percentage ownership or security interest in all of Seller's right, title and interest in, to and under each Receivable existing or hereafter arising and in the Related Security and Collections with respect thereto, free and clear of any Adverse Claim, except as created by the Transaction Documents. There have been duly filed all financing statements or other similar instruments or documents necessary under the UCC (or any comparable law) of all appropriate jurisdictions to perfect the Agent's (on behalf of the Purchasers) ownership or security interest in the Receivables, the Related Security and the Collections.

(k) **Jurisdiction of Organization and Locations of Records.** The jurisdiction of organization of such Seller Party and the offices where it keeps all of its Records are located at the address(es) listed on Exhibit III or such other locations of which the Agent has been notified in accordance with Section 7.2(a) in jurisdictions where all action required by Section 7.1(h) and/or Section 13.4(a) has been taken and completed. Seller's organizational number assigned to it by its jurisdiction of organization and Seller's Federal Employer Identification Number are correctly set forth on Exhibit III. Seller has not changed its corporate structure or its jurisdiction of organization since the Initial Closing Date except in accordance with Section 7.2(a). Seller is a Delaware corporation and is a "registered organization" (within the meaning of Section 9-102 of the UCC in effect in the State of Delaware). Servicer is a New York corporation and is a "registered organization" (within the meaning of Section 9-102 of the UCC in effect in the State of New York).

(l) **Collections.** The conditions and requirements set forth in Section 7.1(j) and Section 8.2 have at all times been satisfied and duly performed. The names and addresses of all Collection Banks, together with the account numbers of the Collection Accounts of Seller at each Collection Bank and the post office box number of each Lock-Box, are listed on Exhibit IV. Seller has not granted any Person, other than the Agent as contemplated by this Agreement, dominion and control or "control" (within the meaning of Section 9-104 of the UCC of all applicable jurisdictions) of any Lock-Box or Collection Account, or the right to take dominion and control or "control" (within the meaning of Section 9-104 of the UCC of all applicable jurisdictions) of any such Lock-Box or Collection Account at a future time or upon the occurrence of a future event, in each case, that is or remains in effect from and after the Amendment Date. Seller has taken all steps necessary to ensure that the Agent has "control" (within the meaning of Section 9-104 of the UCC of all applicable jurisdictions) over all its Collection Accounts and Lock-Boxes.

(m) **Material Adverse Effect.** (i) The initial Servicer represents and warrants that since July 2, 2017, no event has occurred that would have a material adverse effect on the financial condition or operations of the initial Servicer and its Subsidiaries or the ability of the initial Servicer to perform its obligations under this Agreement, and (ii) Seller represents and warrants that since July 2, 2017, no event has occurred that would have a material adverse effect on (A) the financial condition or operations of Seller, (B) the ability of Seller to perform its obligations under the Transaction Documents, or (C) the collectibility of the Receivables generally or any material portion of the Receivables.

FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

(v) Aggregate Capital. Seller has determined that, immediately after giving effect to each purchase hereunder, the Aggregate Capital is no greater than 100% of the amount equal to (i) the Net Receivables Balance, minus (ii) the Required Reserves.

(w) Accounting. The manner in which such Seller Party accounts for the transactions contemplated by this Agreement and the Receivables Sale Agreement does not jeopardize the true sale analysis of the sale of Receivables by Originator to Seller.

(x) Sanctions. Neither the Seller Parties, nor any of their respective Subsidiaries, nor, to the knowledge of the Seller Parties or their respective Subsidiaries, any director, officer, employee, agent, affiliate or representative of the Seller Parties or their respective Subsidiaries, is an individual or entity that is (i) currently the subject or target of any Sanctions ~~or~~, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority, (iii) 10% or more owned by an individual or entity that is on a list described in immediately preceding clause (ii) or (iv), located, organized or resident in any ~~country or territory to the extent that such country or territory itself is the subject of any country-wide Sanction~~ Designated Jurisdiction.

(y) PATRIOT Act Anti-Terrorism and Anti-Corruption Laws. To the extent applicable, each Seller Party and its Subsidiaries (i) is in compliance, in all material respects, with the Patriot Act. and (ii) has conducted its business in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar Anti-Corruption Laws in other jurisdictions. Each Seller Party and its Subsidiaries have instituted and maintained reasonable and customary policies and procedures designed to promote and achieve compliance with such laws in all material respects.

Section 5.2 Financial Institution Representations and Warranties. Each Financial Institution hereby represents and warrants to the Agent and the Company in such Financial Institution's Purchaser Group that:

(a) Existence and Power. Such Financial Institution is a corporation or a banking association duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, and has all corporate power to perform its obligations hereunder.

(b) No Conflict. The execution and delivery by such Financial Institution of this Agreement and the performance of its obligations hereunder are within its corporate powers, have been duly authorized by all necessary corporate action, do not contravene or violate (i) its certificate or articles of incorporation or association or by-laws, (ii) any law, rule or regulation applicable to it, (iii) any restrictions under any agreement, contract or instrument to which it is a party or by which any of its property is bound, or (iv) any order, writ, judgment, award, injunction or decree binding on or affecting it or its property, and do not result in the creation or imposition of any Adverse Claim on its assets. This Agreement has been duly authorized, executed and delivered by such Financial Institution.

(c) Governmental Authorization. No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution and delivery by such Financial Institution of this Agreement and the performance of its obligations hereunder, except that has already been received.

(d) Binding Effect. This Agreement constitutes the legal, valid and binding obligation of such Financial Institution enforceable against such Financial Institution in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to or

which Originator has a security interest or other interest arising in connection with the sale of merchandise or the rendering of services by the business previously conducted by businesses acquired by Originator in an Excluded Acquisition shall not be recorded as part of general ledger category "company code US10" until such time, if any, as such indebtedness or other obligations are originated, serviced and collected in a manner substantially similar to the Receivables.

(q) Anti-Terrorism and Anti-Corruption Laws; Sanctions. Each Seller Party will conduct its businesses in compliance in all material respects with the Patriot Act, the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar Anti-Corruption Laws in other jurisdictions and maintain in effect and enforce policies and procedures designed to ~~ensure~~ promote and achieve compliance by it ~~and its directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions~~ with such laws.

Section 7.2 Negative Covenants of the Seller Parties. Until the date on which the Aggregate Unpays have been indefeasibly paid in full and this Agreement terminates in accordance with its terms, each Seller Party hereby covenants, as to itself (and not as to any other Seller Party), that:

(a) Name Change, Jurisdiction of Organization, Corporate Structure, Offices and Records. Such Seller Party will not change its name, identity, jurisdiction of organization or corporate structure (within the meaning of Sections 9-503 and/or 9-507 of the UCC of all applicable jurisdictions) or relocate any office where Records are kept unless it shall have: (i) given the Agent at least 45 days' prior written notice thereof and (ii) delivered to the Agent all financing statements, instruments and other documents requested by the Agent in connection with such change or relocation.

(b) Change in Payment Instructions to Obligors. Except as may be required by the Agent pursuant to Section 8.2(b), such Seller Party will not add or terminate any bank as a Collection Bank, or make any change in the instructions to Obligors regarding payments to be made to any Lock-Box or Collection Account, unless the Agent shall have received, at least 10 days before the proposed effective date therefor, (i) written notice of such addition, termination or change and (ii) with respect to the addition of a Collection Bank or a Collection Account or Lock-Box, an executed Collection Account Agreement with respect to the new Collection Account or Lock-Box; provided, however, that the Servicer may make changes in instructions to Obligors regarding payments if such new instructions require such Obligors to make payments to another existing Collection Account.

(c) Modifications to Contracts and Credit and Collection Policy. Such Seller Party will not make any change to the Credit and Collection Policy that could adversely affect the collectibility of the Receivables or decrease the credit quality of any newly created Receivables. Except as provided in Section 8.2(d), the Servicer will not extend, amend or otherwise modify the terms of any Receivable or any Contract related thereto other than in accordance with the Credit and Collection Policy.

(d) Sales, Liens. Seller will not sell, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, or create or suffer to exist any Adverse Claim upon (including, without limitation, the filing of any financing statement) or with respect to, any of its Receivables, Related Security or Collections, or upon or with respect to any Contract under which any of its Receivables arise, or any Lock-Box or Collection Account, or assign any right to receive income with respect thereto (other than, in each case, the creation of the interests therein in favor of the Agent and the Purchasers provided for herein), and Seller will defend the right, title and interest of the Agent and the Purchasers in, to and under any of the foregoing property, against all claims of third parties claiming through or under Seller or Originator.

(e) Aggregate Capital. Other than in compliance with Section 2.6, at no time prior to the Amortization Date shall Seller permit the Aggregate Capital to be greater than 100% of the amount equal to (i) the Net Receivables Balance, minus (ii) the Required Reserves.

(f) Termination Date Determination. Seller will not designate the Termination Date (as defined in the Receivables Sale Agreement), or send any written notice to Originator in respect thereof, without the prior written consent of the Agent, except with respect to the occurrence of such Termination Date arising pursuant to Section 5.1(d) of the Receivables Sale Agreement.

(g) Restricted Junior Payments. From and after the occurrence of any Amortization Event, Seller will not make any Restricted Junior Payment if, after giving effect thereto, Seller would fail to meet its obligations set forth in Section 7.2(e).

(h) Anti-Terrorism and Anti-Corruption Laws; Sanctions. Seller shall not, directly or indirectly, sell any Purchaser Interest, and it will not knowingly use or procure for the use of Seller, Avnet or any of Avnet's Subsidiaries, the proceeds of the sale of any Purchaser Interest to fund any activities of or business with any individual or entity, or in any ~~Sanctioned-Country~~ Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any individual or entity ~~of~~ (including any individual or entity participating in the transactions contemplated by this Agreement, whether as Agent, Financial Institution, Purchaser, or otherwise) of Sanctions. Seller shall not, directly or indirectly, knowingly use or procure for the use of Seller, Avnet or any of Avnet's Subsidiaries, the proceeds of the sale of any Purchaser Interest for any purpose which would breach the Patriot Act, the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 or Anti-Corruption Laws. in other jurisdictions..

ARTICLE VIII
ADMINISTRATION AND COLLECTION

Section 8.1 Designation of Servicer. (a) The servicing, administration and collection of the Receivables shall be conducted by such Person (the "Servicer") so designated from time to time in accordance with this Section 8.1. Avnet is hereby designated as, and hereby agrees to perform the duties and obligations of, the Servicer pursuant to the terms of this Agreement. The Agent (on behalf of the Purchasers) may, and at the direction of the Required Purchasers shall, at any time after the occurrence of any Amortization Event, designate as Servicer any Person to succeed Avnet or any successor Servicer.

(b) Without the prior written consent of the Agent and the Required Purchasers, Avnet shall not be permitted to delegate any of its duties or responsibilities as Servicer to any Person other than (i) Seller and (ii) with respect to certain Charged-Off Receivables, outside collection agencies or law firms, taking action in connection with collection activities, in accordance with its customary practices. Seller shall not be permitted to further delegate to any other Person any of the duties or responsibilities of the Servicer delegated to it by Avnet. If at any time the Agent shall designate as Servicer any Person other than Avnet, all duties and responsibilities theretofore delegated by Avnet to Seller may, at the discretion of the Agent, be terminated forthwith on notice given by the Agent to Avnet and to Seller.

(c) Notwithstanding the foregoing subsection (b), (i) Avnet shall be and remain primarily liable to the Agent and the Purchasers for the full and prompt performance of all duties and responsibilities of the Servicer hereunder (unless a successor servicer has been designated by the Agent pursuant to Section 8.1 hereof) and (ii) the Agent and the Purchasers shall be entitled to deal exclusively with Avnet in matters relating to the discharge by the Servicer of its duties and responsibilities hereunder. The Agent and the Purchasers shall not be required to give

(f) Any payment by an Obligor in connection with any Receivables in respect of any indebtedness owed by it to Originator or Seller shall, except as otherwise specified by such Obligor or otherwise required by contract or law and unless otherwise instructed by the Agent, be applied as a Collection of any Receivable of such Obligor (starting with the oldest such Receivable) to the extent of any amounts then due and payable thereunder before being applied to any other receivable or other obligation of such Obligor.

Section 8.3 Collection Notices. The Agent is authorized at any time after the occurrence of any Amortization Event to date and to deliver to the Collection Banks the Collection Notices. The Agent agrees to notify Seller promptly after the delivery of such Collection Notices to the Collection Banks. Seller hereby transfers to the Agent for the benefit of the Purchasers, effective when the Agent delivers such notice, the dominion and control and “control” (within the meaning of Section 9-104 of the UCC of all applicable jurisdictions) of each Lock-Box, each Collection Account and the amounts on deposit therein. In case any authorized signatory of Seller whose signature appears on a Collection Account Agreement shall cease to have such authority before the delivery of such notice, such Collection Notice shall nevertheless be valid as if such authority had remained in force. Seller hereby authorizes the Agent, and agrees that the Agent shall be entitled to (i) endorse Seller’s name on checks and other instruments representing Collections, (ii) enforce the Receivables, the related Contracts and the Related Security and (iii) take such action as shall be necessary or desirable to cause all cash, checks and other instruments constituting Collections of Receivables to come into the possession of the Agent rather than Seller. The Agent agrees that after delivery of a Collection Notice, the Collection Banks may continue to provide or otherwise make available to Seller and the Servicer copies of all correspondence or other mail which will be sent directly to the Agent subsequent to the delivery of such Collection Notice pursuant to the Collection Account Agreements.

Section 8.4 Responsibilities of Seller. Anything herein to the contrary notwithstanding, the exercise by the Agent and the Purchasers of their rights hereunder shall not release the Servicer, Originator or Seller from any of their duties or obligations with respect to any Receivables or under the related Contracts. The Purchasers shall have no obligation or liability with respect to any Receivables or related Contracts, nor shall any of them be obligated to perform the obligations of Seller.

Section 8.5 Reports. The Servicer shall prepare and forward to the Agent (and upon receipt thereof the Agent will forward the same to each Company or its designee) (i) by 2:00 p.m. (Eastern time) on the 10th Business Day following the last day of each fiscal month of the Servicer ~~and at such times as the Agent or the Required Purchasers shall request~~, a Monthly Report (which shall include a work sheet calculating the Net Receivables Balance and the amount of Eligible Receivables), (ii) by 2:00 p.m. (Eastern time) on the third Business Day of each calendar week ~~(other than a calendar week in which a Monthly Report is required to be delivered pursuant to clause (i) of this sentence)~~ following any calendar week during which at any time the Weekly Reporting Condition existed, a Weekly Report with respect to such preceding calendar week and (iii) at such times as the Agent or the Required Purchasers shall request, a listing by Obligor of all Receivables together with an aging of such Receivables. Upon the Servicer’s request, the Agent may, in its sole discretion, grant an extension of three (3) Business Days to the time by which the Monthly Report is due under the preceding clause (i) or the time by which the Weekly Report is due under preceding clause (ii); provided, however, the Agent shall automatically grant the Servicer’s first three such extension requests in any 12-month period.

Section 8.6 Servicing Fees. In consideration of Avnet’s agreement to act as Servicer hereunder, the Purchasers hereby agree that, so long as Avnet shall continue to perform as Servicer hereunder, Seller shall pay over to Avnet a fee (the “Servicing Fee”) on the first calendar day of each month, in arrears for the immediately preceding month, equal to 1/12 of 1% per annum (in an aggregate amount equal to 1% per annum) of the average Net Receivables Balance during such period, as compensation for its servicing activities.

Section 8.7 Limited Recourse to Servicer. Purchasers shall have no recourse to Servicer for any amounts due hereunder, other than those specifically provided to be paid by Servicer hereunder and under the other Transaction Documents, including, without limitation, for amounts payable pursuant to Section 10.1(b) hereof.

Section 8.8 Risk Retention Compliance. The Servicer agrees to comply with the requirements of all applicable risk retention laws, including the Capital Requirements (Risk Retention) of the CRR, such that (a) it shall retain a net economic interest in the Receivables in an amount at least equal to 5% of the aggregate Outstanding Balance of the Receivables, (b) it shall not change the manner in which it retains such net economic interest except

(iii) any Seller Party or any of its Subsidiaries shall take any corporate action to authorize any of the actions set forth in clauses (i) or (ii) above in this subsection (d).

(e) Seller shall fail to comply with the terms of Section 2.6 hereof.

(f) As of the end of the fiscal month covered by the most recent Monthly Report required to be delivered pursuant to Section 8.5 hereof, the three-month rolling average of the Delinquency Ratio Trigger shall exceed the Applicable Delinquency Ratio Threshold, or the three-month rolling average of the Dilution Ratio Trigger shall exceed the Applicable Dilution Ratio Threshold, or the three-month rolling average of the Loss Ratio Trigger shall exceed the Applicable Loss Ratio Threshold.

(g) A Change of Control shall occur.

(h) ~~(i) the "Consolidated Interest Coverage Ratio" (as defined in the Credit Agreement) as of the end of any period of four fiscal quarters of Avnet shall be less than 3.00 to 1.00 or (ii) the "Consolidated Leverage Ratio" (as defined in the Credit Agreement) at any time shall be greater than 4.00 to 1.00.~~ [Reserved].

(i) (i) One or more final judgments for the payment of money shall be entered against Seller or (ii) one or more final judgments for the payment of money in an amount in excess of \$50,000,000, individually or in the aggregate, shall be entered against the Servicer on claims not covered by insurance or as to which the insurance carrier has denied its responsibility, and such judgment shall continue unsatisfied and in effect for 30 consecutive days without a stay of execution.

(j) The "Termination Date" under and as defined in the Receivables Sale Agreement shall occur; or Originator shall for any reason cease to transfer, or cease to have the legal capacity to transfer, or otherwise be incapable of transferring Receivables to Seller under the Receivables Sale Agreement.

(k) This Agreement shall terminate in whole or in part (except in accordance with its terms), or shall cease to be effective or to be the legally valid, binding and enforceable obligation of Seller, or any Obligor shall directly or indirectly contest in any manner such effectiveness, validity, binding nature or enforceability, or the Agent for the benefit of the Purchasers shall cease to have a valid and perfected first priority security interest in the Receivables, the Related Security and the Collections with respect thereto and the Collection Accounts.

Section 9.2 Remedies. Upon the occurrence and during the continuation of an Amortization Event, the Agent may, or upon the direction of the Required Purchasers shall, take any of the following actions: (i) replace the Person then acting as Servicer, (ii) with prior written notice to the Servicer (except as provided in the following proviso), declare the Amortization Date to have occurred, whereupon the Amortization Date shall forthwith occur; provided, however, that upon the occurrence of an Amortization Event described in Section 9.1(d)(ii), or of an actual or deemed entry of an order for relief with respect to any Seller Party under the Federal Bankruptcy Code, the Amortization Date shall automatically occur, without demand, protest or any notice of any kind, all of which are hereby expressly waived by each Seller Party, (iii) to the fullest extent permitted by applicable law, declare that the Default Fee shall accrue with respect to any of the Aggregate Unpays outstanding at such time, (iv) deliver the Collection Notices to the Collection Banks, and (v) notify Obligors of the Purchasers' interest in the Receivables. The aforementioned rights and remedies shall be without limitation, and shall be in addition to all other rights and remedies of the Agent and the Purchasers otherwise available under any other provision of this Agreement, by operation of law, at equity or otherwise, all of which are hereby expressly preserved, including, without limitation, all rights and remedies provided under the UCC (or any comparable law), all of which rights shall be cumulative.

its future obligations hereunder. The operation of this [Section 12.4](#) shall not be construed to increase or otherwise affect the Commitment of any Purchaser, to relieve or excuse the performance by such Defaulting Purchaser or any other Purchaser of its duties and obligations hereunder, or to relieve or excuse the performance by any Seller Party of its duties and obligations hereunder to the Agent or to the Purchasers other than to such Defaulting Purchaser. Any failure by a Defaulting Purchaser to fund amounts that it was obligated to fund hereunder shall constitute a material breach by such Defaulting Purchaser of this Agreement and shall entitle Seller, at its option, upon written notice to the Agent, to arrange for a substitute Purchaser Group to assume the Commitment of such Defaulting Purchaser's Purchaser Group, such substitute Purchaser Group to be reasonably acceptable to the Agent. In connection with the arrangement of such a substitute Purchaser Group, (i) the Defaulting Purchaser's Purchaser Group shall have no right to refuse to be replaced hereunder and (ii) the Company in the Defaulting Purchaser's Purchaser Group shall have no right to consent to the assignment in respect of such Defaulting Purchaser. In such circumstance, the Defaulting Purchaser's Purchaser Group agrees to execute and deliver a completed Assignment Agreement in favor of the substitute Purchaser (and agrees that it shall be deemed to have executed and delivered such documentation if it fails to do so), subject only in each case to being paid its share of the outstanding Obligations (but not any fee (other than the Used Fee) payable under clause (i) of [Section 2.1](#) during such time as the Purchaser was a Defaulting Purchaser); provided, that any such assumption of the Commitment of such Defaulting Purchaser shall not be deemed to constitute a waiver of any of the other Purchasers' or any Seller Party's rights or remedies against any such Defaulting Purchaser arising out of or in relation to such failure to fund. In the event of a direct conflict between the priority provisions of this [Section 12.4](#) and any other provision contained in this Agreement or any other Transaction Document, it is the intention of the parties hereto that such provisions be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of this [Section 12.4](#) shall control and govern.

ARTICLE XIII
MISCELLANEOUS

Section 13.1 Waivers and Amendments. (a) No failure or delay on the part of the Agent or any Purchaser in exercising any power, right or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or remedy preclude any other further exercise thereof or the exercise of any other power, right or remedy. The rights and remedies herein provided shall be cumulative and nonexclusive of any rights or remedies provided by law. Any waiver of this Agreement shall be effective only in the specific instance and for the specific purpose for which given.

(b) No provision of this Agreement may be amended, supplemented, modified or waived except in writing in accordance with the provisions of this [Section 13.1\(b\)](#) or in accordance with Sections 3.5 or 4.5. Each Company, Seller and the Agent, at the direction of the Required Purchasers, may enter into written modifications or waivers of any provisions of this Agreement, provided, however, that no such modification or waiver shall:

(i) without the consent of each affected Purchaser, (A) extend the Liquidity Termination Date or the date of any payment or deposit of Collections by Seller or the Servicer, (B) reduce the rate or extend the time of payment of Yield or any CP Costs (or any component of Yield or CP Costs), (C) reduce any fee payable to the Agent for the benefit of the Purchasers, (D) except pursuant to [Article XII](#) hereof, change the amount of the Capital of any Purchaser, any Financial Institution's Pro Rata Share, any Company's Pro Rata Share, any Financial Institution's Commitment or any Company's Company Purchase Limit (other than, to the extent applicable, pursuant to [Section 4.54.6](#) or the terms of any Funding Agreement), (E) amend, modify or waive any provision of the definition of Required Purchasers or this [Section 13.1\(b\)](#) or [Section 2.6](#), [Section 4.54.6](#) or [Section 13.6](#), (F) release all or substantially all of the property with respect to which a security or ownership interest therein has been granted hereunder to the Agent, the Purchasers or the Financial Institutions, (G) consent to or permit the assignment or transfer by Seller of any of its rights and obligations under this Agreement, or (H) amend or modify any defined term

Existing Agreement, or (ii) any indemnification provision, shall continue and survive the execution and delivery of this Agreement.

(d) The parties hereto agree and acknowledge that any and all amounts owing as or for Capital, Yield, CP Costs, fees, expenses or otherwise under or pursuant to the Existing Agreement immediately prior to the effectiveness of this Agreement shall be owing as or for Capital, Yield, CP Costs, fees, expenses or otherwise, respectively, under or pursuant to this Agreement.

