As filed with the Securities and Exchange Commission on July 7, 2021.

File No. 001-40470

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

Amendment No. 3

to

FORM 10

GENERAL FORM FOR REGISTRATION OF SECURITIES
Pursuant to Section 12(b) or (g) of
the Securities Exchange Act of 1934

GXO Logistics, Inc.
(Exact name of Registrant as specified in its charter)

Delaware	**86-2098312**
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer identification number)
Two American Lane Greenwich, CT	**06831**
(Address of principal executive offices)	(Zip code)

203-489-1598
(Registrant's telephone number, including area code)

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

Title of Each Class to be so Registered	**Name of Each Exchange on which Each Class is to be Registered**
Common Stock, $0.01 par value per share	**New York Stock Exchange**

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

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
		Emerging growth company	☐

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

GXO LOGISTICS, INC.

INFORMATION REQUIRED IN REGISTRATION STATEMENT CROSS-REFERENCE SHEET BETWEEN INFORMATION STATEMENT AND ITEMS OF FORM 10

Certain information required to be included herein is incorporated by reference to specifically identified portions of the body of the information statement filed herewith as Exhibit 99.1. None of the information contained in the information statement shall be incorporated by reference herein or deemed to be a part hereof unless such information is specifically incorporated by reference.

Item 1. ***Business.***

The information required by this item is contained under the sections of the information statement entitled "Information Statement Summary," "Risk Factors," "Cautionary Note Regarding Forward-Looking Statements," "The Separation and Distribution," "Business," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Certain Relationships and Related Party Transactions" and "Where You Can Find More Information." Those sections are incorporated herein by reference.

Item 1A. ***Risk Factors.***

The information required by this item is contained under the section of the information statement entitled "Risk Factors." That section is incorporated herein by reference.

Item 2. ***Financial Information.***

The information required by this item is contained under the sections of the information statement entitled "Capitalization," "Unaudited Pro Forma Condensed Combined Financial Information," and "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Index to Financial Statements" and the financial statements referenced therein. Those sections are incorporated herein by reference.

Item 3. ***Properties.***

The information required by this item is contained under the section of the information statement entitled "Business." That section is incorporated herein by reference.

Item 4. ***Security Ownership of Certain Beneficial Owners and Management.***

The information required by this item is contained under the section of the information statement entitled "Security Ownership of Certain Beneficial Owners and Management." That section is incorporated herein by reference.

Item 5. ***Directors and Executive Officers.***

The information required by this item is contained under the sections of the information statement entitled "Management" and "Directors." Those sections are incorporated herein by reference.

Item 6. ***Executive Compensation.***

The information required by this item is contained under the sections of the information statement entitled "Executive Compensation" and "Director Compensation." Those sections are incorporated herein by reference.

Item 7. ***Certain Relationships and Related Transactions.***

The information required by this item is contained under the sections of the information statement entitled "Management," "Directors" and "Certain Relationships and Related Party Transactions." Those sections are incorporated herein by reference.

Item 8. ***Legal Proceedings.***

The information required by this item is contained under the section of the information statement entitled "Business—Legal Proceedings." That section is incorporated herein by reference.

Item 9. ***Market Price of, and Dividends on, the Registrant's Common Equity and Related Stockholder Matters.***

The information required by this item is contained under the sections of the information statement entitled "The Separation and Distribution," "Dividend Policy," "Capitalization," and "Description of Capital Stock." Those sections are incorporated herein by reference.

Item 10. ***Recent Sales of Unregistered Securities.***

The information required by this item is contained under the sections of the information statement entitled "Description of Material Indebtedness" and "Description of Capital Stock—Sale of Unregistered Securities." Those sections are incorporated herein by reference.

Item 11. ***Description of Registrant's Securities to be Registered.***

The information required by this item is contained under the sections of the information statement entitled "The Separation and Distribution" "Dividend Policy," and "Description of Capital Stock." Those sections are incorporated herein by reference.

Item 12. ***Indemnification of Directors and Officers.***

The information required by this item is contained under the section of the information statement entitled "Description of Capital Stock." That section is incorporated herein by reference.