Section 13.16 PATRIOT Act and Beneficial Ownership Regulation. Each Purchaser that is subject to the requirements of the ~~USA Patriot Act (Title 11 of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act")~~ hereby notifies the Seller Parties that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Seller Parties, which information includes, among other things, the name and address of the Seller Parties and other information that will allow such Purchasers to identify such parties in accordance with the Patriot Act. In addition, the Agent and each Purchaser shall have the right to periodically conduct reasonable due diligence on the Seller, its senior management and legal and beneficial owners. Each Seller Party agrees to cooperate in respect of the conduct of such reasonable due diligence and further agrees that the reasonable costs and charges for any such due diligence by the Agent shall constitute Indemnified Amounts for which the Agent is the Indemnified Party. Each of the Seller Parties agrees to provide the Agent and each Purchaser, from time to time, with all documentation and other information required by bank regulatory authorities under "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act and the Beneficial Ownership Regulation.

Section 13.17 Acknowledgment Regarding any Unsupported QFCs . To the extent that the Transaction Documents provide support, through a guarantee or otherwise, for any swap contract 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 Transaction Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Transaction 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 Transaction 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 Purchaser or Agent shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 13.17, the following terms have the following meanings:

"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.

FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

“Covered Entity” means any of the following: (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“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.

“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).

(SIGNATURE PAGES FOLLOW)

FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

~~BRANCH BANKING AND TRUST COMPANY~~ TRUIST BANK,
as a Company and as a Financial Institution

By: _____
Name:
Title:

S
Address: ~~Branch Banking and Trust Company~~ Mail Code GA-ATL-3950
~~200 West 2nd St.~~
3333 Peachtree Rd. NE, 10th Floor East
~~Winston Salem, NC 27101~~ Atlanta, GA 30326
Attention: Ileana Chu
Tel: ~~(336) 404-7334~~ 339-2389 7369
Fax: ~~(336) 404-7339~~ 26-2327 5100
Email: ~~dwmiller@bbandt~~ STRH.AFG@SunTrust.com

FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

SUNTRUST BANK,
as a Company and as a Financial Institution

By: _____

Name:

Title:

Address: SunTrust Bank
3333 Peachtree Road, NE, 10th Floor
Atlanta, Georgia 30326
Attention: David Hufnagel
Tel: (404) 439-7697
Fax: (404) 495-2170
Email: agency.services@suntrust.com
stih.afg@suntrust.com

FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

BANK OF AMERICA, N.A.,
as a Company and as a Financial Institution

By: _____
Name:
Title:

Address: Bank of America, N.A.
NC2-109-02-02
13510 Ballantyne Corporate Place
Charlotte, NC 28277

Attention: Willem Van Beek / Chris Hayes

Tel.: (980) 683-4585

Fax: (704) 409-0588

Email: willem.van_beek@bofa.com

christopher.hayes@bofa.com

EXHIBIT I

DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

“61-to-90-Day Receivable” means a Receivable which by its terms is due and payable between 61 and 90 calendar days of the original billing date therefor.

“91-to-120-Day Receivable” means a Receivable which by its terms is due and payable between 91 and 120 calendar days of the original billing date therefor.

“Accrual Period” means each calendar month, provided that the initial Accrual Period hereunder with respect to each Company means the period from (and including) the date of the initial purchase by such Company hereunder to (and including) the last day of the calendar month thereafter.

“Adverse Claim” means a lien, security interest, charge or encumbrance, or other right or claim in, of or on any Person’s assets or properties in favor of any other Person.

“Affected Financial Institution” has the meaning specified in Section 12.1(c).

“Affiliate” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person or any Subsidiary of such Person. A Person shall be deemed to control another Person if the controlling Person owns 20% or more of any class of voting securities of the controlled Person or possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of stock, by contract or otherwise.

“Agent” has the meaning set forth in the preamble to this Agreement.

“Agent Account” means the deposit account from time to time designated by the Agent to the Purchasers as the “Agent Account.”

“Aggregate Capital” means, on any date of determination, the aggregate amount of Capital of all Purchaser Interests outstanding on such date.

“Aggregate Reduction” has the meaning specified in Section 1.3.

“Aggregate Reserves” means, on any date of determination, the sum of the Loss Reserve, the Dilution Reserve and the Servicing and Yield Reserve.

“Aggregate Unpays” means, at any time, an amount equal to the sum of all Aggregate Capital and all other unpaid Obligations (whether due or accrued) at such time.

“Agreement” means this Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 16, 2018, as amended by Amendment No. 1 thereto, dated as of ~~the First~~ February 28, 2020, and Amendment ~~date~~ No. 2 thereto, dated as of July 31, 2020, and as the same may be further amended, restated, supplemented or otherwise modified and in effect from time to time.

“Alternative Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1% and (c) the LIBO Rate on such day (or if such day is not a Business Day, the immediately preceding Business Day). Any change in the

Alternative Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the LIBO Rate, respectively.

“Amendment Date” has the meaning set forth in the preamble to this Agreement.

“Amortization Date” means the earliest to occur of (i) the Business Day immediately prior to the occurrence of an Amortization Event set forth in Section 9.1(d)(ii), (ii) the Business Day specified in a written notice from the Agent following the occurrence of any other Amortization Event, (iii) the date which is 30 Business Days after the Agent’s receipt of written notice from Seller that it wishes to terminate the facility evidenced by this Agreement, (iv) the Facility Termination Date and (v) the Business Day specified in a written notice from the Agent following the failure to obtain the Required Rating within 60 days following delivery of a Ratings Request to Seller and the Servicer.

“Amortization Event” has the meaning specified in Article IX.

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

“Applicable Delinquency Ratio Threshold” means 8.50%.

“Applicable Dilution Ratio Threshold” means 5.00%.

“Applicable Loss Ratio Threshold” means 7.00%.

“Assignment Agreement” has the meaning set forth in Section 12.1(b).

“Authorized Officer” means, with respect to any Person, its president, vice president, corporate controller, treasurer or chief financial officer.

“Avnet” has the meaning set forth in the preamble to this Agreement.

“Base Dilution Component” means, on any date, an amount equal to the Base Dilution Factor multiplied by the Net Receivables Balance as of the close of business of the Servicer on such date.

“Base Dilution Factor” means the average of the monthly Dilution Ratios occurring during the 12 most recent fiscal months multiplied by the Dilution Horizon Factor.

“Benchmark Replacement” means the sum of: (a) the alternate benchmark rate (which may include Term SOFR) that has been selected by the Agent and the Seller giving due consideration to (i) any selection or recommendation of a replacement rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a rate of interest as a replacement to LIBOR for U.S. dollar-denominated syndicated credit facilities and (b) the Benchmark Replacement Adjustment; provided that, if the Benchmark Replacement as so determined would be less than zero, the Benchmark Replacement will be deemed to be zero for the purposes of this Agreement.

“Benchmark Replacement Adjustment” means, with respect to any replacement of LIBOR with an Unadjusted Benchmark Replacement for each applicable Interest Period, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Agent and the Seller giving due consideration to

(i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of LIBOR with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body; or

(ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of LIBOR with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “ABR,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest and other administrative matters) that the Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Agent determines that no market practice for the administration of the Benchmark Replacement exists, in such other manner of administration as the Agent decides is reasonably necessary in connection with the administration of this Agreement).

“Benchmark Replacement Date” means the earlier to occur of the following events with respect to LIBOR:

(i) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of LIBOR permanently or indefinitely ceases to provide LIBOR; or

(ii) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein.

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to LIBOR:

(i) a public statement or publication of information by or on behalf of the administrator of LIBOR announcing that such administrator has ceased or will cease to provide LIBOR, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide LIBOR;

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of LIBOR, the U.S. Federal Reserve System, an insolvency official with jurisdiction over the administrator for LIBOR, a resolution authority with jurisdiction over the administrator for LIBOR or a court or an entity with similar insolvency or resolution authority over the administrator for LIBOR, which states that the administrator of LIBOR has ceased or will cease to provide LIBOR permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide LIBOR; or

(iii) a public statement or publication of information by the regulatory supervisor for the administrator of LIBOR announcing that LIBOR is no longer representative.

“Benchmark Transition Start Date” means (a) in the case of a Benchmark Transition Event, the earlier of (i) the applicable Benchmark Replacement Date and (ii) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the ninetieth (90th) day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than ninety (90) days after such statement or publication, the date of such statement or publication) and (b) in the case of an Early Opt-in Election, the date specified by the Agent or the Required Purchasers, as applicable, by notice to the Seller, the Agent (in the case of such notice by the Required Purchasers) and the Purchasers.

“Benchmark Unavailability Period” means, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR and solely to the extent that LIBOR has not been replaced with a Benchmark Replacement, the period (x) beginning at the time that such Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced LIBOR for all purposes hereunder in accordance with Sections 3.5 and 4.5 and (y) ending at the time that a Benchmark Replacement has replaced LIBOR for all purposes hereunder pursuant to Sections 3.5 and 4.5.

with Sections 3.5 and 4.5 and (y) ending at the time that a Benchmark Replacement has replaced LIBOR for all purposes hereunder pursuant to Sections 3.5 and 4.5.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation, which certification shall be substantially similar in form and substance to the form of Certification Regarding Beneficial Owners of Legal Entity Customers published jointly, in May 2018, by the Loan Syndications and Trading Association and Securities Industry and Financial Markets Association.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Broken Funding Costs” means for any Purchaser Interest which (i) has its Capital reduced without compliance by Seller with the notice requirements hereunder or (ii) does not become subject to an Aggregate Reduction following the delivery of any Reduction Notice or (iii) is assigned, transferred or funded pursuant to a Funding Agreement or otherwise transferred or terminated prior to the date on which it was originally scheduled to end, an amount equal to the excess, if any, of (A) the CP Costs or Yield (as applicable) that would have accrued during the remainder of the Accrual Period or Tranche Periods (as applicable) subsequent to the date of such reduction, assignment or termination (or in respect of clause (ii) above, the date such Aggregate Reduction was designated to occur pursuant to the Reduction Notice) of the Capital of such Purchaser Interest if such reduction, assignment or termination had not occurred or such Reduction Notice had not been delivered, over (B) the sum of (x) to the extent all or a portion of such Capital is allocated to another Purchaser Interest, the amount of CP Costs or Yield actually accrued during the remainder of such period on such Capital for the new Purchaser Interest, and (y) to the extent such Capital is not allocated to another Purchaser Interest, the income, if any, actually received net of any costs of redeployment of funds during the remainder of such period by the holder of such Purchaser Interest from investing the portion of such Capital not so allocated. In the event that the amount referred to in clause (B) exceeds the amount referred to in clause (A), the relevant Purchaser or Purchasers agree to pay to Seller the amount of such excess. All Broken Funding Costs shall be due and payable hereunder upon demand.

“Business Day” means any day on which banks are not authorized or required to close in New York, New York and The Depository Trust Company of New York is open for business, and, if the applicable Business Day relates to any computation or payment to be made with respect to the LIBO Rate, any day on which dealings in dollar deposits are carried on in the London interbank market.

“Canadian Receivable” means a Receivable the Obligor of which, if a natural person, is a resident of Canada or, if a corporation or other business organization, is organized under the laws of Canada or any political subdivision thereof and has its chief executive office in Canada.

“Capital” of any Purchaser Interest means, at any time, (A) the Purchase Price of such Purchaser Interest, minus (B) the sum of the aggregate amount of Collections and other payments received by the Agent or any Purchaser which in each case are applied to reduce such Capital in accordance with the terms and conditions of this Agreement; provided that such Capital shall be restored (in accordance with Section 2.5) in the amount of any Collections or other payments so received and applied if at any time the distribution of such Collections or payments are rescinded, returned or refunded for any reason.

“Capital Requirements (Risk Retention)” means Sections 404 through 410 of the CRR, as supplemented by Commission Delegated Regulation (EU) No 625/2014 of March 13, 2014 and any related regulatory guidance, but excluding Section 407 of the CRR and Commission Delegated Regulation (EU) No 602/2014 of June 4, 2014 relating to additional risk weights imposed by reason of the negligence or omission of the applicable institution that is subject to such regulatory regime.

“Change of Control” means (i) the acquisition by any Person, or two or more Persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended) of 20% or more of the outstanding shares of voting stock of the Servicer or (ii) Avnet shall cease to own 100% of the outstanding equity interest in Seller, free and clear of any Adverse Claim.

FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

“Charged-Off Receivable” means a Receivable: (i) as to which the Obligor thereof has taken any action, or suffered any event to occur, of the type described in Section 9.1(d) (as if references to Seller Party therein refer to such Obligor); (ii) as to which the Obligor thereof, if a natural person, is deceased, (iii) which, consistent with the Credit and Collection Policy, would be written off Seller’s books as uncollectible or (iv) which has been identified by Seller as uncollectible.

“Code” means the U.S. Internal Revenue Code of 1986, as amended.

“Collateral” has the meaning set forth in Section 13.14(b).

“Collection Account” means each concentration account, depository account, lock-box account or similar account in which any Collections are collected or deposited and which is listed on Exhibit IV.

“Collection Account Agreement” means each agreement, in form and substance satisfactory to the Agent, among the Seller, the Servicer (if applicable), the Agent and a Collection Bank, governing the terms of the related Collection Account, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“Collection Bank” means, at any time, any of the banks holding one or more Collection Accounts.

“Collection Notice” means a notice, in substantially the form of Annex A to Exhibit VI, from the Agent to a Collection Bank or any similar or analogous notice from the Agent to a Collection Bank.

“Collections” means, with respect to any Receivable, all cash collections and other cash proceeds in respect of such Receivable, including, without limitation, all yield, Finance Charges or other related amounts accruing in respect thereof and all cash proceeds of Related Security with respect to such Receivable.

“Commercial Paper” means promissory notes of any Company issued by such Company in the commercial paper market.

“Commitment” means, for each Financial Institution, the commitment of such Financial Institution to purchase Purchaser Interests from Seller to the extent that the Company in its Purchaser Group declines to purchase such Purchaser Interests, in an amount not to exceed (i) in the aggregate, the amount set forth opposite such Financial Institution’s name on Schedule A to this Agreement, as such amount may be modified in accordance with the terms hereof (including, without limitation, any termination of Commitments pursuant to Section 4.54.6) and (ii) with respect to any individual purchase hereunder, its Pro Rata Share of the Purchase Price therefor.

“Company” has the meaning set forth in the preamble to this Agreement.

“Company Purchase Limit” means, for each Company, the purchase limit of such Company with respect to the purchase of Purchaser Interests from Seller, in an amount not to exceed (i) in the aggregate, the amount set forth opposite such Company’s name on Schedule A to this Agreement, as such amount may be modified in accordance with the terms hereof (including Section 4.54.6(b)) and (ii) with respect to any individual purchase hereunder, its Pro Rata Share of the Purchase Price therefor.

“Concentration Component” means, on any date, an amount equal to the Concentration Factor multiplied by the Net Receivables Balance as of the close of business of the Servicer on such date.

“Concentration Factor” means ~~10.0~~12.5%.

“Concentration Limit” means, at any time, in relation to the aggregate Outstanding Balance of Eligible Receivables owed by any single Obligor and any Affiliates of such Obligor (if any), the concentration limit determined as follows:

FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

for Obligor who have (or, if the Obligor is not rated, whose parent entity has) short term unsecured debt ratings currently assigned to them by S&P and Moody's (or in the absence thereof, the equivalent long term unsecured senior debt ratings):

Level	Rating	Concentration Limit
Level 1	A-1+/P-1 or AA-/Aa3	20.0 <u>15.000</u> %
Level 2	A-1/P-1 or A/A2	15.0 <u>12.500</u> %
Level 3	A-2/P-2 or BBB+/Baa1	10.0 <u>6.250</u> %
Level 4	A-3/P-3 or BBB-/Baa3	5.00 <u>4.167</u> %
Level 5	Non-Rated/Not Investment Grade	2.50 <u>2.500</u> %

; provided, however, that (i) if any Obligor (or, if the Obligor is not rated, its parent entity) has a split rating, (x) if the ratings differ by one level, then the level for the higher of such ratings will apply and (y) if there is a split in ratings of more than one level, then the level that is one level lower than the level of the higher rating will apply ~~and~~; (ii) upon Seller's request from time to time, the Purchasers, in their sole discretion, may agree to a higher percentage of Eligible Receivables for a particular Obligor and its Affiliates (each such higher percentage, a "Special Concentration Limit"), it being understood that any Special Concentration Limit may be cancelled by any Purchaser upon not less than five Business Days' written notice to Seller and the Agent; and (iii) commencing on July 31, 2020, Sanmina Corporation shall be an Obligor with a Special Concentration Limit of 5.00% until such time as such Special Concentration Limit is cancelled by any Purchaser in accordance with the preceding clause (ii).

"Consent Notice" has the meaning set forth in Section 4.54.6(a).

"Consent Period" has the meaning set forth in Section 4.54.6(a).

"Consenting Party" has the meaning set forth in Section 10.2(c).

"Contingent Obligation" of a Person means any agreement, undertaking or arrangement by which such Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes or is contingently liable upon, the obligation or liability of any other Person, or agrees to maintain the net worth or working capital or other financial condition of any other Person, or otherwise assures any creditor of such other Person against loss, including, without limitation, any comfort letter, operating agreement, take-or-pay contract or application for a letter of credit.

"Contract" means, with respect to any Receivable, any and all instruments, agreements, invoices or other writings pursuant to which such Receivable arises or which evidences such Receivable.

"CP Company" means a Company that funds Incremental Purchases through the issuance of Commercial Paper.

"CP Costs" means with respect to any Purchaser Interest of a Company for any day, an amount equal to the product of the applicable Discount Rate for such Purchaser Interest multiplied by the Capital of such Purchaser Interest for such day, divided by 360.

"CRR" means Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, as amended from time to time.

"Credit Agreement" means that certain Amended and Restated Credit Agreement, dated as of June 28, 2018, among Avnet, Inc., certain subsidiaries as borrowers, each lender from time to time party thereto and Bank of America, N.A., as administrative agent, swing line lender and an L/C issuer ~~and (i) with respect to Section 9.1(b) of this Agreement, without giving effect to any amendment, restatement, waiver, release, supplementation, cancellation, termination or other modification thereof; and (ii) with respect to all other Sections of this Agreement~~, after giving

effect to any amendment, restatement, waiver, release, supplementation, cancellation, termination, [renewal](#), [extension](#), [replacement](#), [refinancing](#) or other modification thereof.

“[Credit and Collection Policy](#)” means the collection policies and practices relating to Contracts and Receivables summarized in [Exhibit VIII](#) hereto, as modified from time to time in accordance with the Receivables Sale Agreement and this Agreement.

“[Deemed Collections](#)” means the aggregate of all amounts Seller shall have been deemed to have received as a Collection of a Receivable. Seller shall be deemed to have received a Collection in full of a Receivable if at any time (i) the Outstanding Balance of any such Receivable is either (x) reduced as a result of any defective or rejected goods or services, any discount or any adjustment or otherwise by Seller (other than cash Collections on account of the Receivables) or (y) reduced or canceled as a result of a setoff in respect of any claim by any Person (whether such claim arises out of the same or a related transaction or an unrelated transaction) or (ii) any of the representations or warranties in [Article V](#) are no longer true with respect to any Receivable.

“[Default Fee](#)” means with respect to any amount due and payable by Seller in respect of any Aggregate Unpaid, an amount equal to the greater of (i) \$1,000 and (ii) interest on any such unpaid Aggregate Unpaid at a rate per annum equal to 2.00% above the Alternative Base Rate.

“[Default Ratio](#)” means an amount (expressed as a percentage) equal to (i) the sum of (A) the aggregate Outstanding Balance of all Receivables that were unpaid for 91 days or more (but less than 121 days) after the original due date as of the last day of the fiscal month then most recently ended and (B) the aggregate Outstanding Balance of all Receivables that became Charged-Off Receivables during such fiscal month divided by (ii) the aggregate Outstanding Balance of Receivables originated during the fiscal month that is the fourth fiscal month prior to the fiscal month then most recently ended.

“[Defaulted Receivable](#)” means a Receivable (i) as to which any payment, or part thereof, remains unpaid for 91 calendar days or more from the original due date for such payment or (ii) that becomes a Charged-Off Receivable prior to 91 calendar days after the original due date.

“[Defaulting Purchaser](#)” means any Purchaser that (a) has failed to (i) fund all or any portion of any Incremental Purchase required to be made by it within two Business Days of the date such Incremental Purchase was required to be funded hereunder, or (ii) pay to the Agent or any other Purchaser any other amount required to be paid by it hereunder within two Business Days of the date when such other amount is due, (b) has notified the Agent or the Seller in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect, (c) has failed, within three Business Days after written request by the Agent or Seller, to confirm in writing to the Agent and Seller that it will comply with its purchase obligations hereunder ([provided](#), that such Purchaser shall cease to be a Defaulting Purchaser pursuant to this [clause \(c\)](#) upon receipt of such written confirmation by the Agent and Seller) or (d) has, or has a direct or indirect parent company that has, (i) become the subject of any insolvency proceeding or (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity; [provided](#), that a Purchaser shall not be a Defaulting Purchaser solely by virtue of the ownership or acquisition of any equity interest in that Purchaser 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 Purchaser 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 Purchaser (or such governmental authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Purchaser. Any determination by the Agent that a Purchaser is a Defaulting Purchaser under any one or more of [clauses \(a\)](#) through [\(d\)](#) above shall be conclusive and binding absent manifest error, and such Purchaser shall be deemed to be a Defaulting Purchaser upon delivery of written notice of such determination to Seller and each other Purchaser; [provided](#), that to the extent a Purchaser ceases to be a Defaulting Purchaser, no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Seller Parties while that Purchaser was a Defaulting Purchaser.

“Delinquency Ratio Trigger” means, at any time, a percentage equal to (i) the aggregate Outstanding Balance of all Receivables that were Delinquent Receivables at such time divided by (ii) the aggregate Outstanding Balance of all Receivables at such time.

“Delinquent Receivable” means a Receivable as to which any payment, or part thereof, remains unpaid for 61 days or more from the original due date for such payment.

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

“Designated Obligor” means an Obligor indicated by the Agent to Seller in writing.

“Dilution Horizon Factor” means, at any time, a percentage equal to (i) the aggregate amount of Receivables, less the amount of such Receivables that are rebilled to the Obligor, originated during the three fiscal month period then most recently ended, divided by (ii) the aggregate Outstanding Balance of all Non-Delinquent Receivables at the end of the fiscal month period then most recently ended.

“Dilution Percentage” means, as of any date of determination, a percentage calculated in accordance with the following formula:

$$DP = [(SF \times ADR) + [(HDR - ADR) \times (HDR/ADR)]] \times DHF$$

where:

DP	=	the Dilution Percentage;
SF	=	the Stress Factor;
ADR	=	the average of the monthly Dilution Ratios occurring during the 12 most recent fiscal months;
HDR	=	the highest average three-month Dilution Ratio occurring during the 12 most recent calendar months; and
DHF	=	the Dilution Horizon Factor at such time.

“Dilution Ratio” means, at any time, a percentage equal to (i) the aggregate amount of Dilutions, less the amount of such Dilutions for which the related Receivables are rebilled to the Obligor, which occurred during the fiscal month period then most recently ended, divided by (ii) the aggregate amount of Receivables, less the amount of such Receivables that are rebilled to the Obligor, originated during the fiscal month that is the third fiscal month prior to the fiscal month then most recently ended.

“Dilution Ratio Trigger” means, at any time, a percentage equal to (i) the aggregate amount of Dilutions, less the amount of such Dilutions for which the related Receivables are rebilled to the Obligor, which occurred during the fiscal month period then most recently ended, divided by (ii) the aggregate amount of Receivables, less the amount of such Receivables that are rebilled to the Obligor, originated during the fiscal month period three months prior to the month then most recently ended.

“Dilution Reserve” means, on any date, an amount equal to the Dilution Percentage multiplied by the Net Receivables Balance as of the close of business of the Servicer on such date.

“Dilutions” means, at any time, the aggregate amount of reductions or cancellations described in clause (i) of the definition of “Deemed Collections”.

“Discount Rate” means the LIBO Rate or the Alternative Base Rate, as applicable with respect to each Purchaser Interest.

“Early Opt-in Election” means the occurrence of:

(i) (a) a determination by the Agent or (b) a notification by the Required Purchasers to the Agent (with a copy to the Seller) that the Required Purchasers have determined that U.S. dollar-denominated syndicated credit facilities being executed at such time, or that include language similar to that contained in Section 3.5 or Section 4.5, are being executed or amended, as applicable, to incorporate or adopt a new benchmark interest rate to replace LIBOR, and

(ii) (a) the election by the Agent or (b) the election by the Required Purchasers, to declare that an Early Opt-in Election has occurred and the provision, as applicable, by the Agent of written notice of such election to the Seller and the Purchasers or by the Required Purchasers of written notice of such election to the Agent.

“Electing Party” has the meaning set forth in Section 10.2(c).

“Eligible Receivable” means, at any time, a Receivable:

(i) the Obligor of which (a) if a natural person, is a resident of the United States or, if a corporation or other business organization, is organized under the laws of the United States or any political subdivision thereof and has its chief executive office in the United States; (b) is not an Affiliate of any of the parties hereto; (c) is not a Designated Obligor; and (d) is not a government or a governmental subdivision or agency, provided that (x) a Government Receivable that otherwise would be an Eligible Receivable under this definition but for this clause (i) shall be an Eligible Receivable to the extent that the aggregate Outstanding Balance of all such Government Receivables does not exceed 2% of the aggregate Outstanding Balance of all Receivables; (y) a Canadian Receivable that otherwise would be an Eligible Receivable under this definition but for this clause (i) shall be an Eligible Receivable to the extent that the aggregate Outstanding Balance of all such Canadian Receivables does not exceed 5% of the aggregate Outstanding Balance of all Receivables and (z) a Foreign Receivable that otherwise would be an Eligible Receivable under this definition but for this clause (i) shall be an Eligible Receivable to the extent that the aggregate Outstanding Balance of all such Foreign Receivables does not exceed 12.5% of the aggregate Outstanding Balance of all Receivables,

(ii) the Obligor of which is not the Obligor of any Defaulted Receivables which, in the aggregate constitute more than 50% of all Receivables of such Obligor,

(iii) which is not a Charged-Off Receivable or a Delinquent Receivable,

(iv) which by its terms is due and payable either (A) in the case of Receivables other than Honeywell Long-Term Receivables, within 120 calendar days of the original billing date therefor or (B) in the case of Honeywell Long-Term Receivables, between 121 and 150 calendar days of the original billing date therefor, and, in each case, has not had its payment terms extended.

(v) which is an “account” within the meaning of the UCC of all applicable jurisdictions,

(vi) which is denominated and payable only in United States dollars in the United States,

(vii) which arises under a Contract in substantially the form of or containing comparable basic provisions as one of the form contracts set forth on Exhibit IX hereto, or if such form contracts are modified in any material respect, the Seller Parties will use reasonable efforts to give prior written notice of and provide a copy of such modified Contract to the Agent prior to its use, which, together with such Receivable, is in full force and effect and constitutes the legal, valid and binding obligation of the related Obligor enforceable against such Obligor in accordance with its terms subject to no offset, counterclaim or other defense,

(viii) which arises under a Contract which does not contain a confidentiality provision that purports to restrict the ability of any Purchaser to exercise its rights under this Agreement, including, without limitation, its right to review the Contract,

(ix) which arises under a Contract that contains an obligation to pay a specified sum of money, contingent only upon the sale of merchandise or the provision of services by Originator,

(x) which, together with the Contract related thereto, does not contravene any law, rule or regulation applicable thereto (including, without limitation, any law, rule and regulation relating to truth in lending, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices and privacy) and with respect to which no part of the Contract related thereto is in violation of any such law, rule or regulation,

(xi) which satisfies all applicable requirements of the Credit and Collection Policy,

(xii) which was generated in the ordinary course of Originator's business,

(xiii) which arises solely from the sale of goods or the provision of services, to the related Obligor by Originator, and not by any other Person (in whole or in part),

(xiv) as to which the Agent has not notified Seller that the Agent has determined that such Receivable or class of Receivables is not acceptable as an Eligible Receivable, including, without limitation, because such Receivable arises under a Contract that is not acceptable to the Agent,

(xv) which is not subject to any right of rescission, set-off, counterclaim, any other defense (including defenses arising out of violations of usury laws) of the applicable Obligor against Originator or any other Adverse Claim, and the Obligor thereon holds no right as against Originator to cause Originator to repurchase the goods or merchandise the sale of which shall have given rise to such Receivable (except with respect to sale discounts effected pursuant to the Contract, or defective goods returned in accordance with the terms of the Contract),

(xvi) as to which Originator has satisfied and fully performed all obligations on its part with respect to such Receivable required to be fulfilled by it, and no further action is required to be performed by any Person with respect thereto other than payment thereon by the applicable Obligor, and

(xvii) all right, title and interest to and in which has been validly transferred by Originator directly to Seller under and in accordance with the Receivables Sale Agreement, and Seller has good and marketable title thereto free and clear of any Adverse Claim.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Excluded Acquisition" means any direct or indirect acquisition of any business by Originator consummated on or after January 1, 2010.

"Excluded Receivable" means all indebtedness and other obligations owed to Originator or in which Originator has a security interest or other interest (including, without limitation, any indebtedness, obligation or interest constituting an account, chattel paper, instrument or general intangible) arising in connection with the sale of merchandise or the rendering of services by Originator and further includes, without limitation, the obligation to pay any Finance Charges with respect thereto:

(i) the account debtor for which is Intelbras S.A. Industria de Telecomunicacao Eletronica Brasileira and such indebtedness or other obligation was originated after December 30, 2016;

(ii) the account debtor for which is 3M Company and such indebtedness or other obligation was originated after October 31, 2017;

(iii) the account debtor for which is ~~a General Electric Entity and such indebtedness or other obligation was originated after the applicable~~ Company or any other direct or indirect Subsidiary or Affiliate of General Electric Exclusion Date; or Company (including, without limitation, GE Aviation; GE Healthcare Japan Corporation; GE Healthcare; GE OEC Medical Systems, Inc.; GE Sensing EMEA Unlimited Company; GE Healthcare Europe GmbH; GE Medical Systems; Baker Hughes Company; GE Consumer & Industrial; GE MDS LLC; Reuter Stokes Inc.; GE Hangwei Medical Systems Company, Ltd.; Bently Nevada, Inc.; Inspection Technologies; GE Healthcare Bio-Science Corp; General Electric Co; GE Technology Infrastructure; GE Healthcare Canada; GE Commercial Materials S de RL de CV; GE Global Research; GE Ultrasound Korea Limited; GE Energy Control Solutions Inc.; General Electric International, Inc.; and GE Lighting Solutions LLC); or

*FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT*

(iv) which both (a) arises in connection with the sale of merchandise or the rendering of services by the business previously conducted by any businesses acquired by Originator in an Excluded Acquisition and (b) is not recorded or maintained in Avnet's consolidated general ledger accounting records as part of general ledger category "company code US10" (other than any Receivables previously coded under "company code US10" that have been coded under any other category without the Agent's prior written consent).

Indebtedness and other rights and obligations arising from any one transaction, including, without limitation, indebtedness and other rights and obligations represented by an individual invoice, shall constitute an Excluded Receivable separate from an Excluded Receivable consisting of the indebtedness and other rights and obligations arising from any other transaction; provided, that any indebtedness, rights or obligations referred to in the immediately preceding sentence shall be an Excluded Receivable regardless of whether the account debtor or Seller treats such indebtedness, rights or obligations as a separate payment obligation.

"Existing Agreement" means the Original Agreement, as amended, restated or otherwise modified, including pursuant to the Third Amended and Restated Receivables Purchase Agreement, dated as of February 27, 2017 (as amended prior to the date hereof), among the Seller Parties, Agent, in its capacities as a company, financial institution and agent, and the companies and financial institutions from time to time party thereto.

"Extension Notice" has the meaning set forth in Section 4.54.6(a).

"Facility Termination Date" means the earliest of (i) the Liquidity Termination Date and (ii) the Amortization Date.

"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) and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

"Federal Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy" (11 U.S.C. §§ 101 *et seq.*) as amended and any successor statute thereto.

"Federal Funds Effective Rate" means, for any period, a fluctuating interest rate per annum for each day during such period equal to (a) the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published for such day (or, if such day is not a Business Day, for the preceding Business Day) by the Federal Reserve Bank of New York in the Composite Closing Quotations for U.S. Government Securities; or (b) if such rate is not so published for any day which is a Business Day, the average of the quotations at approximately 11:30 a.m. (Eastern time) for such day on such transactions received by the Agent from three federal funds brokers of recognized standing selected by it.

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

"Fee Letter" means each of (i) the letter agreement relating to the payment of fees to Agent, dated as of ~~August 16~~ July 31, 2018 2020, between Seller and the Agent, as the same may be amended, restated, supplemented or otherwise modified and in effect from time to time, (ii) the letter agreement relating to the payment of fees of the Purchasers, dated as of ~~August 16~~ July 31, 2018 2020, among Seller and the Purchasers, as the same may be amended, restated, supplemented or otherwise modified and in effect from time to time and (iii) any other fee letter or similar letter agreement relating to the payment of fees to any of the Purchasers entered into among Seller, the Purchasers party thereto and/or any agent or agents acting on behalf of any such Purchasers, as any such fee letter or letter agreement may be amended, restated, supplemented or otherwise modified and in effect from time to time.

FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

“Finance Charges” means, with respect to a Contract, any finance, interest, late payment charges or similar charges owing by an Obligor pursuant to such Contract.

“Financial Institutions” has the meaning set forth in the preamble in this Agreement.

~~“First Amendment Date” means February 28, 2020.~~

“Foreign Receivable” means a Receivable (other than a Canadian Receivable) the Obligor of which, if a natural person, is a resident of any member country in the Organization for Economic Co-operation and Development (other than the United States) (each such member country, a “Specified OECD Country”) or, if a corporation or other business organization, is organized under the laws of a Specified OECD Country or any political subdivision thereof and has its chief executive office in a Specified OECD Country or the United States.

“Funding Agreement” means this Agreement and any agreement or instrument executed by any Funding Source with or for the benefit of a Company.

“Funding Source” means with respect to any Company (i) such Company’s Related Financial Institution(s) or (ii) any insurance company, bank or other funding entity providing liquidity, credit enhancement or back-up purchase support or facilities to such Company.

“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.

~~“General Electric Entity Designation Notice” means a notice substantially in the form attached hereto as Exhibit XII that has been delivered by Originator and Seller to Agent and acknowledged by Agent.~~

~~“General Electric Entity” means (i) General Electric Company; GE Aviation; GE Healthcare Japan Corporation; GE Healthcare; GE OEC Medical Systems, Inc.; GE Sensing EMEA Unlimited Company; GE Healthcare Europe GmbH; GE Medical Systems; Baker Hughes Company; GE Consumer & Industrial; GE MDS LLC; Reuter Stokes Inc.; GE Hangwei Medical Systems Company, Ltd.; Bently Nevada, Inc.; Inspection Technologies; GE Healthcare Bio-Science Corp; General Electric Co; GE Technology Infrastructure; GE Healthcare Canada; GE Commercial Materials S de RL de CV; GE Global Research; GE Ultrasound Korea Limited; GE Energy Control Solutions Inc.; General Electric International, Inc.; and GE Lighting Solutions LLC and (ii) any other direct or indirect subsidiary or affiliate of General Electric Company who has been designated as a “General Electric Entity” pursuant to a General Electric Entity Designation Notice.~~

~~“General Electric Exclusion Date” means, with respect to (i) each of the entities identified in clause (i) of the definition of “General Electric Entity,” the First Amendment Date, and (ii) any direct or indirect subsidiary or affiliate of General Electric Company identified in a General Electric Entity Designation Notice, the General Electric Exclusion Date specified in such General Electric Entity Designation Notice.~~

“Government Receivable” means a Receivable the Obligor of which is the United States federal government, a state or local government, a governmental subdivision of the United States federal government or of a state or local government, or an agency of the United States federal government or of a state or local government. For the purposes of this definition the phrase “state or local government” means a state or local government of a state, city or municipality located within the fifty states of the United States or the District of Columbia.

“HMT” means Her Majesty’s Treasury of the United Kingdom.

FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

“Honeywell Long-Term Receivable” means a Receivable, the Obligor of which is Honeywell International Inc. (or a Subsidiary of Honeywell International Inc.), and which by its terms is due and payable within 121 and 150 calendar days of the original billing date therefor; provided, that any Receivable that has had its payment terms extended shall not constitute, or shall no longer constitute, a Honeywell Long-Term Receivable.

“Incremental Purchase” means a purchase of one or more Purchaser Interests which increases the total outstanding Aggregate Capital hereunder.

“Indebtedness” of a Person means such Person’s (i) obligations for borrowed money, (ii) obligations representing the deferred purchase price of property or services (other than accounts payable arising in the ordinary course of such Person’s business payable on terms customary in the trade), (iii) obligations, whether or not assumed, secured by liens or payable out of the proceeds or production from property now or hereafter owned or acquired by such Person, (iv) obligations which are evidenced by notes, acceptances, or other instruments, (v) capitalized lease obligations, (vi) net liabilities under interest rate swap, exchange or cap agreements, (vii) Contingent Obligations and (viii) liabilities in respect of unfunded vested benefits under plans covered by Title IV of ERISA.

“Indemnified Amounts” has the meaning set forth in Section 10.1(a).

“Indemnified Party” has the meaning set forth in Section 10.1(a).

“Independent Director” means a member of the Board of Directors of Seller who (i) shall not have been at the time of such Person’s appointment or at any time during the preceding five years, and shall not be as long as such Person is a director of Seller, (A) a director, officer, employee, partner, shareholder, member, manager or Affiliate of any of the following Persons (collectively, the “Independent Parties”): Servicer, Originator, or any of their respective Subsidiaries or Affiliates (other than Seller), (B) a supplier to any of the Independent Parties, (C) a Person controlling or under common control with any partner, shareholder, member, manager, Affiliate or supplier of any of the Independent Parties, or (D) a member of the immediate family of any director, officer, employee, partner, shareholder, member, manager, Affiliate or supplier of any of the Independent Parties; (ii) has prior experience as an independent director for a corporation or limited liability company whose charter documents required the unanimous consent of all independent directors thereof before such corporation or limited liability company could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state law relating to bankruptcy and (iii) has at least three years of employment experience with one or more entities that provide, in the ordinary course of their respective businesses, advisory, management or placement services to issuers of securitization or structured finance instruments, agreements or securities.

“Initial Closing Date” means June 28, 2001.

[“Laws” has the meaning set forth in the Credit Agreement.](#)

“LIBO Rate” means a rate equal to the sum of LMIR and the Used Fee.

~~“Liquidity Provider Termination Date” has the meaning set forth in Section 2.2.~~

~~“Liquidity Termination Date” means August 19, 2020.~~

“LIBOR” or “LMIR” means, for each day, the greater of (a) 0% per annum, and (b) the one-month Eurodollar Rate for U.S. dollar deposits as reported on the Reuters Screen LIBOR01 Page or any other page that may replace such page from time to time for the purpose of displaying offered rates of leading banks for London interbank deposits in United States dollars, as of 11:00 a.m. (London time) on such date, or if such day is not a Business Day, then the immediately preceding Business Day (or if not so reported, then as determined by the Agent from another recognized source for interbank quotation), in each case, changing when and as such rate changes.

[“Liquidity Provider Termination Date” has the meaning set forth in Section 2.2.](#)

“Liquidity Termination Date” means July 30, 2021.

“Lock-Box” means each locked postal box with respect to which a bank that has executed a Collection Account Agreement has been granted exclusive access for the purpose of retrieving and processing payments made on the Receivables and which is listed on Exhibit IV.

“Long-Term Debt” means, at any time, in respect of Avnet, any publicly-held senior unsecured debt obligations outstanding at any such time with a maturity more than one year after the date of any determination hereunder.

“Loss Horizon Factor” means, at any time, a percentage equal to (i) (x) the aggregate amount of Receivables, less the amount of such Receivables that are rebilled to the Obligor, originated during the four fiscal month period then most recently ended, plus (y) 50% of the aggregate amount of Receivables, less the amount of such Receivables that are rebilled to the Obligor, originated during the fourth fiscal month preceding the fiscal month then most recently ended, divided by (ii) the aggregate Outstanding Balance of all Non-Delinquent Receivables at the end of the fiscal month then most recently ended.

“Loss Percentage” means, at any time, a percentage calculated in accordance with the following formula:

$$LP = SF \times LHF \times LR$$

where:

LP	=	the Loss Percentage;
SF	=	the Stress Factor;
LHF	=	the Loss Horizon Factor; and
LR	=	the highest three month rolling average of the Default Ratios occurring during the 12 most recent fiscal months.

“Loss Reserve” means, on any date, an amount equal to the Loss Percentage multiplied by the Net Receivables Balance as of the close of business of the Servicer on such date.

“Loss Ratio Trigger” means, at any time, a percentage equal to (i) the aggregate Outstanding Balance of all Receivables that were Defaulted Receivables at such time, divided by (ii) the aggregate Outstanding Balance of all Receivables at such time.

“Material Adverse Effect” means a material adverse effect on (i) the financial condition or operations of any Seller Party and its Subsidiaries, (ii) the ability of any Seller Party to perform its obligations under this Agreement, (iii) the legality, validity or enforceability of this Agreement or any other Transaction Document, (iv) any Purchaser’s interest in the Receivables generally or in any significant portion of the Receivables, the Related Security or the Collections with respect thereto, or (v) the collectibility of the Receivables generally or of any material portion of the Receivables.

“Monthly Report” means a report, in substantially the form of Exhibit X hereto (appropriately completed), furnished by the Servicer to the Agent pursuant to Section 8.5.

“Moody’s” means Moody’s Investors Service, Inc. and its successors.

“Net Receivables Balance” means, at any time, the aggregate Outstanding Balance of all Eligible Receivables at such time reduced by the sum, without duplication, of (i) the aggregate amount by which the Outstanding Balance of all Eligible Receivables of each Obligor and its Affiliates exceeds the Concentration Limit for such Obligor, plus (ii) the Receivables Term Excess Concentration Amount.

“Non-Defaulting Purchaser” means each Purchaser other than a Defaulting Purchaser.

“Non-Delinquent Receivables” means, at any time, the aggregate Outstanding Balance of all Receivables that are not Delinquent Receivables.

“Non-Renewing Financial Institution” has the meaning set forth in Section 4.54.6(a).

“Obligations” has the meaning set forth in Section 2.1.

“Obligor” means a Person obligated to make payments pursuant to a Contract.

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

“Original Agreement” means the Receivables Purchase Agreement, dated as of the Initial Closing Date, among the Seller Parties, Bank One, NA (Main Office Chicago), in its capacities as a financial institution and agent, and Preferred Receivables Funding Corporation, in its capacity as a company.

“Originator” means Avnet, Inc., in its capacity as seller under the Receivables Sale Agreement.

“Other Servicer Collected Funds” means any cash collections, other cash proceeds or other amounts deposited, credited or funded to any Collection Account, to the extent such cash collections, other cash proceeds or other amounts do not constitute Collections.

“Outstanding Balance” of any Receivable at any time means the then outstanding principal balance thereof.

“Participant” has the meaning set forth in Section 12.2.

“Patriot Act” ~~has the meaning set forth in Section 13.16~~ means the USA Patriot Act (Title 111 of Pub. L. 107-56 (signed into law October 26, 2001)).

“Person” means an individual, partnership, corporation (including a business trust), limited liability company, joint stock company, trust, unincorporated association, joint venture or other entity, or a government or any political subdivision or agency thereof.

“Potential Amortization Event” means an event which, with the passage of time or the giving of notice, or both, would constitute an Amortization Event.

“Prime Rate” means a rate per annum equal to the prime rate of interest announced from time to time by the Agent.

“Proposed Reduction Date” has the meaning set forth in Section 1.3.

“Pro Rata Share” means, (a) for each Financial Institution, a percentage equal to (i) the Commitment of such Financial Institution, divided by (ii) the aggregate amount of all Commitments of all Financial Institutions in such Financial Institution’s Purchaser Group, adjusted as necessary to give effect to the application of the terms of Section 4.54.6 and (b) for each Company, a percentage equal to (i) the Company Purchase Limit of such Company, divided by (ii) the aggregate amount of all Company Purchase Limits of all Companies hereunder.

“Purchase Limit” means ~~\$500,000,000~~ 450,000,000, as such amount may be modified in accordance with the terms of Section 4.54.6(b).

“Purchase Notice” has the meaning set forth in Section 1.2.

“Purchase Price” means, with respect to any Incremental Purchase of a Purchaser Interest, the amount paid to Seller for such Purchaser Interest which shall not exceed the least of (i) the amount requested by Seller in the applicable Purchase Notice, (ii) the unused portion of the Purchase Limit on the applicable purchase date and (iii) the excess, if any, of (A) 100% of the amount equal to (1) the Net Receivables Balance on the applicable purchase date,

(viii) all proceeds of any of the foregoing.

“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 or any successor thereto.

“Required Purchasers” means, at any time, collectively, the Financial Institutions with Commitments in excess of 66-2/3% of the aggregate Commitments and the Companies with Company Purchase Limits in excess of 66-2/3% of the aggregate amount of all Company Purchase Limits of all Companies hereunder; provided, that Commitments of any Financial Institutions and the Company Purchase Limits of any Companies that are Defaulting Purchasers or in the Defaulting Purchaser’s Purchaser Group shall be disregarded in the determination of the Required Purchasers.

“Required Rating” has the meaning set forth in Section 10.2(c).

“Required Reserve Floor” means, on any date, the sum of the Concentration Component, the Base Dilution Component, and the Servicing and Yield Reserve.

“Required Reserves” means the greater of (i) the Required Reserve Floor and (ii) the Aggregate Reserves.

“Restricted Junior Payment” means (i) any dividend or other distribution, direct or indirect, on account of any shares of any class of capital stock of Seller now or hereafter outstanding, except a dividend payable solely in shares of that class of stock or in any junior class of stock of Seller, (ii) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any shares of any class of capital stock of Seller now or hereafter outstanding, (iii) any payment or prepayment of principal of, premium, if any, or interest, fees or other charges on or with respect to, and any redemption, purchase, retirement, defeasance, sinking fund or similar payment and any claim for rescission with respect to the Subordinated Loans (as defined in the Receivables Sale Agreement), (iv) any payment made to redeem, purchase, repurchase or retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any class of capital stock of Seller now or hereafter outstanding, and (v) any payment of management fees by Seller (except for reasonable management fees to the Servicer or its Affiliates in reimbursement of actual management services performed).

“S&P” means S&P Global Ratings, a division of S&P Global, Inc.

~~“Sanctioned Country” means, at any time, a country or territory which is the subject or target of any country-wide Sanctions.~~

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) ~~the Office of Foreign Assets Control of the U.S. Department of the Treasury~~ OFAC, the U.S. Department of Commerce, or the U.S. Department of State, or (b) the United Nations Security Council, the European Union or ~~Her Majesty’s Treasury of the United Kingdom~~ HMT.

“Second Amendment Date” means July 31, 2020.

“Seller” has the meaning set forth in the preamble to this Agreement.

“Seller Parties” has the meaning set forth in the preamble to this Agreement.

“Servicer” means at any time the Person (which may be the Agent) then authorized pursuant to Article VIII to service, administer and collect Receivables.

“Servicing and Yield Reserve” means, on any date, an amount equal to 2% multiplied by the Net Receivables Balance as of the close of business of the Servicer on such date.

“Servicing Fee” has the meaning set forth in Section 8.6.

“Settlement Date” means (i) prior to the Amortization Date, the 20th calendar day of each month (and if such day is not a Business Day, then the next Business Day) and (ii) on and after the Amortization Date, any Business Day selected by the Agent.

“SOFR” with respect to any day means the secured overnight financing rate published for such day 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.

“Special Concentration Limit” has the meaning set forth in the definition of “Concentration Limit.”

“Stress Factor” means a number equal to ~~2.00~~2.25.