Item 13. ***Financial Statements and Supplementary Data.***

The information required by this item is contained under the section of the information statement entitled "Index to Financial Statements" and the financial statements referenced therein. That section is incorporated herein by reference.

Item 14. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.***

None.

Item 15. ***Financial Statements and Exhibits.***

(a) Financial Statements and Schedule

The information required by this item is contained under the sections of the information statement entitled "Unaudited Pro Forma Condensed Combined Financial Information" and "Index to Financial Statements" and the financial statements referenced therein. Those sections are incorporated herein by reference.

(b) Exhibits

The following documents are filed as exhibits hereto:

Exhibit Number	Exhibit Description
2.1	Form of Separation and Distribution Agreement by and between XPO Logistics, Inc. and GXO Logistics, Inc.**
2.2	Form of Transition Services Agreement by and between XPO Logistics, Inc. and GXO Logistics, Inc.**
2.3	Form of Tax Matters Agreement by and between XPO Logistics, Inc. and GXO Logistics, Inc.**
2.3	Form of Employee Matters Agreement by and between XPO Logistics, Inc. and GXO Logistics, Inc.**
2.4	Form of Intellectual Property License Agreement by and between XPO Logistics, Inc. and GXO Logistics, Inc.**
3.1	Form of Amended and Restated Certificate of Incorporation of GXO Logistics, Inc.
3.2	Form of Amended and Restated Bylaws of GXO Logistics, Inc.
4.1	Indenture, dated as of July 2, 2021, among GXO Logistics, Inc. and Wells Fargo Bank, National Association, as Trustee
4.2	First Supplemental Indenture, dated as of July 2, 2021, among GXO Logistics, Inc. and Wells Fargo Bank, National Association, as Trustee
4.3	Registration Rights Agreement, dated July 2, 2021, by and among GXO Logistics, Inc. Barclays Capital Inc., Citigroup Global Markets Inc., Credit Agricole Securities (USA) Inc. and Goldman Sachs & Co. LLC
10.1	Form of GXO Logistics, Inc. 2021 Omnibus Incentive Plan*
10.2	Form of Option Award Agreement under the XPO Logistics, Inc. 2016 Omnibus Incentive Compensation Plan
10.3	Form of GXO Logistics Inc. Severance Plan
10.4	Form of GXO Logistics Inc. Cash Long-Term Incentive Plan*
10.5	Award Agreement under the XPO Logistics, Inc. Cash Long-Term Incentive Plan between XPO Logistics, Inc. and Malcolm Wilson, dated as of January 15, 2020*
10.6	Award Agreement under the XPO Logistics, Inc. Cash Long-Term Incentive Plan between XPO Logistics, Inc. and Maryclaire Hammond dated as of January 15, 2020*
10.7	Offer Letter between XPO Logistics Europe and Malcolm Wilson, dated as of May 14, 2021*
10.8	Service Agreement between XPO Supply Chain UK Limited and Malcolm Wilson, dated as of May 14, 2021*
10.9	Offer Letter between XPO Logistics, Inc. and Baris Oran, dated as of April 20, 2021*
10.10	Offer Letter between XPO Logistics Europe and Maryclaire Hammond, dated as of May 14, 2021*
10.11	Service Agreement between XPO Supply Chain UK Limited and Maryclaire Hammond, dated as of May 14, 2021*
10.12	Pension Top Up Letter between XPO Logistics Europe and Maryclaire Hammond, dated as of May 11, 2021
10.13	Credit Agreement, dated as of June 23, 2021, by and among GXO Logistics, Inc., the lenders and other parties from time to time party thereto, and Citibank, N.A., as Administrative Agent and an Issuing Lender
21.1	List of Subsidiaries**
99.1	Information Statement of GXO Logistics, Inc., preliminary and subject to completion, dated July 7, 2021

* Previously filed
** To be filed by amendment.

SIGNATURES

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

GXO LOGISTICS, INC.