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

“Term SOFR” means the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“Terminating Commitment Amount” means, with respect to (i) any Terminating Financial Institution that is a Related Financial Institution for a CP Company, an amount equal to the Commitment (without giving effect to clause (iii) of the proviso to the penultimate sentence of Section 4.54.6(b)) of such Terminating Financial Institution, divided by, 102% and (ii) each other Terminating Financial Institution, an amount equal to the Commitment.

“Terminating Commitment Availability” means, with respect to:

(i) any Terminating Financial Institution that is a Related Financial Institution for a CP Company, the positive difference (if any) between (a) an amount equal to the Commitment (without giving effect to clause (iii) of the proviso to the penultimate sentence of Section 4.54.6(b)) of such Terminating Financial Institution, divided by, 102%, minus (b) the Capital of the Purchaser Interests funded by such Terminating Financial Institution; and

(ii) each other Terminating Financial Institution, the positive difference (if any) between (a) an amount equal to the Commitment (without giving effect to clause (iii) of the proviso to the penultimate sentence of Section 4.54.6(b)) of such Terminating Financial Institution, minus (b) the Capital of the Purchaser Interests funded by such Terminating Financial Institution .

“Terminating Financial Institution” has the meaning set forth in Section 4.54.6(b).

“Termination Percentage” has the meaning set forth in Section 2.2.

“Terminating Tranche” has the meaning set forth in Section 4.3(b).

“Tranche Period” means, with respect to any Purchaser Interest held by a Financial Institution, (i) prior to the occurrence of the Amortization Date, a period commencing on (A) if the Financial Institution acquired the related Purchaser Interest during an Accrual Period, the date during such Accrual Period on which such Financial Institution acquired such Purchaser Interest and (B) otherwise, on the first day of each Accrual Period, and in each case, ending on the final day of such Accrual Period and (ii) following the occurrence of the Amortization Date, a period commencing and ending on the Business Days selected by the applicable Financial Institution.

FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

“Transaction Documents” means, collectively, this Agreement, each Purchase Notice, the Receivables Sale Agreement, each Collection Account Agreement, the Fee Letters, the Subordinated Note (as defined in the Receivables Sale Agreement) and all other instruments, documents and agreements executed and delivered in connection herewith.

“UCC” means the Uniform Commercial Code as from time to time in effect in the specified jurisdiction.

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

“Used Fee” has the meaning set forth in the fee letter described in clause (ii) of the definition of “Fee Letter.”

“Weekly Report” means a report, in ~~form and substance acceptable to the Agent~~ substantially the form of Exhibit XII hereto (appropriately completed), furnished by the Servicer to the Agent pursuant to Section 8.5.

“Weekly Reporting Condition” means that either (i) the rating of Avnet’s Long-Term Debt is lower than ~~BBB-~~BB+ by S&P and lower than ~~Baa3~~Ba1 by Moody’s or (ii) no rating for Avnet’s Long-Term Debt is available from either Moody’s or S&P.

“Wells Fargo” means Wells Fargo Bank, N.A., in its individual capacity and its successors.

“Wells Fargo Roles” has the meaning set forth in Section 13.13.

“Yield” means for each respective Tranche Period relating to Purchaser Interests of the Financial Institutions, an amount equal to the product of the applicable Discount Rate for such Purchaser Interest multiplied by the Capital of such Purchaser Interest for each day elapsed during such Tranche Period, annualized on a 360-day basis.

All accounting terms not specifically defined herein shall be construed in accordance with GAAP. All terms used in Article 9 of the UCC in the State of New York, and not specifically defined herein, are used herein as defined in such Article 9. All section references herein to the UCC shall include all successor sections under any subsequent version or amendment to any Article of the UCC.

EXHIBIT XII

FORM OF WEEKLY REPORT

The [attached][below] Weekly Report is a true and accurate accounting pursuant to the terms of the Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 16, 2018 (as the same may be amended, supplemented, restated or otherwise modified from time to time, the "Agreement"), by and among Avnet Receivables Corporation (the "Seller"), Avnet, Inc. (the "Servicer"), the Purchasers party thereto and Wells Fargo Bank, N.A., as agent for such Purchasers, and I have no knowledge of the existence of any conditions or events which constitute an Amortization Event or Potential Amortization Event, as each such term is defined under the Agreement, during or through the end date covered by such Weekly Report or as of the date of this certificate, except as set forth below.

By: _____
Name: _____
Title: _____

End Date of Weekly Report: / /20

<u>Ending Net Receivables</u>	<input type="text" value="\$[]"/>
<u>Less:</u>	
<u>Total Ineligible Receivables (From most recent Monthly Report)</u>	<input type="text" value="\$[]"/>
<u>Outstanding Balance of all Eligible Receivables</u>	<input type="text" value="\$[]"/>
<u>Less:</u>	
<u>Total Excess Concentrations (From most recent Monthly Report)</u>	<input type="text" value="\$[]"/>
<u>Net Receivables Balance</u>	<input type="text" value="\$[]"/>
<u>Less:</u>	
<u>Required Reserve (\$) (From most recent Monthly Report)</u>	<input type="text" value="\$[]"/>
<u>Available for Funding</u>	<input type="text" value="\$[]"/>
<u>Capital Outstanding</u>	<input type="text" value="\$[]"/>
<u>Available/Reduction Amount</u>	<input type="text" value="\$[]"/>

EXHIBIT XII

GENERAL ELECTRIC ENTITY NOTICE OF DESIGNATION

{Letterhead}

{Date}

Wells Fargo Bank, N.A.,
as Agent
1100 Abernathy Rd. NE, 16th Floor
Atlanta, GA 30328

Q: ~~GENERAL ELECTRIC ENTITY NOTICE OF DESIGNATION~~

This General Electric Entity Notice of Designation (this "Notice") is approved and executed by each of the undersigned as of the date set forth above.

~~Reference is made to (a) the Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 16, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Receivables Purchase Agreement"), by and among Avnet Receivables Corporation, a Delaware corporation (the "Seller"), Avnet, Inc., as Servicer, and the Financial Institutions and the Companies from time to time party thereto, and Wells Fargo Bank, N.A., as Agent and (b) the Second Amended and Restated Receivables Sale Agreement, dated as of August 16, 2018 (as amended, restated, supplemented or otherwise modified from time to time the "Receivables Sale Agreement"), between Avnet, Inc., as Originator, and Seller, as buyer. Unless defined in this Notice, capitalized terms used in this Notice shall have the meanings assigned to such terms in the Receivables Purchase Agreement, and if not defined therein, in the Receivables Sale Agreement.~~

~~Each of the undersigned hereby notifies you that each entity identified below shall be a General Electric Entity for all purposes under the Transaction Documents on and after the specified General Electric Exclusion Date, and accordingly, any Receivables owed by such General Electric Entity originated after such General Electric Exclusion Date shall not be sold under the Receivables Sale Agreement and shall not constitute Collateral under the Receivables Purchase Agreement.~~

General Electric Entity	Originator	General Electric Exclusion Date
{ }	{Avnet, Inc.}	{ }

~~{Signature Page Follows}~~

FOURTH AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

~~IN WITNESS WHEREOF, this Notice has been approved and executed by the undersigned as of the date first above written.~~

~~AVNET RECEIVABLES CORPORATION,
as Seller and Buyer~~

~~By: _____
Name: _____
Title: _____~~

~~AVNET, INC., as Servicer and Originator~~

~~By: _____
Name: _____
Title: _____~~

~~{SIGNATURES OF ADDITIONAL ORIGINATORS TO BE ADDED, AS
AND IF APPLICABLE}~~

ACKNOWLEDGED:

WELLS FARGO BANK, N.A., as Agent

By: _____
Name: _____
Title: _____

SCHEDULE A

COMMITMENTS, COMPANY PURCHASE LIMITS
AND RELATED FINANCIAL INSTITUTIONS

Commitments of Financial Institutions

<u>Financial Institution</u>	<u>Commitment</u>
Wells Fargo Bank, National Association	\$150,000,000
Truist Bank (formerly known as Branch Banking and Trust Company)	\$125,000,000 <u>75,000,000</u>
The Bank of Nova Scotia	\$76,500,000
PNC Bank, National Association	\$75,000,000
Truist Bank (as successor by merger to SunTrust Bank) <u>of America, N.A.</u>	\$75,000,000

**Company Purchase Limits and
Related Financial Institutions of Companies**

<u>Company</u>	<u>Company Purchase Limit</u>	<u>Related Financial Institution(s)</u>
Wells Fargo Bank, National Association	\$150,000,000	Wells Fargo Bank, National Association
Truist Bank (formerly known as Branch Banking and Trust Company)	\$125,000,000 <u>75,000,000</u>	Truist Bank (formerly known as Branch Banking and Trust Company)
Liberty Street Funding LLC	\$75,000,000	The Bank of Nova Scotia
PNC Bank, National Association	\$75,000,000	PNC Bank, National Association
Truist Bank (as successor by merger to SunTrust Bank) <u>of America, N.A.</u>	\$75,000,000	Truist Bank (as successor by merger to SunTrust Bank) <u>of America, N.A.</u>

AMENDMENT NO. 1 TO
RECEIVABLES SALE AGREEMENT

This Amendment No. 1 to the Second Amended and Restated Receivables Sale Agreement (this "Amendment") is dated as of July 31, 2020, between Avnet, Inc., a New York corporation ("Originator"), and Avnet Receivables Corporation, a Delaware corporation ("Buyer").

RECITALS

Originator and Buyer entered into that certain Second Amended and Restated Receivables Sale Agreement, dated as of August 16, 2018 (the "Existing Agreement," and as further amended, modified or supplemented from time to time, the "Sale Agreement").

Each of the parties hereto now desires to amend the Existing Agreement, subject to the terms and conditions hereof, as more particularly described herein.

AGREEMENT

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

Section 1. Definitions Used Herein. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings set forth for such terms in, or incorporated by reference into, the Existing Agreement.

Section 2. Amendment. Subject to the terms and conditions set forth herein, the Existing Agreement is hereby amended by deleting the stricken text (indicated in the same manner as the following example: ~~stricken text~~) and adding the inserted text (indicated in the same manner as the following example: inserted text) as set forth on the pages of the Sale Agreement attached as Annex A hereto.

Section 3. Conditions to Effectiveness of Amendment. This Amendment shall become effective as of the date hereof, upon the satisfaction of the conditions precedent that:

(a) Amendment. Buyer and the Agent shall have received, on or before the date hereof, executed counterparts of this Amendment, duly executed by each of the parties hereto.

(b) Representations and Warranties. As of the date hereof, both before and after giving effect to this Amendment, all of the representations and warranties contained in the Sale Agreement and in each other Transaction Document to which Buyer or Originator is party shall be true and correct in all material respects as though made on the date hereof (and by its execution hereof, each of Buyer and Originator shall be deemed to have represented and warranted such).

(c) No Termination Event or Potential Termination Event. As of the date hereof, both before and after giving effect to this Amendment, no Termination Event or Potential Termination Event shall have occurred and be continuing (and by its execution hereof, each of Buyer and Originator shall be deemed to have represented and warranted such).

Section 4. Consents; UCC Authorization

(a) The Agent and each Purchaser party hereto hereby consent to this Amendment.

(b) In furtherance of the transactions contemplated by this Amendment, the Agent, for itself and each other Purchaser, hereby authorizes, upon the effectiveness of this Amendment, the filing of amendments to the financing statement filed against Avnet with the Department of State of the State of New York with original file numbers 127178, 129624, 035098, 035089 and 201808170390411 in substantially the forms attached hereto as Annex B-1, Annex B-2, Annex B-3, Annex B-4 and Annex B-5.

Section 5. Miscellaneous

(a) Effect; Ratification. This Amendment is effective solely for the purposes set forth herein and shall be limited precisely as written, and shall not be deemed (i) to be a consent to, or an acknowledgment of, any amendment, waiver or modification of any other term or condition of the Sale Agreement or of any other instrument or agreement referred to therein or (ii) to prejudice any right or remedy which Buyer (or any of its assigns) may now have or may have in the future under or in connection with the Sale Agreement, as amended hereby, or any other instrument or agreement referred to therein. Each reference in the Sale Agreement to "this Agreement," "herein," "hereof" and words of like import and each reference in the other Transaction Documents to the Existing Agreement, to the "Receivables Sale Agreement" or to the "Sale Agreement" shall mean the Existing Agreement as amended hereby. This Amendment shall be construed in connection with and as part of the Sale Agreement and all terms, conditions, representations, warranties, covenants and agreements set forth in the Sale Agreement and each other instrument or agreement referred to therein, except as herein amended, are hereby ratified and confirmed and shall remain in full force and effect.

(b) Transaction Documents. This Amendment is a Transaction Document executed pursuant to the Existing Agreement and shall be construed, administered and applied in accordance with the terms and provisions thereof.

(c) Costs, Fees and Expenses. Without limiting Section 6.2 of the Sale Agreement, Originator agrees to reimburse Buyer and its assigns upon demand for all reasonable and documented out-of-pocket costs, fees and expenses in connection with the preparation, execution and delivery of this Amendment (including the reasonable fees and expenses of counsels to Buyer and its assigns).

(d) Counterparts. This Amendment may be executed in any number of counterparts, each such counterpart constituting an original and all of which when taken together shall constitute one and the same instrument.

(e) Severability. Any provision contained in this Amendment which is held to be inoperative, unenforceable or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable or invalid without affecting the remaining provisions of this Amendment in that jurisdiction or the operation, enforceability or validity of such provision in any other jurisdiction.

(f) GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK EXCLUDING CHOICE-OF-LAW PRINCIPLES OF THE LAW OF SUCH STATE THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF A JURISDICTION OTHER THAN SUCH STATE.

(g) WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AMENDMENT, ANY DOCUMENT EXECUTED BY ORIGINATOR PURSUANT TO THIS AMENDMENT OR THE RELATIONSHIP ESTABLISHED HEREUNDER OR THEREUNDER.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their respective duly authorized officers as of the date first written above.

AVNET RECEIVABLES CORPORATION, as Buyer

By: /s/ Kenneth A. Jacobson

Name: Kenneth A. Jacobson

Title: President and Treasurer

AVNET, INC., as Originator

By: /s/ Joseph Burke

Name: Joseph Burke

Title: Vice President and Treasurer

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their respective duly authorized officers as of the date first written above.

WELLS FARGO BANK, N.A., as a Company and as a Financial Institution

By: /s/ Jonathan Davis

Name: Jonathan Davis

Title: Asst Vice President

WELLS FARGO BANK, N.A., as Agent

By: /s/ Jonathan Davis

Name: Jonathan Davis

Title: Asst Vice President

TRUIST BANK, as a Company and as a Financial Institution

By: /s/ Ileana Chu

Name: Ileana Chu

Title: SVP

PNC BANK, NATIONAL ASSOCIATION, as a
Company and as a Financial Institution

By: /s/ Michael Brown

Name: Michael Brown

Title: Senior Vice President

LIBERTY STREET FUNDING LLC, as a Company

By: /s/ Jill A. Russo

Name: Jill A. Russo

Title: Vice President

THE BANK OF NOVA SCOTIA, as a Financial Institution

By: /s/ Doug Noe

Name: Doug Noe

Title: Managing Director

BANK OF AMERICA, N.A., as a Company and as a Financial Institution

By: /s/ Scott Bell

Name: Scott Bell

Title: SVP

Annex A

Amendments to Receivables Sale Agreement

[see attached]

(b) Any representation, warranty, certification or statement made by Originator in this Agreement, any other Transaction Document or in any other document delivered pursuant hereto or thereto shall prove to have been incorrect when made or deemed made.

(c) Failure of Originator to pay any Indebtedness when due in excess of \$35 million, individually or in the aggregate; or the default by Originator in the performance of any term, provision or condition contained in any agreement under which any such Indebtedness was created or is governed, the effect of which is to cause, or to permit the holder or holders of such Indebtedness to cause, such Indebtedness to become due prior to its stated maturity; or any such Indebtedness of Originator shall be declared to be due and payable or required to be prepaid (other than by a regularly scheduled payment) prior to the date of maturity thereof.

(d) (i) Originator or any of its Subsidiaries shall generally not pay its debts as such debts become due or shall admit in writing its inability to pay its debts generally or shall make a general assignment for the benefit of creditors; or (ii) any proceeding shall be instituted by or against Originator or any of its Subsidiaries seeking to adjudicate it bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee or other similar official for it or any substantial part of its property or (iii) Originator or any of its Subsidiaries shall take any corporate action to authorize any of the actions set forth in the foregoing clauses (i) or (ii) of this subsection (d).

(e) A Change of Control shall occur.

(f) ~~(i) the "Consolidated Interest Coverage Ratio" (as defined in the Credit Agreement) as of the end of any period of four fiscal quarters of Originator shall be less than 3.00 to 1.00 or (ii) the "Consolidated Leverage Ratio" (as defined in the Credit Agreement) at any time during any period set forth below shall be greater than 4.00 to 1.00.~~ [Reserved](#).

(g) One or more final judgments for the payment of money in an amount in excess of \$50,000,000, individually or in the aggregate, shall be entered against Originator on claims not covered by insurance or as to which the insurance carrier has denied its responsibility, and such judgment shall continue unsatisfied and in effect for 30 consecutive days without a stay of execution.

5.2 Remedies. Upon the occurrence and during the continuation of a Termination Event, Buyer (at the direction of the Agent) may take any of the following actions: (i) declare the Termination Date to have occurred, whereupon the Termination Date shall forthwith occur, without demand, protest or further notice of any kind, all of which are hereby expressly waived by Originator; provided, however, that upon the occurrence of a Termination Event described in Section 5.1(d), or of an actual or deemed entry of an order for relief with respect to Originator under the Federal Bankruptcy Code, the Termination Date shall automatically occur, without demand, protest or any notice of any kind, all of which are hereby expressly waived by Originator and (ii) to the fullest extent permitted by applicable law, declare

“Companies” means the entities listed on Schedule A to the Receivables Purchase Agreement under the heading “Company”, together with any of their respective successors or assigns.

“Contract” means, with respect to any Receivable, any and all instruments, agreements, invoices or other writings pursuant to which such Receivable arises or which evidences such Receivable.

“Excluded Acquisition” means any direct or indirect acquisition of any business by Originator consummated on or after January 1, 2010.

“Excluded Receivable” means all indebtedness and other obligations owed to Originator or in which Originator has a security interest or other interest (including, without limitation, any indebtedness, obligation or interest constituting an account, chattel paper, instrument or general intangible) arising in connection with the sale of merchandise or the rendering of services by Originator and further includes, without limitation, the obligation to pay any Finance Charges with respect thereto:

(i) the account debtor for which is Intelbras S.A. Industria de Telecomunicacao Eletronica Brasileira and such indebtedness or other obligation was originated after December 30, 2016;

(ii) the account debtor for which is 3M Company and such indebtedness or other obligation was originated after October 31, 2017;

~~or~~
(iii) the account debtor for which is General Electric Company or any other direct or indirect subsidiary or affiliate of General Electric Company (including, without limitation, GE Aviation; GE Healthcare Japan Corporation; GE Healthcare; GE OEC Medical Systems, Inc.; GE Sensing EMEA Unlimited Company; GE Healthcare Europe GmbH; GE Medical Systems; Baker Hughes Company; GE Consumer & Industrial; GE MDS LLC; Reuter Stokes Inc.; GE Hangwei Medical Systems Company, Ltd.; Bently Nevada, Inc.; Inspection Technologies; GE Healthcare Bio-Science Corp; General Electric Co; GE Technology Infrastructure; GE Healthcare Canada; GE Commercial Materials S de RL de CV; GE Global Research; GE Ultrasound Korea Limited; GE Energy Control Solutions Inc.; General Electric International, Inc.; and GE Lighting Solutions LLC); or

~~(iii)~~ (iv) which both (a) arises in connection with the sale of merchandise or the rendering of services by the business previously conducted by any businesses acquired by Originator in an Excluded Acquisition and (b) is not recorded or maintained in Avnet’s consolidated general ledger accounting records as part of general ledger category “company code US10” (other than any Receivables previously coded under “company code US10” that have been coded under any other category without the Agent’s prior written consent).

AMENDMENT NO. 1 TO AMENDED AND RESTATED CREDIT AGREEMENT

This AMENDMENT NO. 1 TO AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment") dated as of August 4, 2020, is made among AVNET, INC. a New York corporation (the "Company"), AVNET HOLDING EUROPE BVBA (a "Borrower" and, together with the Company, the "Borrowers"), BANK OF AMERICA, N.A., in its capacity as administrative agent for the Lenders (as defined in the Credit Agreement described below) (in such capacity, the "Administrative Agent") and the Lenders party hereto (each, a "Consenting Lender"). Each capitalized term used and not otherwise defined in this Amendment has the definition specified in the Amended Credit Agreement described below.

RECITALS:

- A. The Borrowers, the Administrative Agent and certain financial institutions party thereto from time to time (the "Lenders") have entered into that certain Amended and Restated Credit Agreement dated as of June 28, 2018 (as amended, restated, supplemented or otherwise modified prior to the date hereof, the "Credit Agreement" and as amended after giving effect to this Amendment, the "Amended Credit Agreement"), pursuant to which the Lenders have made available to the Borrowers a senior revolving credit facility.
- B. The Company has requested that the Credit Agreement be amended as set forth herein.
- C. The Administrative Agent and the Consenting Lenders are willing to amend the Credit Agreement on the terms and conditions set forth herein.

In consideration of the premises and further valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Amendments to Credit Agreement. Subject to the terms and conditions set forth herein and in reliance upon the representations and warranties set forth herein, as of the Amendment Effective Date (as defined below), the parties hereto hereby agree as follows:

- (a) the Credit Agreement (exclusive of the Schedules and Exhibits thereto) is hereby amended by making the changes attached hereto as Annex A (with ~~stricken text~~ being deemed deleted and bold/double-underlined text being deemed added); and
- (b) Exhibit D (Compliance Certificate) to the Credit Agreement is hereby amended in its entirety to read in the form of Annex B attached hereto.

Section 2. Effectiveness; Conditions Precedent. This Amendment, and the amendments to the Credit Agreement provided in Section 1 hereof, shall become effective as of the date on which the following conditions precedent are satisfied or waived (the "Amendment Effective Date"):

- (a) the Administrative Agent shall have received, in form and substance reasonably satisfactory to the Administrative Agent, at least one fully executed copy of this Amendment, duly executed by each of the Loan Parties, the Administrative Agent and the Required Lenders;
- (b) on or before the Amendment Effective Date, to the Person to whom such fees are owing, any fees required to be paid pursuant to this Amendment or the fee letter dated as of the date hereof among the Company, Bank of America and BofA Securities, Inc.; and
-

(c) the Company shall have paid all reasonable and documented fees, charges and disbursements of counsel to the Administrative Agent (directly to such counsel if requested by the Administrative Agent) to the extent required to be paid pursuant to Section 10.04 and invoiced at least one Business Day prior to the Amendment Effective Date (provided that the Company shall remain liable for any additional reasonable and documented fees and expenses of such counsel to the Administrative Agent in accordance with Section 10.04).

Without limiting the generality of the provisions in Article IX of the Credit Agreement, for purposes of determining compliance with the conditions specified in this Section, 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 date hereof specifying its objection thereto.

Section 3. Representations and Warranties. In order to induce the Administrative Agent and the Consenting Lenders to enter into this Amendment, each of the Borrowers represents and warrants to the Administrative Agent and the Lenders as follows:

(a) The representations and warranties of each Loan Party contained in Article V of the Credit Agreement and in each other Loan Document to which such Loan Party is a party, or in any document furnished at any time under or in connection herewith or therewith (including any Designated Borrower Request and Assumption Agreement), are true and correct in all material respects (without duplication of any materiality qualification included in the terms of any such representation or warranty) on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (without duplication of any materiality qualification included in the terms of any such representation or warranty) as of such earlier date, and except that for purposes hereof, the representations and warranties contained in subsections (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to subsections (a) and (b), respectively, of Section 6.01;

(b) This Amendment has been duly authorized, executed and delivered by each Borrower and constitutes a legal, valid and binding obligation of each Borrower, enforceable against each Borrower in accordance with its terms, except as may be limited by applicable Debtor Relief Laws and general principles of equity, regardless of whether considered in a proceeding in equity or at law; and

(c) As of the date hereof, after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing.