By: /s/ Baris Oran

Name: Baris Oran
Title: Chief Financial Officer

Date: July 7, 2021

FORM OF
AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

GXO LOGISTICS, INC.

GXO LOGISTICS, INC., a corporation organized and existing under the laws of the State of Delaware, pursuant to Sections 242 and 245 of the General Corporation Law of the State of Delaware, as it may be amended and supplemented (the "DGCL"), hereby certifies as follows:

1. The name of this corporation is: GXO Logistics, Inc.

2. The original Certificate of Incorporation was filed with the Secretary of the State of Delaware on February 16, 2021 under the name "XPO Holdings, Inc." A Certificate of Amendment to the original Certificate of Incorporation and a Restated Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on March 17, 2021 (the Restated Certificate of Incorporation, as amended, the "Certificate of Incorporation").

3. This Amended and Restated Certificate of Incorporation was duly adopted in accordance with the provisions of Sections 242 and 245 of the DGCL and by the written consent of its sole stockholder in accordance with Section 228 of the DGCL, and is to become effective as of 11:59 PM, Eastern Time, on [•], 2021.

4. This Amended and Restated Certificate of Incorporation amends and restates the Certificate of Incorporation to read in its entirety as follows:

ARTICLE I
NAME OF CORPORATION

The name of the corporation is GXO Logistics, Inc. (the "Corporation").

ARTICLE II
REGISTERED OFFICE; REGISTERED AGENT

The address of the Corporation's registered office in the State of Delaware is 9 E. Loockerman Street, Suite 311 in the City of Dover, County of Kent, State of Delaware, 19901. The name of the Corporation's registered agent at such address is Registered Agent Solutions, Inc. The Corporation may have such other offices, either within or without the State of Delaware, as the Board of Directors of the Corporation (the "Board of Directors") may designate or as the business of the Corporation may from time to time require.

ARTICLE III
PURPOSE

The nature of the business of the Corporation and its purpose is to engage in any lawful act or activity for which corporations may be organized and incorporated under the DGCL.

ARTICLE IV
STOCK

Section 1. Authorized Stock. The total number of authorized shares of capital stock of the Corporation shall be Three Hundred and Ten Million (310,000,000) shares, which shall be divided into two classes as follows: (a) Three Hundred Million (300,000,000) shares of common stock par value $0.01 per share (the "Common Stock") and (b) Ten Million (10,000,000) shares of preferred stock par value $0.01 per share (the "Preferred Stock").

Section 2. Common Stock.

(a) Except as otherwise provided by law, by this Amended and Restated Certificate of Incorporation, or by the resolution or resolutions adopted by the Board of Directors designating the rights, powers and preferences of any series of Preferred Stock, the holders of outstanding shares of Common Stock shall have the right to vote on all matters, including the election of directors, to the exclusion of all other stockholders, and holders of Preferred Stock shall not be entitled to receive notice of any meeting of stockholders at which they are not entitled to vote (except where otherwise provided in the certificate of designations governing such series). Each holder of record of Common Stock shall be entitled to one vote for each share of Common Stock standing in the name of the stockholder on the books of the Corporation.

(b) Subject to any rights granted to holders of shares of any class or series of Preferred Stock then outstanding, the holders of shares of Common Stock shall be entitled to receive such dividends and other distributions in cash, property, stock or otherwise as may be declared thereon by the Board of Directors at any time and from time to time out of assets or funds of the Corporation legally available therefor and shall share equally on a per share basis in such dividends and distributions.

(c) In the event of any voluntary or involuntary liquidation, dissolution or winding-up of the Corporation, after payment or provision for payment of the debts and other liabilities of the Corporation, and subject to any rights granted to holders of shares of any class or series of Preferred Stock then outstanding, the holders of shares of Common Stock shall be entitled to receive all of the remaining assets of the Corporation available for distribution to its stockholders, ratably in proportion to the number of shares of Common Stock held by them.

Section 3. Preferred Stock. Shares of Preferred Stock may be authorized and issued in one or more series. The Board of Directors (or any committee to which it may duly delegate the authority granted in this Article IV) is hereby empowered, by resolution or resolutions, to authorize the issuance from time to time of shares of Preferred Stock in one or more series, for such consideration and for such corporate purposes as the Board of Directors (or such committee thereof) may from time to time determine, and by filing a certificate pursuant to applicable law of the State of Delaware as it presently exists or may hereafter be amended to establish from time to time for each such series the number of shares to be included in each such series and to fix the designations, powers, rights and preferences of the shares of each such series, and the qualifications, limitations and restrictions thereof to the fullest extent now or hereafter permitted by this Amended and Restated Certificate of Incorporation and the laws of the State of Delaware, including, without limitation, voting rights (if any), dividend rights, dissolution rights, conversion rights, exchange rights and redemption rights thereof, as shall be stated and expressed in a resolution or resolutions adopted by the Board of Directors (or such committee thereof) providing for the issuance of such series of Preferred Stock. Each series of Preferred Stock shall be distinctly designated.

The authority of the Board with respect to each series of Preferred Stock shall include, but not be limited to, determination of the following:

(a) the designation of the series, which may be by distinguishing number, letter or title;

(b) the number of shares of the series, which number the Board of Directors may thereafter (except where otherwise provided in the certificate of designations governing such series) increase or decrease (but not below the number of shares thereof then outstanding);

(c) the amounts payable on, and the preferences, if any, of shares of the series in respect of dividends, and whether such dividends, if any, shall be cumulative or noncumulative;

(d) the dates at which dividends, if any, shall be payable;

(e) the redemption rights and price or prices, if any, for shares of the series;

(f) the terms and amount of any sinking fund provided for purchase or redemption of shares of the series;

(g) the amounts payable on, and the preferences, if any, of shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation;

(h) whether the shares of the series shall be convertible into or exchangeable for shares of any other class or series, or any other security, of the Corporation or any other corporation, and, if so, the specification of such other class or series or such other security, the conversion or exchange price or prices or rate or rates, any adjustments thereof, the date or dates at which such shares shall be convertible or exchangeable and all other terms and conditions upon which such conversion or exchange may be made;

(i) the restrictions on the issuance of shares of the same series or of any other class or series; and

(j) the voting rights, if any, of the holders of shares of the series.

The Corporation shall be entitled to treat the person in whose name any share of its stock is registered as the owner thereof for all purposes and shall not be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether or not the Corporation shall have notice thereof, except as expressly provided by applicable law.

ARTICLE V
TERM

The term of existence of the Corporation shall be perpetual.

ARTICLE VI
BOARD OF DIRECTORS

Section 1. Number of Directors. Subject to any rights of the holders of any class or series of Preferred Stock to elect additional directors under specified circumstances, the number of directors which shall constitute the Board of Directors shall be fixed from time to time in accordance with the Amended and Restated Bylaws of the Corporation (as amended, restated or otherwise modified from time to time, the "Bylaws").

Section 2. Classification; Election of Directors. The directors of the Corporation shall be divided, with respect to the time for which they severally hold office, into three classes designated Class I, Class II and Class III. The initial assignment of directors to each such class shall be made by the Board of Directors. Each class shall consist, as nearly as possible, of one-third of the total number of such directors. Class I directors shall initially serve for a term expiring at the 2022 annual meeting of stockholders, Class II directors shall initially serve for a term expiring at the 2023 annual meeting of stockholders, and Class III directors shall initially serve for a term expiring at the 2024 annual meeting of stockholders. Directors of each class shall hold office until the annual meeting at which his or her term expires and until his or her successor shall be elected and qualified, or his or her death, resignation, retirement, disqualification or removal from office. At the 2022 annual meeting of stockholders, the directors whose terms expire at that meeting will be elected for a three-year term expiring at the 2025 annual meeting of stockholders and until their respective successors shall have been duly elected and qualified or until their earlier resignation or removal; at the 2023 and 2024 annual meetings of stockholders, the directors whose terms expire at such meetings shall be elected to hold office for a one-year term expiring, respectively, at the 2024 and 2025 annual meetings of stockholders and until their respective successors shall have been duly elected and qualified or until their earlier resignation or removal (for the avoidance of doubt, at the 2024 annual meeting the Class II directors shall be elected to hold office for a one-year term expiring at the 2025 annual meeting of stockholders); and at the 2025 annual meeting of stockholders and each annual meeting of stockholders thereafter, all directors shall be elected to hold office for a one-year term expiring at the next annual meeting of stockholders and until their respective successors shall have been duly elected and qualified or until their earlier resignation or removal. Pursuant to such procedures, effective as of the conclusion of the 2025 annual meeting of stockholders (the "Declassification Time"), the Board will no longer be classified under Section 141(d) of the DGCL and directors shall no longer be divided into three classes. Prior to the Declassification Time, if the number of directors is changed, any newly created directorships or decrease in directorships shall be so apportioned among the classes as to make all classes as nearly equal in number as practicable, but in no case will a decrease in the number of directors shorten the term of any incumbent director. Unless and except to the extent that the Bylaws shall so require, the election of directors of the Corporation need not be by written ballot. Advance notice of stockholder nominations for the election of directors shall be given in the manner and to the extent provided in the Bylaws.