Section 4. Entire Agreement. This Amendment, together with all the other Loan Documents (collectively, the "Relevant Documents"), sets forth the entire understanding and agreement of the parties hereto in relation to the subject matter hereof and supersedes any prior negotiations and agreements among the parties relating to such subject matter. No promise, condition, representation or warranty, express or implied, not set forth in the Relevant Documents shall bind any party hereto, and no such party has relied on any such promise, condition, representation or warranty. Each of the parties hereto acknowledges that, except as otherwise expressly stated in the Relevant Documents, no representations, warranties or commitments, express or implied, have been made by any party to the other in relation to the subject matter hereof or thereof. None of the terms or conditions of this Amendment may be changed, modified, waived or canceled orally or otherwise, except in writing and in accordance with Section 10.01 of the Credit Agreement. This Amendment is a Loan Document.

Section 5. Full Force and Effect of Agreement. Except as hereby specifically amended, modified or supplemented, the Credit Agreement and all other Loan Documents are hereby confirmed

and ratified in all respects and shall be and remain in full force and effect according to their respective terms. This Amendment shall not be deemed (i) to be a waiver of, or consent to, or a modification or amendment of, any other term or condition of the Credit Agreement or any other Loan Document other than as expressly set forth herein, (ii) to prejudice any right or rights which the Administrative Agent or the Lenders may now have or may have in the future under or in connection with the Credit Agreement or the other Loan Documents or any of the instruments or agreements referred to therein, as the same may be amended, restated, supplemented or modified from time to time other than as expressly set forth herein, or (iii) to be a commitment or any other undertaking or expression of any willingness to engage in any further discussion with the Company, any Loan Party or any other Person with respect to any other waiver, amendment, modification or any other change to the Credit Agreement or the Loan Documents or any rights or remedies arising in favor of the Lenders or the Administrative Agent, or any of them, under or with respect to any such documents. References in the Credit Agreement to “this Agreement” (and indirect references such as “hereunder”, “hereby”, “herein”, “hereof” or other words of like import) and in any Loan Document to the “Credit Agreement” shall be deemed to be references to the Credit Agreement as modified hereby.

Section 6. Counterparts. This Amendment 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. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or other electronic imaging means (e.g. “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Amendment.

Section 7. Governing Law; Jurisdiction, Etc. This Amendment shall be governed by, and construed in accordance with, the law of the State of New York, and shall be further subject to the provisions of Sections 10.14 and 10.15 of the Credit Agreement.

Section 8. Enforceability. If any provision of this Amendment is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Amendment shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 9. Successors and Assigns. The provisions of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns to the extent such assignees are permitted assignees as provided in Section 10.06 of the Credit Agreement.

Section 10. Costs and Expenses. To the extent provided in Section 10.04(a) of the Credit Agreement, the Company agrees to pay all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent (including the reasonable and documented fees and expenses of counsel for the Administrative Agent) in connection with the preparation, execution and delivery of this Amendment and any other related Loan Documents.

[Remainder of Page Intentionally Left Blank; Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be made, executed and delivered by their duly authorized officers as of the day and year first above written.

BORROWERS:

AVNET, INC.

By: /s/ Joseph Burke

Name: Joseph Burke

Title: Vice President and Treasurer

AVNET HOLDING EUROPE BVBA

By: /s/ Joseph Burke

Name: Joseph Burke

Title: Vice President and Treasurer of Avnet, Inc. and
Sole Signatory for Avnet Holding Europe BVBA

Avnet, Inc.
Amendment No. 1 to Amended and Restated Credit Agreement
Signature Page

LENDERS:

BANK OF AMERICA, N.A.,

as a Lender, an L/C Issuer and a Swingline Lender

By: /s/ Puneet Lakhota

Name: Puneet Lakhota

Title: Vice President

BANK OF CHINA, LOS ANGELES BRANCH, as a

Lender

By: /s/ Yong Ou

Name: Yong Ou

Title: SVP and Branch Manage

BAYERISCHE LANDESBANK, NEW YORK

BRANCH, as a Lender

By: /S/ Alistair Anderson

Name: Alistar Anderson

Title: Senior Director

By: /S/ Gina Sandella

Name: Gina Sandella

Title: Vice President

BNP PARIBAS, as a Lender

By: /S/ Barbara Nash

Name: Barbara Nash

Title: Managing Director

By: /S/ Chief Marbumrung

Name: Chief Marbumrung

Title: Vice President

COMMERZBANK AG, NEW YORK, as a Lender

By: /s/ Neil Kiernan

Name: Neil kiernan

Title: Director

By: /S/ Bianca Notari

Name: Bianca Notari

Title: Vice President

DBS BANK LTD., as a Lender

By: /S/ Juliana Fong

Name: Juliana Fong

Title: Senior Vice President

HSBC BANK USA, N.A., as a Lender

By: /S/ Aleem Shamji

Name: Aleem Shamji

Title: Director

JPMORGAN CHASE BANK, N.A., as a Lender

By: /S/ John Kowalczuk

Name: John Kowalczuk

Title: Executive Director

Avnet, Inc.
Amendment No. 1 to Amended and Restated Credit Agreement
Signature Page

KBC BANK N.V., NEW YORK BRANCH, as a Lender

By: /s/ Nicholas A. Fiore
Name: Nicholas A. Fiore
Title: Director

By: /s/ Susan Silver
Name: Susan Silver
Title: Managing Director

MIZUHO BANK, LTD, as a Lender

By: /S/ Tracy Rahn
Name: Tracy Rahn
Title: Executive Director

MUFG BANK, LTD., as a Lender

By: /S/ Lillian Kim
Name: Lillian Kim
Title: Director

PNC BANK, NATIONAL ASSOCIATION, as a Lender

By: /S/ Karl Thomasma
Name: Karl Thomasma
Title: SVP

Avnet, Inc.
Amendment No. 1 to Amended and Restated Credit Agreement
Signature Page

STANDARD CHARTERED BANK, as a Lender

By: /s/ James Beck
Name: James Beck
Title: Associate Director

SUMITOMO MITSUI BANKING CORPORATION,
as a Lender

By: /S/ Richard Eisenberg
Name: Richard Eisenberg
Title: Managing Director

THE BANK OF NOVA SCOTIA, as a Lender

By: /s/ Jason Rinne
Name: Jason Rinne
Title: Director

TRUST BANK (f/k/a Branch Banking and Trust Company and as a
successor by merger to SunTrust Bank), as a Lender

By: /s/ Brett Ross
Name: Brett Ross
Title: Senior Vice President

Avnet, Inc.
Amendment No. 1 to Amended and Restated Credit Agreement
Signature Page

UNICREDIT BANK AG, NEW YORK BRANCH, as
a Lender

By: /S/ Christine Macinnes
Name: Christine Macinnes
Title: Director

By: /S/ Laura Shelmerdine
Name: Laura Shelmerdine
Title: Associate Director

U.S. BANK NATIONAL ASSOCIATION, as a
Lender

By: /s/ Patrick Mun
Name: Patrick Mun
Title: SVP

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Mark H. Halldorson
Name: Mark H. Halldorson
Title: Director

Avnet, Inc.
Amendment No. 1 to Amended and Restated Credit Agreement
Signature Page

Annex A

See attached.

Annex A

AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of June 28, 2018

(as amended through Amendment No. 1 to Amended and Restated Credit Agreement dated as of August 4, 2020),

among

AVNET, INC.
and
CERTAIN SUBSIDIARIES
as Borrowers,

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

BNP PARIBAS,
THE BANK OF NOVA SCOTIA,
MUFG BANK, LTD.,
MIZUHO BANK, LTD.
and
JP MORGAN CHASE BANK, N.A
as Co-Syndication Agents,

and

The Other Lenders Party Hereto

~~**MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED**~~
BofA SECURITIES, INC.

(as successor to Merrill Lynch, Pierce, Fenner & Smith Incorporated),

BNP PARIBAS SECURITIES CORP.,
THE BANK OF NOVA SCOTIA,
MUFG BANK, LTD.
MIZUHO BANK, LTD.
and
JP MORGAN CHASE BANK, N.A.
as Joint Lead Arrangers and Joint Bookrunners

ARTICLE I.
DEFINITIONS AND ACCOUNTING TERMS

1.01	Defined Terms	1
1.02	Other Interpretive Provisions	32 <u>33</u>
1.03	Accounting Terms	33 <u>34</u>
1.04	Exchange Rates; Currency Equivalents	34 <u>35</u>
1.05	Additional Alternative Currencies	34 <u>35</u>
1.06	Change of Currency	35 <u>36</u>
1.07	Times of Day	35 <u>36</u>
1.08	Letter of Credit Amounts	35 <u>36</u>
1.09	Rounding	36 <u>37</u>
1.10	Amendment and Restatement; No Novation; Reallocations and Break Funding	36 <u>37</u>

ARTICLE II.
THE COMMITMENTS AND CREDIT EXTENSIONS

2.01	Committed Loans	37 <u>38</u>
2.02	Borrowings, Conversions and Continuations of Committed Loans	37 <u>38</u>
2.03	Letters of Credit	39 <u>40</u>
2.04	Swing Line Loans	49 <u>50</u>
2.05	Prepayments	52 <u>53</u>
2.06	Termination or Reduction of Commitments	54
2.07	Repayment of Loans	54 <u>55</u>
2.08	Interest	54 <u>55</u>
2.09	Fees	56
2.10	Computation of Interest and Fees	56
2.11	Evidence of Debt	56 <u>57</u>
2.12	Payments Generally; Administrative Agent's Clawback	57
2.13	Sharing of Payments by Lenders	59
2.14	Designated Borrowers	60
2.15	Optional Increase in Commitments	62
2.16	Cash Collateral	63 <u>64</u>
2.17	Defaulting Lenders	65

ARTICLE III.
TAXES, YIELD PROTECTION AND ILLEGALITY

3.01	Taxes	67
3.02	Illegality	73
3.03	Inability to Determine Rates	74 <u>73</u>
3.04	Increased Costs; Reserves on Eurocurrency Rate Loans	75
3.05	Compensation for Losses	77
3.06	Mitigation Obligations; Replacement of Lenders	79 <u>78</u>
3.07	Survival	79

ARTICLE IV.
CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01	Conditions of Initial Credit Extension	79
4.02	Conditions to all Credit Extensions	81

ARTICLE V. REPRESENTATIONS AND WARRANTIES

5.01	Existence, Qualification and Power; Compliance with Laws	82
5.02	Authorization; No Contravention	82
5.03	Governmental Authorization; Other Consents	83 <u>82</u>
5.04	Binding Effect	83 <u>82</u>
5.05	Financial Statements; No Material Adverse Effect	83
5.06	Litigation	84 <u>83</u>
5.07	No Default	84 <u>83</u>
5.08	Ownership of Property; Liens	84 <u>83</u>
5.09	Environmental Compliance	84
5.10	Taxes	84
5.11	ERISA Compliance	85 <u>84</u>
5.12	Subsidiaries; Equity Interests	85

5.13	Margin Regulations; Investment Company Act	86 <u>85</u>
5.14	Disclosure	86 <u>85</u>
5.15	Compliance with Laws	86
5.16	Intellectual Property; Licenses, Etc.	86
5.17	Solvency	87 <u>86</u>
5.18	Taxpayer Identification Number; Other Identifying Information	87 <u>86</u>
5.19	Representations as to Foreign Obligors	87 <u>86</u>
5.20	OFAC	88 <u>87</u>
5.21	Anti-Corruption Laws	88 <u>87</u>
5.22	EEA <u>Affected</u> Financial Institutions	88
5.23	Certificate of Beneficial Ownership	88
<u>5.24</u>	<u>Covered Entities</u>	<u>88</u>

ARTICLE VI. AFFIRMATIVE COVENANTS

6.01	Financial Statements	88
6.02	Certificates; Other Information	89
6.03	Notices	91
6.04	Payment of Obligations	92 <u>91</u>
6.05	Preservation of Existence, Etc.	92 <u>91</u>
6.06	Maintenance of Properties	92
6.07	Maintenance of Insurance	93 <u>92</u>
6.08	Compliance with Laws	93 <u>92</u>
6.09	Books and Records	93 <u>92</u>
6.10	Inspection Rights	93 <u>92</u>
6.11	Approvals and Authorizations	93
6.12	Anti-Corruption and Anti-Terrorism Laws	93
6.13	Certificate of Beneficial Ownership and Other Additional Information	94 <u>93</u>

ARTICLE VII. NEGATIVE COVENANTS

7.01	Liens	94 <u>93</u>
7.02	[Reserved]	95
7.03	Indebtedness	95
7.04	Fundamental Changes	96
7.05	Restricted Payments	97 <u>96</u>
7.06	Change in Nature of Business	98 <u>97</u>
7.07	Transactions with Affiliates	98 <u>97</u>
7.08	Limitation on Restrictions Affecting the Company or any Subsidiary	98 <u>97</u>
7.09	Use of Proceeds	99
7.10	Financial Covenants	99
7.11	Acquisitions	99 <u>100</u>
7.12	Sanctions	100
7.13	Anti-Corruption and Anti-Terrorism Laws	100

ARTICLE VIII. EVENTS OF DEFAULT AND REMEDIES

8.01	Events of Default	100 <u>101</u>
8.02	Remedies Upon Event of Default	102 <u>103</u>
8.03	Application of Funds	103

ARTICLE IX. ADMINISTRATIVE AGENT

9.01	Appointment and Authority	104
9.02	Rights as a Lender	104 <u>105</u>
9.03	Exculpatory Provisions	104 <u>105</u>
9.04	Reliance by Administrative Agent	105 <u>106</u>
9.05	Delegation of Duties	106
9.06	Resignation of Administrative Agent	106
9.07	Non-Reliance on Administrative Agent and Other Lenders	107 <u>108</u>
9.08	No Other Duties, Etc.	108
9.09	Administrative Agent May File Proofs of Claim	108

ARTICLE X. MISCELLANEOUS

10.01	Amendments, Etc.	111 <u>110</u>
10.02	Notices; Effectiveness; Electronic Communication	112
10.03	No Waiver; Cumulative Remedies; Enforcement	114
10.04	Expenses; Indemnity; Damage Waiver	115 <u>114</u>
10.05	Payments Set Aside	117
10.06	Successors and Assigns	118 <u>117</u>
10.07	Treatment of Certain Information; Confidentiality	123 <u>122</u>
10.08	Right of Setoff	124 <u>123</u>
10.09	Interest Rate Limitation	125 <u>124</u>
10.10	Counterparts; Integration; Effectiveness	125 <u>124</u>
10.11	Survival of Representations and Warranties	125
10.12	Severability	125
10.13	Replacement of Lenders	126 <u>125</u>
10.14	Governing Law; Jurisdiction; Etc.	127 <u>126</u>
10.15	WAIVER OF JURY TRIAL	128 <u>127</u>
10.16	No Advisory or Fiduciary Responsibility	128 <u>127</u>
10.17	USA PATRIOT Act Notice	128
10.18	Judgment Currency	129 <u>128</u>
10.19	Electronic Execution of Assignments and Certain Other Documents	129
10.20	Acknowledgment <u>Acknowledgement</u> and Consent to Bail-In of EEA <u>Affected</u> Financial Institutions	<u>129</u>
<u>10.21</u>	<u>Acknowledgement Regarding Any Supported QFCs</u>	130

AMENDED AND RESTATED CREDIT AGREEMENT

This AMENDED AND RESTATED CREDIT AGREEMENT (“Agreement”) is entered into as of June 28, 2018, among AVNET, INC., a New York corporation (the “Company”), each Subsidiary of the Company party hereto pursuant to Section 2.14 (each such Subsidiary, together with the Company, the “Borrowers” and, each a “Borrower”), each lender from time to time party hereto (collectively, the “Lenders” and individually, a “Lender”), and BANK OF AMERICA, N.A., as Administrative Agent, Swing Line Lender and an L/C Issuer.

The Borrowers, the lenders party thereto (the “Existing Lenders”) and Bank of America, N.A., as administrative agent, entered into that certain Credit Agreement dated as of July 9, 2014 (as amended, supplemented or otherwise modified prior to the date hereof, the “Existing Credit Agreement”), pursuant to which the lenders party thereto have made available to the Borrowers a revolving credit facility, with letter of credit, swingline and multicurrency subfacilities.

The Borrowers have requested that the Lenders agree to an amendment and restatement of the Existing Credit Agreement in the form of this Agreement to provide a revolving credit facility, with swingline, letter of credit and multicurrency subfacilities, and the Lenders are willing to do so on the terms and conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I. DEFINITIONS AND ACCOUNTING TERMS

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

“Acquisition” means the acquisition of (i) a controlling equity or other ownership interest in another Person (including upon the exercise of an option, warrant or convertible or similar type security to acquire such a controlling interest), whether by purchase of such equity or other ownership interest or upon exercise of an option or warrant for, or conversion of securities into, such equity or other ownership interest, or (ii) assets of another Person (whether by purchase, merger or otherwise) which constitute all or substantially all of the assets of such Person or of a line or lines of business conducted by such Person.

“Adjusted Receivables Amount” means, as of any date of determination, the greater of (a) the aggregate net book value of all Excluded Receivables minus \$75,000,000, and (b) \$0.

“Administrative Agent” means Bank of America in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

“Administrative Agent’s Office” means, with respect to any currency, the Administrative Agent’s address and, as appropriate, account as set forth on Schedule 10.02 with respect to such

currency, or such other address or account with respect to such currency as the Administrative Agent may from time to time notify to the Company and the Lenders.

“Administrative Questionnaire” means an Administrative Questionnaire in substantially the form of Exhibit E-2 or any other form approved by the Administrative Agent.

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

“Affiliate” means, with respect to any 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 set forth in Section 10.02(c). “Aggregate Commitments” means the Commitments of all the Lenders. “Agreement” has the meaning specified in the introductory paragraph. “Agreement Currency” has the meaning specified in Section 10.18.

“Alternative Currency” means each of Euro, Sterling, Australian Dollars, Hong Kong Dollars, Singapore Dollars, Japanese Yen, and each other currency (other than Dollars) that is approved in accordance with Section 1.05.

“Alternative Currency Equivalent” means, at any time, with respect to any amount denominated in Dollars, the equivalent amount thereof in the applicable Alternative Currency as determined by the Administrative Agent at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of such Alternative Currency with Dollars.

“Alternative Currency Sublimit” means an amount equal to the lesser of the Aggregate Commitments and \$300,000,000. The Alternative Currency Sublimit is part of, and not in addition to, the Aggregate Commitments.

“Amendment No. 1 Effective Date” means August 4, 2020.

“Applicable Foreign Obligor Documents” has the meaning specified in Section 5.19(a).

“Applicable Percentage” means with respect to any Lender at any time, the percentage (carried out to the ninth decimal place) of the Aggregate Commitments represented by such Lender’s Commitment at such time, subject to adjustment as provided in this Agreement. If the commitment of each Lender to make Loans and the obligation of each L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02 or if the Aggregate Commitments have expired, then the Applicable Percentage of each Lender shall be determined based on the Applicable Percentage of such Lender most recently in effect, giving effect to any subsequent assignments. The initial Applicable Percentage of each Lender is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

“Applicable Rate” means, from time to time, the following percentages per annum, based upon the Debt Rating as set forth below:

Pricing Level	Debt Ratings S&P /Moody's/Fitch	Facility Fee	Eurocurrency Rate + Letter of Credit Fee	Base Rate
1	BBB+/Baa1/BBB+ or better	0.125%	1.000%	0.000%
2	BBB/Baa2/BBB	0.150%	1.100%	0.100%
3	BBB-/Baa3/BBB-	0.200%	1.175%	0.175%
4	BB+/Ba1/BB+	0.250%	1.375%	0.375%
5	BB/Ba2/BB or worse	0.350%	1.525%	0.525%

; provided, that at any time during the Relief Period, the Applicable Rate for (a) the Facility Fee for Pricing Levels 4 and 5 shall be increased to 0.300% and 0.400%, respectively, (b) the Eurocurrency Rate and the Letter of Credit Fee for Pricing Levels 4 and 5 shall be increased to 1.825% and 1.975%, respectively, and (c) the Base Rate for Pricing Levels 4 and 5 shall be increased to 0.825% and 0.975%, respectively.

“Debt Rating” means, as of any date of determination, the rating as determined by any of S&P, Moody’s or Fitch (collectively, the “Rating Agencies” and each a “Rating Agency”) (collectively, the “Debt Ratings”) of the Company’s non-credit-enhanced, senior unsecured long-term debt; provided that if the Debt Ratings from the Rating Agencies fall within different Pricing Levels, (a) if only two Rating Agencies provide a Debt Rating, then (i) if the ratings differ by one Pricing Level, then the Pricing Level for the higher of such Debt Ratings shall apply (with the Debt Rating for Pricing Level 1 being the highest and the Debt Rating for Pricing Level 5 being the lowest), and (ii) if there is a split in Debt Ratings of more than one level, then the Pricing Level that is one level lower than the Pricing Level of the higher Debt Rating shall apply, (b) if all three Rating Agencies provide a Debt Rating, then (i) if two of the Debt Ratings are at the same Pricing Level, then such Pricing Level shall apply and (ii) if each of the Debt Ratings fall within different levels, then the Pricing Level of such Debt Rating between the highest Debt Rating and the lowest Debt Rating shall apply, and (c) if the Company does not have any Debt Rating, Pricing Level 5 shall apply; provided, further, that if only one Rating Agency provides a Debt Rating, such Debt Rating shall apply.

Initially, the Applicable Rate shall be determined based upon the Debt Ratings in effect on the Closing Date, each of which shall be specified in the certificate delivered pursuant to Section 4.01(a)(vii). Thereafter, each change in the Applicable Rate resulting from a publicly announced change in any Debt Rating shall be effective during the period commencing on the opening of business on the date of the public announcement thereof and ending on the date immediately preceding the effective date of the next such change.

“Applicable Time” means, with respect to any borrowings and payments in any Alternative Currency, the local time in the place of settlement for such Alternative Currency as may be determined by the Administrative Agent to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment.

“Applicant Borrower” has the meaning specified in Section 2.14.

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

“Arrangers” means, collectively, BofA Securities, Inc., as successor to Merrill Lynch, Pierce, Fenner & Smith Incorporated, BNP Paribas Securities Corp., The Bank of Nova Scotia, MUFG, JP Morgan Chase Bank, N.A. and Mizuho Bank, Ltd., in their capacities as joint lead arrangers and joint bookrunners.

“Assignee Group” means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

“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 10.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit E-1 or any other form (including electronic documentation generated by use of an electronic platform) approved by the Administrative Agent.

“Attributable Indebtedness” means, on any date:

(a) in respect of any capital lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP;

(b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a capital lease; and

(c) in respect of any asset securitization transaction of any Person, (i) the actual amount of any unrecovered investment of purchasers or transferees of assets so transferred, plus (ii) in the case of any other recourse, repurchase, or debt obligation described in clause (a) of the definition of “Off-Balance Sheet Liabilities,” the capitalized amount of such obligation that would appear on a balance sheet of such Person prepared on such date in accordance with GAAP if such sale or transfer or assets were accounted for as a secured loan.

“Audited Financial Statements” means the audited consolidated balance sheet of the Company and its Subsidiaries for the fiscal year ended July 1, 2017, and the related consolidated statements of income or operations, shareholders’ equity and cash flows for such fiscal year of the Company and its Subsidiaries, including the notes thereto.

“Australian Dollars” mean the lawful currency of Australia.

“Authorized Signatory” has the meaning specified in the definition of “Responsible Officer.”

“Auto-Reinstatement Letter of Credit” has the meaning specified in Section 2.03(a)(iii)(D).