Section 3. Newly Created Directorships and Vacancies. Subject to applicable law and the rights of the holders of any series of Preferred Stock with respect to such series of Preferred Stock, vacancies resulting from death, resignation, retirement, disqualification, removal from office or other cause, and newly created directorships resulting from any increase in the authorized number of directors, may be filled only by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors, or the sole remaining director and directors so chosen shall hold office until such director's successor has been duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided. No decrease in the number of authorized directors constituting the total number of directors that the Corporation would have if there were no vacancies shall shorten the term of any incumbent director.

Section 4. Removal of Directors. Prior to the Declassification Time, any director, or the entire Board of Directors, may be removed from office at any time but only for cause and only by the affirmative vote of the holders of a majority of the outstanding shares of capital stock of the Corporation entitled to vote generally for the election of directors (the "Voting Stock") at a meeting called for that purpose. From and after the Declassification Time, any director may be removed from office at any time with or without cause, but only by the affirmative vote of the holders of a majority of the Voting Stock at a meeting called for that purpose.

Section 5. Rights of Holders of Preferred Stock. Notwithstanding the provisions of this Article VI, whenever the holders of one or more series of Preferred Stock issued by the Corporation shall have the right, voting separately or together by series, to elect directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorship shall be governed by the rights of such Preferred Stock as set forth in the certificate of designations governing such series.

Section 6. No Cumulative Voting. Except as may otherwise be set forth in the resolution or resolutions of the Board of Directors providing the issuance of a series of Preferred Stock, and then only with respect to such series of Preferred Stock, cumulative voting in the election of directors is specifically denied.

Section 7. Stockholder Nomination of Director Candidates. Advance notice of stockholder nominations for the election of directors and of any stockholder proposals to be considered at an annual stockholder meeting shall be given in the manner provided in the Bylaws.

ARTICLE VII
STOCKHOLDER ACTION

Section 1. Special Meetings of Stockholders. Special meetings of the stockholders may only be called only by or at the direction of (1) the Chairman of the Board of Directors, or (2) the Board of Directors pursuant to a resolution adopted by a majority of the total number of directors which the Corporation would have if there were no vacancies, and any power of stockholders to call a special meeting is specifically denied. At any special meeting of stockholders, only such business shall be conducted or considered as shall have been properly brought before the meeting pursuant to the Corporation's notice of meeting.

Section 2. Stockholder Action by Written Consent. Any action required or permitted to be taken by the stockholders of the Corporation must be effected at an annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

ARTICLE VIII
DIRECTOR LIABILITY

To the fullest extent permitted by the DGCL, as the same exists or may hereafter be amended, a director of the Corporation shall not be personally liable either to the Corporation or to any of its stockholders for monetary damages arising from a breach of fiduciary duty owed to the Corporation or its stockholders. Any amendment, modification or repeal of the foregoing sentence shall not adversely affect any right or protection of a director of the Corporation hereunder in respect of any act or omission occurring prior to the time of such amendment, modification or repeal. If the DGCL hereafter is amended to further eliminate or limit the liability of a director, then a director of the Corporation, in addition to the circumstances in which a director is not personally liable as set forth in the preceding sentence, shall not be liable to the fullest extent permitted by the amended DGCL.