“Availability Period” means the period from and including the Closing Date to the earliest of (a) the Maturity Date, (b) the date of termination of the Aggregate Commitments pursuant to Section 2.06, and (c) the date of termination of the commitment of each Lender to make Loans and of the obligation of the L/C Issuers to make L/C Credit Extensions pursuant to Section 8.02.

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

“Base Rate” means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 0.50%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its “prime rate,” and (c) the Eurocurrency Rate plus 1.00%. The “prime rate” is a rate set by Bank of America based upon various factors including Bank of America’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in 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.

“Base Rate Committed Loan” means a Committed Loan that is a Base Rate Loan.

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

period, (iii) depreciation and amortization expense, (iv) gains or losses related to the early extinguishment of notes, bonds or other fixed income obligations and, (v) other non-cash or non-recurring expenses of the Company and its Subsidiaries (including non-cash expenses consisting of compensation paid in the form of Equity Interests of the Company or its Subsidiaries and non-cash charges due to impairments recorded in such period in accordance with Financial Accounting Standards Board's Accounting Standards Codification 350), reducing such Consolidated Net Income and (vi) the amount of any restructuring charge, accrual, reserve or integration cost or expense incurred or accrued on or after June 28, 2020 and prior to June 30, 2021, in connection with the planning, undertaking and implementation of any restructuring, closure, reallocation, relocation, decommissioning, reconfiguration, cost rationalization, reduction in force, exit or disposal plan, or operating expense reduction, including severance pay, other employee termination costs, rent termination costs, moving costs and legal costs, in each case to the extent such transaction is permitted under the Loan Documents, in an aggregate amount for all adjustments under this clause (vi), not to exceed \$100,000,000 during the term of this Agreement, and minus (b) all non-cash items increasing Consolidated Net Income for such period.

“**Consolidated Funded Indebtedness**” means, as of any date of determination, for the Company and its Subsidiaries on a consolidated basis, the sum of (a) the outstanding principal amount of all obligations, whether current or long-term, for borrowed money (including such Obligations hereunder) and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments, (b) all purchase money Indebtedness, (c) all direct obligations arising under letters of credit (including standby letters of credit), bankers' acceptances, bank guaranties, surety bonds and similar instruments (other than, and without expanding this clause (c), commercial letters of credit and bankers' acceptances incurred to support commercial or lease transactions, bid bonds, payment bonds and performance bonds arising in the ordinary course of business), in each case net of the amount of cash collateral securing such direct obligations, (d) all obligations in respect of the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business), (e) Attributable Indebtedness in respect of capital leases, Synthetic Lease Obligations and other Off-Balance Sheet Liabilities, (f) without duplication, all Guarantees with respect to outstanding Indebtedness of the types specified in clauses (a) through (e) above of Persons other than the Company or any Subsidiary, and (g) all Indebtedness of the types referred to in clauses (a) through (f) above of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which the Company or a Subsidiary is a general partner or joint venturer, if, and to the extent that, the fair value of the assets of such partnership or joint venture is less than its probable liability in respect of its obligations, net of any right to contribution from other reasonably creditworthy Persons which the Company or such Subsidiary has in respect thereof, unless such Indebtedness is expressly made non-recourse to the Company or such Subsidiary.

“**Consolidated Interest Charges**” means, for any period, for the Company and its Subsidiaries on a consolidated basis, the sum, without duplication, of (a) consolidated interest expense determined in accordance with GAAP and (b) all implicit interest in connection with Synthetic Lease Obligations and other Off-Balance Sheet Liabilities minus (c) the amount of

non-cash interest (including interest paid by the issuance of additional securities) included in the foregoing clause (a).

“Consolidated Interest Coverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated EBITDA for the period of the four prior fiscal quarters ending on such date to (b) Consolidated Interest Charges for such period.

“Consolidated Leverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated Funded Indebtedness as of such date to (b) Consolidated EBITDA for the period of the four fiscal quarters most recently ended.

“Consolidated Net Income” means, for any period, for the Company and its Subsidiaries on a consolidated basis, the net income of the Company and its Subsidiaries (excluding extraordinary gains but including extraordinary losses) for that period.

“Consolidated Tangible Net Worth” means, as of any date of determination, for the Company and its Subsidiaries on a consolidated basis, Shareholders’ Equity minus Intangible Assets on that date.

“Contractual Obligation” means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“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.

“Covered Entity” has the meaning specified in Section 10.21.

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

“Debt Rating” has the meaning specified in the definition of Applicable Rate.

“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 and affecting the rights of creditors generally.

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

“Default Rate” means (a) when used with respect to Obligations other than Letter of Credit Fees, an interest rate equal to (i) the Base Rate plus (ii) the Applicable Rate, if any, applicable to Base Rate Loans plus (iii) 2% per annum; provided, however, that with respect to a

“Existing Securitization Facility” means the account receivable securitization pursuant to the third amended and restated receivables purchase agreement dated as of February 27, 2017, as amended, among Avnet Receivables Corporation, the Company as servicer, the financial institutions party thereto as purchasers, and JPMorgan Chase Bank, N.A., as agent for the purchasers, including any extensions, renewals, replacements and refinancings thereof; provided, that each such agreement (as amended, restated, supplemented or otherwise modified from time to time) or extension, renewal, replacement or refinancing, as the case may be, satisfies the requirements set forth in clause (b) of the definition of Permitted Securitization Facility.

“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) and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471 (b) (1) of the Code and any agreements entered into by the United States pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities entered into in connection with the implementation of the foregoing.

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System of the United States, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to Bank of America on such day on such transactions as determined by the Administrative Agent. Notwithstanding the foregoing, in no event shall the Federal Funds Rate be less than 0.00%.

“Fee Letters” mean, collectively, the Fee Letter (Bank of America), the Fee Letter (BNPP), the Fee Letter (JPM), the Fee Letter (Mizuho), the Fee Letter (MUFG) and the Fee Letter (Scotia).

“Fee Letter (Bank of America)” means the letter agreement, dated June 5, 2018, among the Company, the Administrative Agent and Merrill Lynch, Pierce, Fenner & Smith Incorporated.

“Fee Letter (BNPP)” means the letter agreement, dated June 5, 2018, among the Company, BNP Paribas Securities Corp. and BNP Paribas.

“Fee Letter (JPM)” means the letter agreement, dated June 5, 2018, between the Company and JP Morgan Chase Bank, N.A.

“Fee Letter (Mizuho)” means the letter agreement, dated June 5, 2018, between the Company and Mizuho Bank, Ltd.

“Fee Letter (MUFG)” means the letter agreement, dated June 5, 2018, between the Company and MUFG.

“Recipient” means the Administrative Agent, any Lender, any L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

“Register” has the meaning specified in Section 10.06(c).

“Registered Public Accounting Firm” has the meaning specified in the Securities Laws and shall be independent of the Company as prescribed by the Securities Laws.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, advisors and representatives of such Person and of such Person’s Affiliates.

“Relief Period” means the period commencing on the Amendment No. 1 Effective Date and ending on the Relief Period Termination Date.

“Relief Period Termination Date” means the date on which the Administrative Agent receives a Compliance Certificate from the Company pursuant to Section 6.02(b) in respect of the fiscal quarter ending on or around December 31, 2021 and the Company is in compliance with the Consolidated Leverage Ratio and the Consolidated Interest Coverage Ratio for such fiscal quarter.

“Removal Effective Date” has the meaning specified in Section 9.06(b).

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived under applicable Law.

“Request for Credit Extension” means (a) with respect to a Borrowing, conversion or continuation of Committed Loans, a Committed Loan Notice, (b) with respect to an L/C Credit Extension, a Letter of Credit Application, and (c) with respect to a Swing Line Loan, a Swing Line Loan Notice.

“Required Lenders” means, as of any date of determination, Lenders having more than 50% of the Aggregate Commitments or, if the commitment of each Lender to make Loans and the obligation of each L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02, Lenders holding in the aggregate more than 50% of the Total Outstandings (with the aggregate amount of each Lender’s risk participation and funded participation in L/C Obligations and Swing Line Loans being deemed “held” by such Lender for purposes of this definition); provided, that the Total Credit Exposure of any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders, and provided further, that if and to the extent that the Defaulting Lender fails to fund its participation in any Swing Line Loan or Unreimbursed Amount and such amount has not been reallocated to and funded by another Lender, then such amount shall be deemed to be held by the Lender that is the Swing Line Lender or the applicable L/C Issuer, as the case may be, for as long as such Swing Line Lender or L/C Issuer is not itself a Defaulting Lender, in making such determination.

“Resignation Effective Date” has the meaning specified in Section 9.06(a).

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

“Responsible Officer” means (i) the chief executive officer, president, chief financial officer, treasurer or assistant treasurer of a Loan Party, and with respect to any Designated Borrower, any other signatory authorized in writing by the board of directors, the managing member or comparable governing body or Person of such Designated Borrower (each, an “Authorized Signatory”), (ii) solely for purposes of the delivery of incumbency certificates pursuant to Section 4.01, the secretary or any assistant secretary of a Loan Party and, with respect to any Designated Borrower, an Authorized Signatory and (iii) solely for purposes of notices given pursuant to Article II, any officer or employee of the applicable Loan Party so designated by any of the foregoing officers in a notice to the Administrative Agent and, with respect to any Designated Borrower, an Authorized Signatory. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restricted Lender” has the meaning specified in Section 2.14(a).

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any capital stock or other Equity Interest of the Company or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such capital stock or other Equity Interest, or on account of any return of capital to the Company’s stockholders, partners or members (or the equivalent Person thereof).

“Revaluation Date” means, with respect to any Loan, each of the following: (a) each date of a Borrowing of a Eurocurrency Rate Loan denominated in an Alternative Currency, (b) each date of a continuation of a Eurocurrency Rate Loan denominated in an Alternative Currency pursuant to Section 2.02, and (c) such additional dates as the Administrative Agent shall determine or the Required Lenders shall require.

“Revolving Credit Exposure” means, as to any Lender at any time, the aggregate principal amount at such time of its outstanding Committed Loans and such Lender’s participation in L/C Obligations and Swing Line Loans at such time.

“Sanction(s)” means any economic, financial, trade or similar sanctions or embargoes administered or enforced by the United States Government (including, without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty’s Treasury (“HMT”) or other relevant sanctions authority.

“S&P” means Standard & Poor’s Financial Services LLC, a subsidiary of the McGraw-Hill Companies, Inc. and any successor thereto.

“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.

“Unencumbered Cash and Cash Equivalents” means cash or cash equivalents owned by Company and its Subsidiaries on a consolidated basis (excluding assets of any retirement plan) which (a) are not the subject of any Lien, and (b) may be converted to cash within thirty (30) days.

“United States” and “U.S.” mean the United States of America. “Unreimbursed Amount” has the meaning specified in Section 2.03(c)(i).

“U.S. Person” means any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Code.

“U.S. Tax Compliance Certificate” has the meaning specified in Section 3.01(e)(ii)(B)(III).

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

1.02 Other Interpretive Provisions. With reference to this Agreement and 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. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Organization Document) shall be construed as referring to such

agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "hereto", "herein," "hereof" and "hereunder," and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(d) Any reference herein to a merger, consolidation, amalgamation, conveyance, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company or a limited partnership, as applicable, or an allocation of assets to a series of a limited liability company or a limited partnership, as applicable (or the unwinding of such a division or allocation), as if it were a merger, consolidation, amalgamation, conveyance, assignment, sale, disposition or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company or a limited partnership, as applicable, shall constitute a separate Person hereunder (and each division of any limited liability company or any limited partnership, as applicable, that is a Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

1.03 Accounting Terms.

(a) Generally. 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, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein.

(b) Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Company or the Required Lenders shall so request, the Administrative Agent, the Lenders and

such as cannot be made or obtained until a later date (provided that (A) any notification or authorization described in clause (ii) shall be made or obtained as soon as is reasonably practicable and (B) such failure or delay could not reasonably be expected to adversely affect the enforceability of the Guaranty against the Company).

5.20 OFAC. Neither the Company, nor any of its Subsidiaries, nor any director or officer thereof, nor, to the knowledge of the Company and its Subsidiaries, any employee, agent, affiliate or representative thereof, is an individual or entity that is (i) currently the subject or target of any Sanctions or (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority, (iii) 10% or more owned by an individual or entity that is on a list described in immediately preceding clause (ii) or (iv) located, organized or resident in a Designated Jurisdiction.

5.21 Anti-Corruption Laws. (a) The Company and its Subsidiaries have conducted their businesses in compliance in all material respects with the PATRIOT Act.

(b) The Company and its Subsidiaries (x) have conducted their businesses in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions and (y) have instituted and maintained reasonable and customary policies and procedures designed to promote and achieve compliance with such laws in all material respects.

5.22 ~~EEA~~Affected Financial Institutions. No Loan Party is an ~~EEA~~Affected Financial Institution.

5.23 Certificate of Beneficial Ownership. As of the Closing Date, the information included in the Beneficial Ownership Certification, if applicable, is true and correct in all respects.

5.24 Covered Entities. No Loan Party is a Covered Entity.

ARTICLE VI. AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, the Company shall, and shall (except in the case of the covenants set forth in Sections 6.01, 6.02, and 6.03) cause each Subsidiary to:

6.01 Financial Statements. Deliver to the Administrative Agent and each Lender, in form and detail satisfactory to the Administrative Agent and the Required Lenders:

(a) as soon as available, but in any event within 15 days after the date on which consolidated financial statements for such year are required to be delivered to the SEC under the Securities Exchange Act, a consolidated balance sheet of the Company and its Subsidiaries as at

in such a transaction is a Designated Borrower, then the transferee must either be the Company or a Designated Borrower;

(c) any Subsidiary (other than a Loan Party or a Material Subsidiary) may merge, dissolve, liquidate, consolidate with or into another Person subject to compliance with Section 7.11, if applicable, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (upon voluntary liquidation or otherwise) (whether now owned or hereafter acquired) to or in favor of any Person; and

(d) (i) a Borrower may merge with any other Person (including a Material Subsidiary) so long as such Borrower is the surviving entity and such merger complies with Section 7.11, if applicable; and (ii) a Material Subsidiary may merge with any other Person (other than a Borrower) so long as the Material Subsidiary is the surviving entity and such merger complies with Section 7.11, if applicable.

7.05 Restricted Payments. Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation to do so, except that, so long as no Default shall have occurred and be continuing at the time of any action described below or would result therefrom:

(a) each Subsidiary may make Restricted Payments to the Company, the Designated Borrowers and any other Person that owns an Equity Interest in such Subsidiary, ratably according to their respective holdings of the type of Equity Interest in respect of which such Restricted Payment is being made;

(b) the Company and each Subsidiary may declare and make dividend payments or other distributions payable solely in the common stock or other common Equity Interests of such Person;

(c) the Company and each Subsidiary may purchase, redeem or otherwise acquire Equity Interests with the proceeds received from the substantially concurrent issue of new shares of its common stock or other common Equity Interests;

(d) the Company may declare and pay cash dividends and purchase, redeem or otherwise acquire for cash Equity Interests issued by it so long as the Consolidated Leverage Ratio is less than or equal to 3.50 to 1.00 (both before and after giving effect to such payment, purchase, redemption or acquisition);

(e) at any time during the Relief Period when the Consolidated Leverage Ratio is greater than 3.50 to 1.00 but less than or equal to 4.75 to 1.00 (both before and after giving effect to such payment), the Company may declare and pay cash dividends so long as the Company does not increase the amount or frequency of any cash dividends (other than increases in the aggregate amount, but in no event the amount per share, of such cash dividends due solely to the issuance or granting of additional Equity Interests by the Company under employee or director stock purchase, stock grant, stock option or other incentive plans) paid by the Company in the ordinary course of business prior to the Amendment No. 1 Effective Date; and

~~(f)~~ ~~(e)~~ in addition to the Restricted Payments permitted by ~~clause clauses~~ (d) and (e) of this Section 7.05, the Company may ~~(when the Consolidated Leverage Ratio is greater than 3.50 to 1.00)~~ declare and pay cash dividends and purchase, redeem or otherwise acquire for cash Equity Interests issued by it; provided that, the aggregate of such dividends plus the aggregate consideration paid for all such purchases, redemptions and acquisitions after the Closing Date under this clause (f) at times when the Consolidated Leverage Ratio is greater than 3.50 to 1.00 (other than in respect of shares purchased for the purpose of satisfying the Company's obligations under employee or director stock purchase, stock grant and stock option plans) shall not exceed \$25,000,000.

7.06 Change in Nature of Business. Engage in any material line of business substantially different from a Permitted Business.

7.07 Transactions with Affiliates. Enter into any transaction of any kind with any Affiliate of the Company, whether or not in the ordinary course of business, other than (a) on fair and reasonable terms substantially as favorable to the Company or such Subsidiary as would be obtainable by the Company or such Subsidiary at the time in a comparable arm's length transaction with a Person other than an Affiliate, or (b) transactions among the Company and its Subsidiaries so long as such transactions do not, either individually or in the aggregate, have a Material Adverse Effect.

7.08 Limitation on Restrictions Affecting the Company or any Subsidiary. Enter into any Contractual Obligation (other than this Agreement or any other Loan Document) that limits the ability (a) of any Subsidiary to make Restricted Payments to the Company or any Designated Borrower or to otherwise transfer property to the Company or any Designated Borrower, or (b) of the Company or any Subsidiary to create, incur, assume or suffer to exist Liens on property of such Person; provided, however, that this Section 7.08 shall not prohibit:

- (i) any negative pledge incurred or provided in favor of any holder of Indebtedness permitted under Section 7.03(d) solely to the extent any such negative pledge relates to the property financed by or the subject of such Indebtedness;
- (ii) restrictions imposed by other permitted Indebtedness ranking pari passu with the Obligations, provided that such restrictions are no more restrictive than those imposed by this Agreement;
- (iii) restrictions imposed by applicable Law;
- (iv) restrictions imposed by Indebtedness outstanding on the date hereof and listed on Schedule 7.03;
- (v) restrictions imposed by Indebtedness relating to any property acquired by the Company or any Subsidiary (or restrictions imposed by Indebtedness of a third party which third party is acquired by the Company or any Subsidiary) in an acquisition permitted by this Agreement, provided in each case that such restrictions existed at the time of such acquisition, were not put in place in connection with or in anticipation of

7.10 Financial Covenants.

(a) **Consolidated Interest Coverage Ratio.** Permit the Consolidated Interest Coverage Ratio as of the end of any period of four fiscal quarters of the Company to be less than ~~3.00 to 1.00~~ the ratio set forth below opposite such period:

<u>Four Fiscal Quarters Ending On or Around</u>	<u>Consolidated Interest Coverage Ratio</u>
<u>June 30, 2018 through and including June 30, 2020</u>	<u>3.00 to 1.00</u>
<u>September 30, 2020 through and including June 30, 2021</u>	<u>2.50 to 1.00</u>
<u>September 30, 2021 and each fiscal quarter thereafter</u>	<u>3.00 to 1.00</u>

(b) **Consolidated Leverage Ratio.** Permit the Consolidated Leverage Ratio ~~at~~ as of the last day of any ~~time~~ period of four fiscal quarters of the Company to be greater than ~~4.00 to 1.00~~ the ratio set forth below opposite such period:

<u>Four Fiscal Quarters Ending On or Around</u>	<u>Consolidated Leverage Ratio</u>
<u>June 30, 2018 through and including June 30, 2020</u>	<u>4.00 to 1.00</u>
<u>September 30, 2020</u>	<u>5.00 to 1.00</u>
<u>December 31, 2020 through and including March 31, 2021</u>	<u>5.25 to 1.00</u>
<u>June 30, 2021</u>	<u>5.00 to 1.00</u>
<u>September 30, 2021</u>	<u>4.50 to 1.00</u>
<u>December 31, 2021 and each fiscal quarter thereafter</u>	<u>4.00 to 1.00</u>

7.11 Acquisitions. Consummate any Acquisition, unless (i) no Default or Event of Default shall have occurred and be continuing either immediately before or immediately after giving effect to such Acquisition, and (ii) both immediately before and immediately after such Acquisition (after giving pro forma effect to the consummation of such Acquisition as if the Acquisition occurred on the first day of the four fiscal quarters most recently ended, and giving pro forma effect to the incurrence, repayment, prepayment, redemption or defeasance of any Indebtedness in connection therewith), ~~the Company is in compliance with each of the covenants~~

~~set forth in Section 7.10~~ (a) the Consolidated Interest Coverage Ratio is greater than or equal to 3.00 to 1.00, and (b) the Consolidated Leverage Ratio is less than or equal to 4.00 to 1.00.

7.12 Sanctions. Directly or indirectly, use the proceeds of any Credit Extension, or lend, contribute or otherwise knowingly make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities of or business with any individual or entity, or in any Designated Jurisdiction, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any individual or entity (including any individual or entity participating in the transaction, whether as Lender, Arranger, Administrative Agent, L/C Issuer, Swing Line Lender, or otherwise) of Sanctions.

7.13 Anti-Corruption and Anti-Terrorism Laws. Directly or indirectly use the proceeds of any Loan for any purpose which would breach the PATRIOT Act, the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions.

ARTICLE VIII. EVENTS OF DEFAULT AND REMEDIES

8.01 Events of Default. Any of the following shall constitute an Event of Default:

(a) Non-Payment. Any Borrower or any other Loan Party fails to pay (i) when and as required to be paid herein, and in the currency required hereunder, any amount of principal of any Loan or any L/C Obligation, or (ii) within three Business Days after the same becomes due, any interest on any Loan or on any L/C Obligation, or any fee due hereunder, or (iii) within five Business Days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. The Company fails to perform or observe any term, covenant or agreement contained in any of Section 6.03, 6.05(a) (to the extent it relates to preservation of legal existence of a Loan Party) or 6.10 or Article VII, and with respect to Section 7.01 or 7.03, such failure continues for a period of 20 days; or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in subsection (a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for 30 days after the Company or such Loan Party has knowledge thereof; or

(d) Representations and Warranties. Any representation or warranty of the Company or any other Loan Party, or any written certification or other material written statement of fact made or deemed made by the Company or any Loan Party or by a Responsible Officer on behalf of the Company or any other Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made, except to the extent such representation, warranty, written certification or other written statement of fact already contains a materiality qualifier in which case an Event of Default shall exist if such representation, warranty, written certification or other

9.10 Lender Certain ERISA Representation Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrowers or any Borrower other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of ~~29 CFR § 2510.3-101, as modified by~~ Section 3(42) of ERISA or otherwise) of one or more Benefit Plans ~~in connection with~~ respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit ~~or,~~ the 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 Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of subsections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or ~~such (2) a~~ Lender has ~~not~~ provided another representation, warranty and covenant ~~as provided 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 to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrowers or any Borrower or other Loan Party, that ~~(i)~~ none of the Administrative Agent, or the Arrangers or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related ~~to~~ hereto or thereto),

~~(ii) — the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is independent (within the meaning of 29 CFR § 2510.3-21) and is a bank, an insurance carrier, an investment adviser, a broker-dealer or other person that holds, or has under management or control, total assets of at least \$50,000,000, in each case as described in 29 CFR § 2510.3-21(c)(1)(i)(A)-(E);~~

~~(iii) — the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies (including in respect of the Obligations);~~

~~(iv) — the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is a fiduciary under ERISA or the Code, or both, with respect to the Loans, the Letters of Credit, the Commitments and this Agreement and is responsible for exercising independent judgment in evaluating the transactions hereunder, and~~

~~(v) — no fee or other compensation is being paid directly to the Administrative Agent, the Arrangers or any of their respective Affiliates for investment advice (as opposed to other services) in connection with the Loans, the Letters of Credit, the Commitments or this Agreement.~~

~~(c) — The Administrative Agent and the Arrangers hereby inform the Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Letters of Credit, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Loans, the Letters of Credit or the Commitments for an amount less than the amount being paid for an interest in the Loans, the Letters of Credit or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term-out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.~~

~~fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term-out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.~~

ARTICLE X. MISCELLANEOUS

10.01 Amendments, Etc. Except as set forth in Sections 2.15 and 3.03(c), no amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Company or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Company or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

- (a) waive any condition set forth in Section 4.01(a) without the written consent of each Lender;
- (b) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender;
- (c) 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 affected thereby;
- (d) reduce the principal of, or the rate or amount of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (iv) of the second proviso to this Section 10.01) any fees or other amounts payable hereunder or under any other Loan Document, without the written consent of each Lender directly affected thereby; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of any Borrower to pay interest or Letter of Credit Fees at the Default Rate;
- (e) change Section 2.13 or Section 8.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender;
- (f) amend Section 1.05 or the definition of "Alternative Currency" without the written consent of each Lender;
- (g) change any provision of this Section or the definition of "Required 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; or

Act. Each Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender reasonably requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the PATRIOT Act.

10.18 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 each 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 any Borrower in the Agreement Currency, such Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or such Lender, as the case may be, against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent or any Lender in such currency, the Administrative Agent or such Lender, as the case may be, agrees to return the amount of any excess to such Borrower (or to any other Person who may be entitled thereto under applicable law).

10.19 Electronic Execution of Assignments and Certain Other Documents. ~~The words “execute”, “execution”, “signed approval”, “signature,” and words of like import in~~ This Agreement and any document, amendment, consent, information, notice, certificate, request, statement, disclosure or authorization related to any document to be signed in connection with to this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other modifications, Loan Notices, waivers and consents) 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 (each a “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 parties hereto agrees that any Electronic Signature on or associated with any Communication shall be valid and binding on each such party 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 each such party enforceable against each such party 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, without limitation, use or acceptance by the Administrative

Agent and each of the Lenders of a manually signed paper Communication which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention. The Administrative Agent and each of the Lenders may, at its option, create one or more copies of any Communication in the form of an imaged Electronic Record (“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 electronic form, each of which shall be 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 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, the Administrative Agent is under no 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 pursuant to procedures approved by it; provided, further, without limiting the foregoing, (a) to the extent the Administrative Agent has agreed to accept such Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on any such Electronic Signature purportedly given by or on behalf of any Loan Party without further verification and (b) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by such manually executed counterpart. For purposes hereof, “Electronic Record” and “Electronic Signature” shall have the meanings assigned to them, respectively, by 15 USC §7006, as it may be amended from time to time.

10.20 AcknowledgmentAcknowledgement and Consent to Bail-In of **EEA Affected** Financial Institutions. ~~Solely to the extent any Lender that is an EEA Financial Institution is a party to this Agreement and notwithstanding~~ Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties ~~related thereto~~, each party hereto acknowledges that any liability of any Lender that is an **EEA Affected** Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the ~~Write~~ write-down and ~~Conversion Powers of an EEA~~ conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by ~~an EEA~~ the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an **EEA Affected** Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
 - (i) a reduction in full or in part or cancellation of any such liability, ~~if applicable;~~
 - (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

undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the ~~Write-Down~~write-down and ~~Conversion Powers of any EEA~~conversion powers of the applicable Resolution Authority.

~~Remainder of page is~~

10.21 Acknowledgement Regarding Any Supported QFCs.To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any Swap Contract or any other agreement or instrument that is a QFC (such support, “QFC Credit Support”, and each such QFC, a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 10.21, the following terms have the following meanings:

“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.

“Covered Entity” means any of the following: (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“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.

“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).

[Signature pages intentionally left blank; signature pages follow removed.]

~~Avnet, Inc.~~

~~Amended and Restated Credit Agreement
Signature Page~~

Annex B

See attached.

FORM OF COMPLIANCE CERTIFICATE

Financial Statement Date: _____, _____

To: Bank of America, N.A., as Administrative Agent

Ladies and Gentlemen:

Reference is made to that certain Amended and Restated Credit Agreement, dated as of June 28, 2018 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Agreement"; the terms defined therein being used herein as therein defined), among Avnet, Inc., a New York corporation (the "Company"), the Designated Borrowers from time to time party thereto, the Lenders from time to time party thereto, and Bank of America, N.A., as Administrative Agent, an L/C Issuer and Swing Line Lender.

The undersigned Responsible Officer hereby certifies as of the date hereof that he/she is the _____ of the Company, and that, as such, he/she is authorized to execute and deliver this certificate to the Administrative Agent on behalf of the Company, and that:

[Use following paragraph 1 for fiscal year-end financial statements]

1. The Company has delivered the year-end audited financial statements required by Section 6.01(a) of the Agreement for the fiscal year of the Company ended as of the above date, together with the report and opinion of a Registered Public Accounting Firm required by such section.

[Use following paragraph 1 for fiscal quarter-end financial statements]

1. The Company has delivered the unaudited financial statements required by Section 6.01(b) of the Agreement for the fiscal quarter of the Company ended as of the above date. Such financial statements fairly present the financial condition and results of operations of the Company and its Subsidiaries in accordance with GAAP as at such date and for such period, subject only to normal year-end audit adjustments and the absence of footnotes.

2. The undersigned has reviewed and is familiar with the terms of the Agreement and has made, or has caused to be made under his/her supervision, a detailed review of the transactions and condition (financial or otherwise) of the Company during the accounting period covered by such financial statements.

3. A review of the activities of the Company during such fiscal period has been made under the supervision of the undersigned with a view to determining whether any Default or Event of Default occurred during such fiscal period. To the best knowledge of the undersigned after making such review,

[select one:]

[no Default or Event of Default has occurred (whether during such fiscal period or otherwise) and is continuing on the date hereof.]

--or--

[the following is a list of each Default or Event of Default that has occurred (whether during such fiscal period or otherwise) and is continuing on the date hereof and, in each case, the nature and status of such Default or Event of Default:]

4. The financial covenant analyses and information set forth on Schedules 1 and 2 attached hereto are true and accurate on and as of the Financial Statement Date.

Check for distribution to Public Lenders and private side Lenders¹

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of _____, _____.

AVNET, INC.

By: _____

Name: _____

Title: _____

¹ If this is not checked, this certificate will only be posted to private side Lenders.

SCHEDULE 1
to the Compliance Certificate
(\$ in 000's)

I. Section 7.10(a) – Consolidated Interest Coverage Ratio.

A. Consolidated EBITDA for four consecutive fiscal quarters ending on above date (“Subject Period”):

- | | | |
|----|---|----------|
| 1. | Consolidated Net Income for Subject Period: | \$ _____ |
| 2. | Consolidated Interest Charges ² for Subject Period: | \$ _____ |
| 3. | Provision for Federal, state, local and foreign income taxes payable by the Company and its Subsidiaries for Subject Period: | \$ _____ |
| 4. | Depreciation and amortization expenses for Subject Period: | \$ _____ |
| 5. | Gains or losses related to the early extinguishment of notes, bonds or other fixed income obligations | |
| 6. | Non-cash or non-recurring expenses of the Company and its Subsidiaries (including non-cash expenses consisting of compensation paid in the form of Equity Interests of the Company or its Subsidiaries and non-cash charges due to impairments recorded in such period in accordance with Financial Accounting Standards Board’s Accounting Standards Codification 350) reducing Consolidated Net Income for Subject Period: | \$ _____ |
| 7. | The amount of any restructuring charge, accrual, reserve or integration cost or expense incurred or accrued on or after June 28, 2020 and prior to June 30, 2021, in connection with the planning, undertaking and implementation of any restructuring, closure, reallocation, relocation, decommissioning, reconfiguration, cost rationalization, reduction in force, exit or disposal plan, or operating expense reduction, including severance pay, other employee termination costs, rent termination costs, moving costs and legal costs, in each case to the extent such transaction is permitted under the Loan Documents, in an aggregate amount for all adjustments under <u>clause (vi)</u> of the definition of “Consolidated EBITDA”, not to exceed \$100,000,000 during the term of the Agreement: | \$ _____ |

² Consolidated Interest Charges are not reduced by interest income.

8. Non-cash items increasing Consolidated Net Income for Subject Period: \$ _____
9. Consolidated EBITDA (Lines I.A.1 + I.A.2 + I.A.3 + I.A.4 + I.A.5 + I.A.6 + I.A.7– I.A.8): \$ _____
- B. Consolidated Interest Charges² for Subject Period: \$ _____
- C. Consolidated Interest Coverage Ratio
(Line I.A.9 ÷ Line I.B): _____ to 1.00

Minimum required:

Four Fiscal Quarters Ending On or Around	Consolidated Interest Coverage Ratio
June 30, 2018 through and including June 30, 2020	3.00 to 1.00
September 30, 2020 through and including June 30, 2021	2.50 to 1.00
September 30, 2021 and each fiscal quarter thereafter	3.00 to 1.00

In Compliance?

[Yes/No]

II. Section 7.10(b) – Consolidated Leverage Ratio.

- A. Consolidated Funded Indebtedness at Financial Statement Date: \$ _____
- B. Consolidated EBITDA for Subject Period (Line I.A.9 above): \$ _____
- C. Consolidated Leverage Ratio (Line II.A ÷ Line II.B): _____ to 1.00

Maximum permitted:

Four Fiscal Quarters Ending On or Around	Consolidated Leverage Ratio
June 30, 2018 through and including June 30, 2020	4.00 to 1.00
September 30, 2020	5.00 to 1.00
December 31, 2020 through and including March 31, 2021	5.25 to 1.00
June 30, 2021	5.00 to 1.00
September 30, 2021	4.50 to 1.00
December 31, 2021 and each fiscal quarter thereafter	4.00 to 1.00

In Compliance?

[Yes/No]

SCHEDULE 2
to the Compliance Certificate
(\$ in 000's)
Consolidated EBITDA
(in accordance with the definition of Consolidated EBITDA
as set forth in the Agreement)

Consolidated EBITDA	Quarter Ended _____	Quarter Ended _____	Quarter Ended _____	Quarter Ended _____	Twelve Months Ended _____
Consolidated Net Income					
+ Consolidated Interest Charges					
+ income taxes					
+ depreciation and amortization expenses					
+ gains or losses related to the early extinguishment of fixed income obligations					
+ non-cash or non-recurring expenses reducing Consolidated Net Income					
+ any restructuring charge, accrual, reserve or integration cost or expense incurred or accrued on or after June 28, 2020 and prior to June 30, 2021, in connection with the planning, undertaking and implementation of any restructuring, closure, reallocation, relocation, decommissioning, reconfiguration, cost rationalization, reduction in force, exit or disposal plan, or operating expense reduction, including severance pay, other employee termination costs, rent termination costs, moving costs and legal costs, in each case to the extent such transaction is permitted under the Loan Documents, in an aggregate amount for all adjustments under <u>clause (vi)</u> of the definition of "Consolidated EBITDA", not to exceed \$100,000,000 during the term of the Agreement					
- non-cash items increasing Consolidated Net Income					
= Consolidated EBITDA					



Avnet Reports Fourth Quarter and Fiscal 2020 Financial Results

Quarterly revenues of \$4.2 billion

Operating cash flow of \$730 million for fiscal year 2020 and \$288 million for the quarter

PHOENIX – August 6, 2020 – Avnet, Inc. (Nasdaq: AVT) today announced results for its fourth quarter and fiscal year ended June 27, 2020.

Fiscal Fourth Quarter Key Financial Highlights:

- Sales of \$4.2 billion, compared with \$4.3 billion in the previous quarter and \$4.7 billion in the prior year quarter.
 - GAAP diluted earnings per share from continuing operations of \$0.53, compared with loss per share of \$0.33 a year ago.
 - o Non-GAAP adjusted diluted EPS of \$0.64 compared with \$0.95 a year ago.
 - o GAAP and Non-GAAP diluted EPS was positively impacted by \$0.42 from lower tax expense and \$0.08 from lower interest expense and favorable foreign currency gains as compared to the prior quarter.
 - GAAP operating income totaled \$1.9 million, compared with GAAP operating loss of \$30 million a year ago.
 - o Adjusted operating income of \$42.9 million, compared with \$156.3 million a year ago.
 - GAAP operating margin of 0.1%, compared with GAAP operating loss margin of (0.6)% a year ago.
 - o Adjusted operating income margin was 1.0%, compared with 3.3% a year ago.
 - Cash flow from operations totaled \$288 million in the quarter, up sequentially from \$98 million in the previous quarter.
 - Adjusted operating expenses improved by \$16 million compared to the previous quarter and by \$7 million compared to the prior year quarter.
 - For fiscal year 2020, cash flow from continuing operations totaled \$730 million, up \$139 million from fiscal year 2019.
 - For fiscal year 2020, reduced debt by \$296 million with net debt of \$948 million at the end of the current fiscal year.
-

CEO Commentary

“In the fourth quarter, we delivered quarterly revenues above consensus and generated strong operating cash flow,” said Avnet Interim CEO Phil Gallagher. “Despite the challenges of the COVID-19 operating environment, we are committed to improving our bottom-line results. In fiscal year 2021, we will enhance our core distribution business capabilities, while helping our current and future supplier partners deploy their technologies to over two million customers.”

Gallagher continued, “I want to thank all of our employees for their continued dedication and commitment to Avnet, especially during the uncertainties of the pandemic. Our people’s health and safety remains our top priority. As we enter fiscal year 2021, we will work to manage our costs while still making investments in the business that will ensure we are well-positioned to benefit as the market recovers.”

Key Financial Metrics

(\$ in millions, except per share data)

Fourth Quarter Results (GAAP)

	Jun – 20	Jun – 19	Change Y/Y	Mar – 20	Change Q/Q
Sales	\$ 4,159.7	\$ 4,680.9	(11.1)%	\$ 4,309.8	(3.5)%
Operating Income (Loss)	1.9	(30.0)	106.4%	(115.8)	101.7%
Operating Income (Loss) Margin	0.1%	(0.6)%	69bps	(2.7)%	274bps
Diluted Earnings (Loss) Per Share	\$ 0.53	\$ (0.33)	260.6%	\$ (1.29)	141.1%

Fourth Quarter Results (Non-GAAP)⁽¹⁾

	Jun – 20	Jun – 19	Change Y/Y	Mar – 20	Change Q/Q
Sales	\$ 4,159.7	\$ 4,680.9	(11.1)%	\$ 4,309.8	(3.5)%
Adjusted Operating Income	42.9	156.3	(72.5)%	70.4	(39.0)%
Adjusted Operating Income Margin	1.0%	3.3%	(231)bps	1.6%	(60)bps
Adjusted Diluted Earnings Per Share	\$ 0.64	\$ 0.95	(32.6)%	\$ 0.38	68.4%

Segment and Geographical Mix

	Jun – 20	Jun – 19	Change Y/Y	Mar – 20	Change Q/Q
Electronic Components (EC) Sales	\$ 3,867.6	\$ 4,337.5	(10.8)%	\$ 3,974.7	(2.7)%
EC Operating Income Margin	1.5%	3.3%	(173)bps	2.1%	(61)bps
Farnell Sales	\$ 292.1	\$ 343.4	(15.0)%	\$ 335.1	(12.9)%
Farnell Operating Income Margin	3.6%	9.7%	(610)bps	7.0%	(340)bps
Americas Sales	\$ 1,149.3	\$ 1,266.3	(9.2)%	\$ 1,203.6	(4.5)%
EMEA Sales	1,344.2	1,638.5	(18.0)%	1,512.5	(11.1)%
Asia Sales	1,666.2	1,776.1	(6.2)%	1,593.7	4.6%

(1) A reconciliation of non-GAAP financial measures to GAAP financial measures is presented in the “Non-GAAP Financial Information” section of this press release.

CFO Commentary

“During the fourth quarter, we delivered sales of \$4.2 billion and adjusted diluted EPS of \$0.64 despite the uncertain environment,” said Avnet CFO Tom Liguori. “Our business operations and finance teams worked diligently throughout the quarter to optimize our working capital and deliver value to our customers. Our quarterly cash flow from operations totaled \$288 million, which marks the 7th consecutive quarter of positive cash flow. For fiscal year 2020, our operating cash flow totaled \$730 million.”

Liguori continued, “While taking steps to conserve cash in the quarter, we also reduced adjusted operating expenses by \$16 million sequentially and by \$7 million year over year. Looking ahead, as we evaluate the economic impact of COVID-19 and the current demand environment, we are establishing a plan to reduce our net operating expenses by \$75 million annually. This plan will be in place by the December quarter, and we will implement it while continuing to optimize our working capital levels.”

Additional Fourth Quarter Fiscal 2020 Updates

- Awarded the Cypress Semiconductor product line by Infineon, further expanding the breadth of our line card.
- Redeemed \$300 million of outstanding 5.875% notes in April 2020.
- Returned \$21 million to shareholders with dividends paid during the quarter.
- Recorded an income tax refund receivable of over \$100 million related to the reduction in value in certain assets and from the impact of the CARES Act, most of which is expected to be realized in fiscal 2021.

Outlook for the First Quarter of Fiscal 2021 Ending on October 3, 2020

	Guidance Range	Midpoint
Sales	\$3.8B – \$4.2B	\$ 4.0B
Non-GAAP Diluted EPS ⁽¹⁾	\$0.00 – \$0.16	\$ 0.08
Estimated Annual Tax Rate	17% – 21%	19%

(1) A reconciliation of non-GAAP guidance to GAAP guidance is presented in the “Non-GAAP Financial Information” section of this press release.

The above guidance is based upon market conditions existing as of today, and excludes amortization of intangibles, any potential restructuring, integration, and other expenses and certain income tax adjustments. The above guidance assumes 100 million average diluted shares outstanding and average U.S. Dollar to Euro and GBP currency exchange rates are as shown below:

	Q1 Fiscal 2021 Guidance	Q4 Fiscal 2020	Q1 Fiscal 2020
US to Euro	\$ 1.16	\$ 1.10	\$ 1.11
US to GBP	\$ 1.30	\$ 1.24	\$ 1.23

Today's Conference Call and Webcast Details

Avnet will host a quarterly webcast and teleconference today at 1:30 p.m. PDT and 4:30 p.m. EDT to discuss its financial results and provide a corporate update. The webcast can be accessed via Avnet's Investor Relations web page at: www.ir.avnet.com, or from the following link [Avnet Earnings Call Webcast and Slides](#).

Those who would still like to participate in the live call can dial 877-407-8112 or 201-689-8840. A replay of the conference call will be available for 30 days, through September 5 at 5:00 p.m. EDT, and can be accessed by dialing: 877-660-6853 or 201-612-7415 and using Conference ID: 13705277. The webcast will be available for 90 days.

Forward-Looking Statements

This document contains certain “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. These statements are based on management’s current expectations and are subject to uncertainty and changes in facts and circumstances. The forward-looking statements herein include statements addressing future financial and operating results of Avnet and may include words such as “will,” “anticipate,” “intend,” “estimate,” “forecast,” “expect,” “feel,” “believe,” “should,” and other words and terms of similar meaning in connection with any discussions of future operating or financial performance, business prospects or market conditions. Actual results may differ materially from the expectations contained in the forward-looking statements.

The following factors, among others, could cause actual results to differ materially from those described in the forward-looking statements: the scope and duration of the COVID-19 outbreak and its impact on global economic systems, financial markets and Avnet’s operations, employees, customers and supply chain; Avnet’s ability to retain and grow market share and to generate additional cash flow; risks associated with any acquisition activities and the successful integration of acquired companies; implementing and maintaining IT systems; supplier losses and changes to supplier programs; an industry down-cycle in electronic components including semiconductors; declines in sales; changes in business conditions and the economy in general; disruptions to the business resulting from pandemics, epidemics or other health related crisis (such as COVID-19 outbreak); changes in market demand and pricing pressures; any material changes in the allocation of product or price discounts by suppliers; and other competitive and/or regulatory factors affecting the businesses of Avnet generally. More detailed information about these and other factors is set forth in Avnet’s filings with the Securities and Exchange Commission, including Avnet’s reports on Form 10-K, Form 10-Q and Form 8-K. Except as required by law, Avnet is under no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

About Avnet

Avnet is a global electronic components distributor with extensive design, product, marketing and supply chain expertise for customers and suppliers at every stage of the product lifecycle. For nearly a century, Avnet has helped its customers and suppliers around the world realize the transformative possibilities of technology. Learn more about Avnet at www.avnet.com. (AVT_IR)

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AVNET, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Fourth Quarters Ended		Years Ended	
	June 27, 2020	June 29, 2019	June 27, 2020	June 29, 2019
	(Thousands, except per share data)			
Sales	\$ 4,159,700	\$ 4,680,909	\$ 17,634,333	\$ 19,518,592
Cost of sales	3,684,629	4,085,784	15,570,877	17,032,490
Gross profit	475,071	595,125	2,063,456	2,486,102
Selling, general and administrative expenses	451,099	459,611	1,842,122	1,874,651
Restructuring, integration, impairment and other expenses	22,052	165,554	225,962	245,540
Operating income (loss)	1,920	(30,040)	(4,628)	365,911
Other income (expense), net	7,425	1,807	(737)	11,231
Interest and other financing expenses, net	(25,489)	(34,810)	(122,742)	(134,874)
Income (loss) from continuing operations before taxes	(16,144)	(63,043)	(128,107)	242,268
Income tax (benefit) expense	(68,304)	(27,915)	(98,574)	62,157
Income (loss) from continuing operations, net of tax	52,160	(35,128)	(29,533)	180,111
Income (loss) from discontinued operations, net of tax	–	3,292	(1,548)	(3,774)
Net income (loss)	<u>\$ 52,160</u>	<u>\$ (31,836)</u>	<u>\$ (31,081)</u>	<u>\$ 176,337</u>
Earnings (loss) per share - basic:				
Continuing operations	\$ 0.53	\$ (0.33)	\$ (0.29)	\$ 1.64
Discontinued operations	–	0.03	(0.02)	(0.03)
Net income (loss) per share basic	<u>\$ 0.53</u>	<u>\$ (0.30)</u>	<u>\$ (0.31)</u>	<u>\$ 1.61</u>
Earnings (loss) per share - diluted:				
Continuing operations	\$ 0.53	\$ (0.33)	\$ (0.29)	\$ 1.63
Discontinued operations	–	0.03	(0.02)	(0.04)
Net income (loss) per share diluted	<u>\$ 0.53</u>	<u>\$ (0.30)</u>	<u>\$ (0.31)</u>	<u>\$ 1.59</u>
Shares used to compute earnings per share:				
Basic	98,855	105,615	100,474	109,820
Diluted	<u>99,025</u>	<u>105,615</u>	<u>100,474</u>	<u>110,798</u>
Cash dividends paid per common share	<u>\$ 0.21</u>	<u>\$ 0.20</u>	<u>\$ 0.84</u>	<u>\$ 0.80</u>

AVNET, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	June 27, 2020	June 29, 2019
(Thousands)		
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 477,038	\$ 546,105
Receivables, net	2,928,386	3,168,369
Inventories	2,731,988	3,008,424
Prepaid and other current assets	191,394	153,438
Total current assets	6,328,806	6,876,336
Property, plant and equipment, net	404,607	452,171
Goodwill	773,734	876,728
Intangible assets, net	65,437	143,520
Operating lease assets	275,917	–
Other assets	256,696	215,801
Total assets	\$ 8,105,197	\$ 8,564,556
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	\$ 51	\$ 300,538
Accounts payable	1,754,078	1,864,342
Accrued expenses and other	472,924	413,696
Short-term operating lease liabilities	53,313	–
Total current liabilities	2,280,366	2,578,576
Long-term debt	1,424,791	1,419,922
Long-term operating lease liabilities	253,719	–
Other liabilities	419,923	425,585
Total liabilities	4,378,799	4,424,083
Shareholders' equity	3,726,398	4,140,473
Total liabilities and shareholders' equity	\$ 8,105,197	\$ 8,564,556

AVNET, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Years Ended	
	June 27, 2020	June 29, 2019
	(Thousands)	
Cash flows from operating activities:		
Net (loss) income	\$ (31,081)	\$ 176,337
Less: Loss from discontinued operations, net of tax	(1,548)	(3,774)
Income (loss) from continuing operations	(29,533)	180,111
Non-cash and other reconciling items:		
Depreciation	101,100	97,160
Amortization	81,139	83,682
Amortization of operating lease assets	60,656	—
Deferred income taxes	(34,264)	33,801
Stock-based compensation	26,832	30,098
Goodwill, long-lived, intangible asset and other impairments	144,092	192,083
Other, net	45,049	(21,265)
Changes in (net of effects from businesses acquired and divested):		
Receivables	221,486	464,981
Inventories	266,791	81,929
Accounts payable	(106,990)	(377,855)
Accrued expenses and other, net	(46,176)	(173,671)
Net cash flows provided by operating activities - continuing operations	730,182	591,054
Net cash flows used for operating activities - discontinued operations	—	(56,284)
Net cash flows provided by operating activities	730,182	534,770
Cash flows from financing activities:		
Borrowings (repayments) under accounts receivable securitization, net	(227,300)	122,300
Borrowings (repayments) under bank credit facilities and other debt, net	(2,123)	(61,738)
Borrowings (repayments) under senior unsecured credit facility, net	223,058	505
Repayments of public notes	(302,038)	—
Repurchases of common stock	(237,842)	(568,712)
Dividends paid on common stock	(83,975)	(87,158)
Other, net	(14,330)	12,127
Net cash flows used for financing activities - continuing operations	(644,550)	(582,676)
Net cash flows used for financing activities	(644,550)	(582,676)
Cash flows from investing activities:		
Purchases of property, plant and equipment	(73,516)	(122,690)
Acquisitions of businesses, net of cash acquired	(51,509)	(56,417)
Other, net	(9,992)	30,422
Net cash flows used for investing activities - continuing operations	(135,017)	(148,685)
Net cash flows provided by investing activities - discontinued operations	—	123,473
Net cash flows used for investing activities	(135,017)	(25,212)
Effect of currency exchange rate changes on cash and cash equivalents	(19,682)	(1,902)
Cash and cash equivalents:		
— decrease	(69,067)	(75,020)
— at beginning of period	546,105	621,125
— at end of period	<u>\$ 477,038</u>	<u>\$ 546,105</u>

Non-GAAP Financial Information

In addition to disclosing financial results that are determined in accordance with generally accepted accounting principles in the United States (“GAAP”), the Company also discloses certain non-GAAP financial information including (i) adjusted operating income, (ii) adjusted operating expenses, (iii) adjusted other income (expense), (iv) adjusted income tax expense, (v) adjusted income from continuing operations, (vi) adjusted diluted earnings per share from continuing operations, and (vii) sales adjusted for the impact of significant acquisitions and other items (as defined in the Organic Sales section of this document).