ARTICLE IX
INDEMNIFICATION

Section 1. In General. Each person who was or is a party or is otherwise threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter, a "Proceeding"), by reason of the fact that he or she or a person of whom he or she is the legal representative is or was, at any time during which this Article

IX is in effect (whether or not such person continues to serve in such capacity at the time any indemnification or advancement of expenses pursuant hereto is sought or at the time any Proceeding relating thereto exists or is brought), a director or officer of the Corporation or, while serving as a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans maintained or sponsored by the Corporation (hereinafter, a "Covered Person"), shall be (and shall be deemed to have a contractual right to be) indemnified and held harmless by the Corporation (and any successor of the Corporation by merger or otherwise) to the fullest extent authorized by the DGCL as the same exists or may hereafter be amended or modified from time to time (but, in the case of any such amendment or modification, only to the extent that such amendment or modification permits the Corporation to provide greater indemnification rights than said law permitted the Corporation to provide prior to such amendment or modification), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by such person in connection with such Proceeding if the person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the person's conduct was unlawful. Such indemnification shall continue as to a person who has ceased to be a director or officer of the Corporation or ceased serving at the request of the Corporation as a director, officer, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans maintained or sponsored by the Corporation, and shall inure to the benefit of his or her heirs, executors and administrators; provided that, except as provided in Section 3 of this Article IX, the Corporation shall indemnify any such person seeking indemnification in connection with a Proceeding (or part thereof) initiated by such person only if such Proceeding (or part thereof) was authorized by the Board of Directors.

Section 2. Advance of Expenses. To the fullest extent authorized by the DGCL as the same exists or may hereafter be amended or modified from time to time (but, in the case of any such amendment or modification, only to the extent that such amendment or modification permits the Corporation to provide greater rights to advancement of expenses than said law permitted the Corporation to provide prior to such amendment or modification), each Covered Person shall have (and shall be deemed to have a contractual right to have) the right, without the need for any action by the Board of Directors, to be paid by the Corporation (and any successor of the Corporation by merger or otherwise) the expenses incurred in connection with any Proceeding in advance of its final disposition, such advances to be paid by the Corporation within twenty (20) days after the receipt by the Corporation of a statement or statements from the claimant requesting such advance or advances from time to time; provided that if the DGCL requires, the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not, except to the extent specifically required by applicable law, in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter, the "Undertaking") by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right of appeal (a "final disposition") that such director or officer is not entitled to be indemnified for such expenses under this Article IX or otherwise.

Section 3 Right of Claimant to Bring Suit. If a claim for indemnification under this Article IX is not paid in full by the Corporation within thirty (30) days after a written claim has been received by the Corporation, or if a request for advancement of expenses under Section 2 of this Article IX is not paid in full by the Corporation within twenty (20) days after a statement pursuant to Section 2 of this Article IX and the required Undertaking, if any, have been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim for indemnification or request for advancement of expenses and, if successful, in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action that, under the DGCL, the claimant has not met the standard of conduct which makes it permissible for the Corporation to indemnify the claimant for the amount claimed or that the claimant is not entitled to the requested advancement of expenses, but (except where the required Undertaking, if any, has not been tendered to the Corporation) the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Disinterested Directors (as defined in the Bylaws of the Corporation), Independent Counsel (as defined in the Bylaws of the Corporation) or stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including its Disinterested Directors, Independent Counsel or stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

Section 4. Contract Rights; Amendment and Repeal; Non-Exclusivity of Rights.