There are also references to the impact of foreign currency in the discussion of the Company’s results of operations. When the U.S. Dollar strengthens and the stronger exchange rates of the current year are used to translate the results of operations of Avnet’s subsidiaries denominated in foreign currencies, the resulting impact is a decrease in U.S. Dollars of reported results. Conversely, when the U.S. Dollar weakens and the weaker exchange rates of the current year are used to translate the results of operations of Avnet’s subsidiaries denominated in foreign currencies, the resulting impact is an increase in U.S. Dollars of reported results. In the discussion of the Company’s results of operations, results excluding this impact are referred to as “constant currency.” Management believes organic sales and sales in constant currency are useful measures for evaluating current period performance as compared with prior periods and for understanding underlying trends. In order to determine the translation impact of changes in foreign currency exchange rates on sales, income or expense items for subsidiaries reporting in currencies other than the U.S. Dollar, the Company adjusts the average exchange rates used in current periods to be consistent with the average exchange rates in effect during the comparative period.

Management believes that operating income and operating expenses adjusted for restructuring, integration and other expenses, goodwill and intangible asset impairment expenses and amortization of acquired intangible assets and other, are useful measures to help investors better assess and understand the Company’s operating performance. This is especially the case when comparing results with previous periods or forecasting performance for future periods, primarily because management views the excluded items to be outside of Avnet’s normal operating results or non-cash in nature. Management analyzes operating income and operating expenses without the impact of these items as an indicator of ongoing margin performance and underlying trends in the business. Management also uses these non-GAAP measures to establish operational goals and, in most cases, for measuring performance for compensation purposes. Management measures operating income for its reportable segments excluding restructuring, integration and other expenses, goodwill and intangible asset impairment expenses and amortization of acquired intangible assets and other.

Additional non-GAAP metrics management uses is adjusted operating income margin, which is defined as adjusted operating income (as defined above) divided by sales.

Management also believes income tax expense (benefit), income from continuing operations and diluted earnings (loss) per share from continuing operations adjusted for the impact of the items described above and certain items impacting other income (expense) and income tax expense (benefit) are useful to investors because they provide a measure of the Company’s net profitability on a more comparable basis to historical periods and provide a more meaningful basis for forecasting future performance. Adjustment to income tax expense (benefit) and the effective income tax rate include the effect of changes in tax laws including recent tax law changes in the U.S., certain changes in valuation allowances and unrecognized tax benefits, income tax audit settlements and adjustments to the adjusted interim effective tax rate based upon the expected annual adjusted effective tax rate. Additionally, because of management’s focus on generating shareholder value, of which net profitability is a primary driver, management believes income from continuing operations and diluted earnings (loss) per share from continuing operations excluding the impact of these items provides an important measure of the Company’s net profitability for the investing public.

Any analysis of results and outlook on a non-GAAP basis should be used as a complement to, and in conjunction with, results presented in accordance with GAAP. All amounts below relate to Avnet's continuing operations.

	Fiscal Year to Date 2020*	Quarters Ended			
		June 27, 2020*	March 28, 2020*	December 29, 2019*	September 29, 2019*
(\$ in thousands, except per share amounts)					
GAAP selling, general and administrative expenses - continuing operations	\$ 1,842,122	\$ 451,099	\$ 469,646	\$ 464,873	\$ 456,503
Amortization of intangible assets and other - continuing operations	(81,555)	(18,952)	(21,071)	(21,454)	(20,078)
Adjusted operating expenses - continuing operations	1,760,567	432,147	448,576	443,419	436,426
GAAP operating (loss) income - continuing operations	\$ (4,628)	\$ 1,920	\$ (115,760)	\$ 46,475	\$ 62,738
Restructuring, integration and other expenses - continuing operations	81,870	23,796	19,211	14,265	24,598
Goodwill and intangible asset impairment expenses (benefits) - continuing operations	144,092	(1,744)	145,836	—	—
Amortization of intangible assets and other - continuing operations	81,555	18,952	21,071	21,454	20,078
Adjusted operating income - continuing operations	302,889	42,924	70,358	82,194	107,414
GAAP (loss) income before income taxes- continuing operations	\$ (128,107)	\$ (16,144)	\$ (158,086)	\$ 12,086	\$ 34,038
Restructuring, integration and other expenses - continuing operations	81,870	23,796	19,211	14,265	24,598
Goodwill and intangible asset impairment expenses (benefits) - continuing operations	144,092	(1,744)	145,836	—	—
Amortization of intangible assets and other - continuing operations	81,555	18,952	21,071	21,454	20,078
Other expenses and early debt redemption - continuing operations	21,582	2,054	15,526	4,002	—
Adjusted income before income taxes - continuing operations	200,992	26,914	43,558	51,807	78,713
GAAP income tax expense (benefit) - continuing operations	\$ (98,574)	\$ (68,304)	\$ (29,425)	\$ 6,870	\$ (7,714)
Restructuring, integration and other expenses - continuing operations	18,648	4,659	4,372	3,377	6,240
Goodwill and intangible asset impairment expenses - continuing operations	6,433	207	6,226	—	—
Amortization of intangible assets and other - continuing operations	16,119	3,613	4,307	3,964	4,235
Other expenses and early debt redemption - continuing operations	6,238	506	4,992	740	—
Income tax benefit (expense) items, net - continuing operations	47,655	22,996	15,119	(4,071)	13,611
Adjusted income tax (benefit) expense - continuing operations	(3,481)	(36,323)	5,591	10,880	16,372
GAAP (loss) income - continuing operations	\$ (29,533)	\$ 52,160	\$ (128,661)	\$ 5,216	\$ 41,752
Restructuring, integration and other expenses (net of tax) - continuing operations	63,222	19,137	14,839	10,888	18,358
Goodwill and intangible asset impairment expenses (benefits) (net of tax) - continuing operations	137,659	(1,951)	139,610	—	—
Amortization of intangible assets and other (net of tax) - continuing operations	65,436	15,339	16,764	17,490	15,843
Other expenses and early debt redemption (net of tax) - continuing operations	15,344	1,548	10,534	3,262	—
Income tax (benefit) expense items, net - continuing operations	(47,655)	(22,996)	(15,119)	4,071	(13,611)
Adjusted income - continuing operations	204,473	63,237	37,967	40,927	62,341
GAAP diluted (loss) earnings per share - continuing operations	\$ (0.29)	\$ 0.53	\$ (1.29)	\$ 0.05	\$ 0.40
Restructuring, integration and other expenses (net of tax) - continuing operations	0.63	0.19	0.15	0.11	0.18
Goodwill and intangible asset impairment expenses (benefits) (net of tax) - continuing operations	1.37	(0.02)	1.39	—	—
Amortization of intangible assets and other (net of tax) - continuing operations	0.65	0.15	0.17	0.17	0.15
Other expenses and early debt redemption (net of tax) - continuing operations	0.15	0.02	0.11	0.03	—
Income tax (benefit) expense items, net - continuing operations	(0.47)	(0.23)	(0.15)	0.04	(0.13)

operations

Adjusted diluted EPS - continuing operations	<u>2.04</u>	<u>0.64</u>	<u>0.38</u>	<u>0.40</u>	<u>0.60</u>
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* May not foot/ cross foot due to rounding and differences in average diluted shares between quarterly periods compared to the fiscal year to date.

	Fiscal Year to Date 2019*	Quarters Ended			
		June 29, 2019*	March 30, 2019*	December 29, 2018*	September 29, 2018
<i>(\$ in thousands, except per share amounts)</i>					
GAAP selling, general and administrative expenses - continuing operations	\$ 1,874,651	\$ 459,611	\$ 468,171	\$ 471,723	\$ 475,146
Amortization of intangible assets and other - continuing operations	(84,257)	(20,737)	(22,080)	(20,513)	(20,927)
Adjusted operating expenses - continuing operations	1,790,393	438,872	446,092	451,210	454,219
GAAP operating income (loss) - continuing operations	\$ 365,911	\$ (30,040)	\$ 153,085	\$ 96,050	\$ 146,816
Restructuring, integration and other expenses - continuing operations	108,144	28,158	2,939	62,260	14,788
Goodwill impairment expense - continuing operations	137,396	137,396	—	—	—
Amortization of intangible assets and other - continuing operations	84,257	20,737	22,080	20,513	20,927
Adjusted operating income - continuing operations	695,708	156,252	178,103	178,823	182,531
GAAP income (loss) before income taxes- continuing operations	\$ 242,268	\$ (63,043)	\$ 125,563	\$ 64,916	\$ 114,831
Restructuring, integration and other expenses - continuing operations	108,144	28,158	2,939	62,260	14,788
Goodwill impairment expense - continuing operations	137,396	137,396	—	—	—
Amortization of intangible assets and other - continuing operations	84,257	20,737	22,080	20,513	20,927
Other expenses - continuing operations	509	509	—	—	—
Adjusted income before income taxes - continuing operations	572,574	123,758	150,581	147,689	150,546
GAAP income tax expense (benefit) - continuing operations	\$ 62,157	\$ (27,915)	\$ 30,628	\$ 28,141	\$ 31,302
Restructuring, integration and other expenses - continuing operations	26,746	7,455	306	15,665	3,320
Goodwill impairment expense - continuing operations	18,566	18,566	—	—	—
Amortization of intangible assets and other - continuing operations	17,986	4,382	4,747	4,379	4,478
Other expenses - continuing operations	57	57	—	—	—
Income tax (expense) benefit items, net - continuing operations	(8,143)	20,896	(4,059)	(16,742)	(8,238)
Adjusted income tax expense - continuing operations	117,369	23,441	31,622	31,443	30,862
GAAP income (loss) - continuing operations	\$ 180,111	\$ (35,128)	\$ 94,935	\$ 36,775	\$ 83,529
Restructuring, integration and other expenses (net of tax) - continuing operations	81,398	20,703	2,633	46,595	11,468
Goodwill impairment expense (net of tax) - continuing operations	118,830	118,830	—	—	—
Amortization of intangible assets and other (net of tax) - continuing operations	66,271	16,355	17,333	16,134	16,449
Other expenses (net of tax) - continuing operations	452	452	—	—	—
Income tax expense (benefit) items, net - continuing operations	8,143	(20,896)	4,059	16,742	8,238
Adjusted income - continuing operations	455,205	100,316	118,960	116,246	119,684
GAAP diluted earnings (loss) per share - continuing operations	\$ 1.63	\$ (0.33)	\$ 0.87	\$ 0.33	\$ 0.72
Restructuring, integration and other expenses (net of tax) - continuing operations	0.74	0.20	0.02	0.42	0.10
Goodwill impairment expense (net of tax) - continuing operations	1.07	1.13	—	—	—
Amortization of intangible assets and other (net of tax) - continuing operations	0.60	0.15	0.16	0.14	0.14
Other expenses (net of tax) - continuing operations	—	—	—	—	—
Income tax expense (benefit) items, net - continuing operations	0.07	(0.20)	0.04	0.15	0.07
Adjusted diluted EPS - continuing operations	4.11	0.95	1.09	1.04	1.03

* May not foot/cross foot due to rounding and differences in average diluted shares between quarterly periods compared to the fiscal year to date.

Organic Sales

Organic sales is defined as sales adjusted for the impact of significant acquisitions, divestitures and other items by adjusting Avnet's prior and current (if necessary) periods to include the sales of acquired businesses and exclude the sales of divested businesses as if the acquisitions and divestitures had occurred at the beginning of the earliest period presented. Organic sales in constant currency is defined as organic sales (as defined above) excluding the impact of changes in foreign currency exchange rates.

The following table presents reported and organic sales growth rates for the fourth quarter and full year of fiscal 2020 compared to fiscal 2019.

	Fourth Quarters Ended			
	Sales as Reported and Organic Fiscal 2020	Sales as Reported and Organic Fiscal 2019	As Reported and Organic Year-Year % Change	As Reported and Organic Year-Year % Change in Constant Currency
	<i>(Dollars in millions)</i>			
Avnet	\$ 4,159.7	\$ 4,680.9	(11.1)%	(10.4)%
Avnet by region				
Americas	\$ 1,149.3	\$ 1,266.3	(9.2)%	(9.2)%
EMEA	1,344.2	1,638.5	(18.0)	(16.2)
Asia	1,666.2	1,776.1	(6.2)	(6.0)
Avnet by operating group				
EC	\$ 3,867.6	\$ 4,337.5	(10.8)%	(10.2)%
Farnell	292.1	343.4	(15.0)	(13.0)
	Fiscal Years Ended			
	Sales as Reported and Organic Fiscal 2020	Sales as Reported and Organic Fiscal 2019	As Reported and Organic Year-Year % Change	As Reported and Organic Year-Year % Change in Constant Currency
	<i>(Dollars in millions)</i>			
Avnet	\$ 17,634.3	\$ 19,518.6	(9.7)%	(8.7)%
Avnet by region				
Americas	\$ 4,755.3	\$ 5,135.8	(7.4)%	(7.4)%
EMEA	5,753.4	6,762.9	(14.9)	(12.4)
Asia	7,125.6	7,619.9	(6.5)	(6.5)
Avnet by operating group				
EC	\$ 16,340.1	\$ 18,060.3	(9.5)%	(8.7)%
Farnell	1,294.2	1,458.3	(11.3)	(9.5)

Historical Segment Financial Information

	Fiscal Year 2020				
	Quarters Ended				
	Fiscal Year 2020*	Fourth Quarter June 27, 2020*	Third Quarter March 28, 2020*	Second Quarter December 28, 2019	First Quarter September 28, 2019
	(in millions)				
Sales:					
Electronic Components	\$ 16,340.1	\$ 3,867.6	\$ 3,974.7	\$ 4,203.6	\$ 4,294.2
Farnell	1,294.2	292.1	335.1	331.2	335.8
Avnet	<u>\$ 17,634.3</u>	<u>\$ 4,159.7</u>	<u>\$ 4,309.8</u>	<u>\$ 4,534.8</u>	<u>\$ 4,630.0</u>
Operating income (loss):					
Electronic Components	\$ 349.1	\$ 58.9	\$ 84.8	\$ 93.1	\$ 112.3
Farnell	75.5	10.4	23.4	20.0	21.8
	<u>424.6</u>	<u>69.3</u>	<u>108.2</u>	<u>113.1</u>	<u>134.1</u>
Corporate expenses	(121.6)	(26.3)	(37.8)	(30.9)	(26.7)
Restructuring, integration and other expenses	(81.9)	(23.8)	(19.2)	(14.3)	(24.6)
Goodwill and intangible asset impairment expenses	(144.1)	1.7	(145.8)	—	—
Amortization of acquired intangible assets and other	(81.6)	(19.0)	(21.1)	(21.4)	(20.1)
Avnet operating (loss) income	<u>\$ (4.6)</u>	<u>\$ 1.9</u>	<u>\$ (115.8)</u>	<u>\$ 46.5</u>	<u>\$ 62.7</u>
Sales by geographic area:					
Americas	\$ 4,755.3	\$ 1,149.3	\$ 1,203.6	\$ 1,186.6	\$ 1,215.8
EMEA	5,753.4	1,344.2	1,512.5	1,425.8	1,470.9
Asia	7,125.6	1,666.2	1,593.7	1,922.4	1,943.3
Avnet	<u>\$ 17,634.3</u>	<u>\$ 4,159.7</u>	<u>\$ 4,309.8</u>	<u>\$ 4,534.8</u>	<u>\$ 4,630.0</u>

	Fiscal Year 2019				
	Quarters Ended				
	Fiscal Year 2019*	Fourth Quarter June 29, 2019	Third Quarter March 30, 2019	Second Quarter December 29, 2018	First Quarter September 29, 2018
	(in millions)				
Sales:					
Electronic Components	\$ 18,060.3	\$ 4,337.5	\$ 4,331.3	\$ 4,680.7	\$ 4,710.8
Farnell	1,458.3	343.4	367.5	368.3	379.1
Avnet	<u>\$ 19,518.6</u>	<u>\$ 4,680.9</u>	<u>\$ 4,698.8</u>	<u>\$ 5,049.0</u>	<u>\$ 5,089.9</u>
Operating income:					
Electronic Components	\$ 614.9	\$ 141.1	\$ 153.3	\$ 158.6	\$ 161.9
Farnell	159.3	33.2	45.7	39.6	40.8
	<u>774.2</u>	<u>174.3</u>	<u>199.0</u>	<u>198.2</u>	<u>202.7</u>
Corporate expenses	(78.5)	(18.0)	(20.9)	(19.4)	(20.2)
Restructuring, integration and other expenses	(108.1)	(28.2)	(2.9)	(62.3)	(14.8)
Goodwill and impairment expenses	(137.4)	(137.4)	—	—	—
Amortization of acquired intangible assets and other	(84.3)	(20.7)	(22.1)	(20.5)	(20.9)
Avnet operating income (loss)	<u>\$ 365.9</u>	<u>\$ (30.0)</u>	<u>\$ 153.1</u>	<u>\$ 96.0</u>	<u>\$ 146.8</u>
Sales by geographic area:					
Americas	\$ 5,135.8	\$ 1,266.3	\$ 1,297.2	\$ 1,300.4	\$ 1,271.8
EMEA	6,762.9	1,638.5	1,740.9	1,668.6	1,714.9
Asia	7,619.9	1,776.1	1,660.7	2,080.0	2,103.2
Avnet	<u>\$ 19,518.6</u>	<u>\$ 4,680.9</u>	<u>\$ 4,698.8</u>	<u>\$ 5,049.0</u>	<u>\$ 5,089.9</u>

* May not foot/cross foot due to rounding

Guidance Reconciliation

The following table presents the reconciliation of non-GAAP adjusted diluted earnings per share guidance to the expected GAAP diluted earnings (loss) per share guidance for the first quarter of fiscal 2021.

	Low End of Guidance Range	High End of Guidance Range
Adjusted diluted earnings per share guidance	\$ —	\$ 0.16
Restructuring, integration and other expense (net of tax)	(0.24)	(0.11)
Amortization of intangibles and other (net of tax)	(0.10)	(0.07)
Income tax expense adjustments	(0.05)	0.05
GAAP diluted (loss) earnings per share guidance	<u>\$ (0.39)</u>	<u>\$ 0.03</u>



Avnet Names Phil Gallagher as Interim Chief Executive Officer and Announces Preliminary Fourth Quarter Fiscal 2020 Results

PHOENIX – August 3, 2020 – Avnet, Inc. (Nasdaq: AVT), a leading global technology solutions provider, today announced that William J. (“Bill”) Amelio is moving on from his role as Chief Executive Officer and as a member of the Avnet Board of Directors.

Rodney C. Adkins, Chairman of the Board, said, “Bill has been a great asset since joining Avnet’s Board of Directors in 2014 and for the past four years as CEO. He has been the driver behind our strategy of providing added value to our electronic components distribution business while extending into new growth opportunities, including digital commerce, Farnell and IoT.”

Phil Gallagher, Global President of Avnet’s Electronic Components business, has been appointed as the Company’s Interim Chief Executive Officer.

Adkins said, “Phil has developed an incredible reputation within the Company, as well as with our suppliers, customers and investors. The Board of Directors is thrilled that his steady hands will help guide the Company and our important relationships to even greater success.”

Gallagher has worked at Avnet for over 30 years and has held executive leadership positions in sales, marketing, and operations. Recently, he was the Global President of Avnet’s Electronics Components business. Gallagher was formerly the President of the National Electronic Distributors Association and currently serves on the advisory board of the Women in Electronics Community.

“I want to thank Bill for his passion while leading Avnet over the past four years,” said Gallagher. “We continue to believe Avnet has a solid foundation from which to grow, with valuable assets, talented employees, and end markets where we see many attractive opportunities. My immediate priorities will be accelerating the profitable growth of our core distribution business and Farnell, as well as enhancing Avnet’s customer journey overall.”

Preliminary Fourth Quarter Fiscal 2020 Earnings Results

Avnet expects to announce sales of \$4.2 billion in the fourth quarter, GAAP diluted earnings per share from continuing operations of \$0.53, and non-GAAP adjusted diluted EPS of \$0.64. The GAAP and adjusted diluted EPS includes benefits of \$0.42 from lower tax expense and \$0.08 from lower interest expense and favorable foreign currency gains. Cash flow from operations during the fourth quarter is expected to be \$288 million.

Avnet will report complete financial results for the fourth quarter and fiscal year 2020 on Thursday, August 6, after market close. Following the earnings release, Avnet’s Interim Chief Executive Officer Phil Gallagher and Avnet Chief Financial Officer Tom Liguori will host a webcast and conference call at 1:30 p.m. PDT / 4:30 p.m. EDT to discuss the financial results and provide a corporate update.

Conference Call Details: Thursday, August 6, 2020

To participate in the live earnings call on Thursday, dial 877-407-8112 or 201-689-8840. To access the slides, follow the webcast link below. The slides can also be accessed via Avnet's Investor Relations web page at: www.ir.avnet.com. A replay of the conference call will be available for 30 days, through September 5 at 5:00 p.m. EDT, and can be accessed by dialing: 877-660-6853 or 201-612-7415 and using Conference ID: 13705277.

Webcast Details

The live webcast can be accessed from the following link: [Avnet Earnings Call Webcast and Slides](#) and will be available for 90 days.

About Avnet

Avnet is a global electronic components distributor with extensive design, product, marketing and supply chain expertise for customers and suppliers at every stage of the product lifecycle. For nearly a century, Avnet has helped its customers and suppliers around the world realize the transformative possibilities of technology. Learn more about Avnet at www.avnet.com. (AVT_IR)

Visit Avnet's Investor Relations website at www.ir.avnet.com or contact us at investorrelations@avnet.com.

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