(a) All of the rights conferred in this Article IX, as to indemnification, advancement of expenses and otherwise, shall be contract rights between the Corporation and each Covered Person to whom such rights are extended that vest at the commencement of such Covered Person's service to or at the request of the Corporation and: (x) any amendment or modification of this Article IX that in any way diminishes or adversely affects any such rights shall be prospective only and shall not in any way diminish or adversely affect any such rights with respect to such person; and (y) all of such rights shall continue as to any such Covered Person who has ceased to be a director or officer of the Corporation or ceased to serve at the Corporation's request as a director, officer, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, as described herein, and shall inure to the benefit of such Covered Person's heirs, executors and administrators.

(b) All of the rights conferred in this Article IX, as to indemnification, advancement of expenses and otherwise: (i) shall not be exclusive of any other rights to which any person seeking indemnification or advancement of expenses may be entitled or hereafter acquire under any statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or Disinterested Directors or otherwise both as to action in such person's official capacity and as to action in another capacity while holding such office; and (ii) cannot be terminated or impaired by the Corporation, the Board of Directors or the stockholders of the Corporation with respect to a person's service prior to the date of such termination.

Section 5. Insurance; Other Indemnification and Advancement of Expenses.

(a) The Corporation may maintain insurance, at its expense, to protect itself and any current or former director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

(b) The Corporation may, to the extent authorized from time to time by the Board of Directors or the Chairman of the Board of Directors, grant rights to indemnification and rights to advancement of expenses incurred in connection with any Proceeding in advance of its final disposition, to any current or former officer, employee or agent of the Corporation to the fullest extent permitted by applicable law.

Section 6. Severability. If any provision or provisions of this Article IX shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (1) the validity, legality and enforceability of the remaining provisions of this Article IX (including, without limitation, each portion of any paragraph of this Article IX containing any such provision held to be invalid, illegal or unenforceable, that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (2) to the fullest extent possible, the provisions of this Article IX (including, without limitation, each such portion of any paragraph of this Article IX containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

ARTICLE VI
AMENDMENTS TO BYLAWS

In furtherance and not in limitation of the powers conferred by law, the Board of Directors is expressly authorized and empowered to adopt, amend, alter, change or repeal the Bylaws by a majority vote at any regular or special meeting of the Board of Directors or by written consent, subject to the power of the stockholders of the Corporation to alter or repeal any Bylaws made by the Board of Directors.

ARTICLE VI
AMENDMENTS

The Corporation reserves the right at any time to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation, and any other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are granted subject to the right reserved in this Article.

ARTICLE VI
EXCLUSIVE FORUM

Unless the Corporation consents in writing to the selection of an alternative forum, the sole and exclusive forum for: (a) any derivative action or proceeding brought on behalf of the Corporation; (b) any action asserting a claim for or based on a breach of a fiduciary duty owed by any current or former director or officer or other employee of the Corporation to the Corporation or to the Corporation's stockholders, including a claim alleging the aiding and abetting of such a breach of fiduciary duty; (c) any action asserting a claim against the Corporation or any current or former director or officer or other employee of the Corporation arising pursuant to any provision of the DGCL or this Certificate of Incorporation or the Bylaws (as either may be amended from time to time); (d) any action asserting a claim related to or involving the Corporation that is governed by the internal affairs doctrine; or (e) any action asserting an "internal corporate claim" as that term is defined in Section 115 of the DGCL shall be a state court located within the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal court for the District of Delaware). Unless the Corporation

consents in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended.

* * * * * *

[Signature appears on next page]

IN WITNESS WHEREOF, the undersigned has duly executed this Amended and Restated Certificate of Incorporation, this [•] day of [•], 2021.

GXO LOGISTICS, INC.

By: _____
Name:
Title:

[*Signature Page to Amended and Restated Certificate of Incorporation*]

Effective _____, 2021

FORM OF
AMENDED AND RESTATED BYLAWS

OF

GXO LOGISTICS, INC.

Incorporated under the Laws of the State of Delaware

ARTICLE I

OFFICES AND RECORDS

SECTION 1.1 Delaware Office. The registered office of GXO Logistics, Inc. (the "Corporation") shall be located at 9 E. Loockerman Street, Suite 311, Dover, Delaware 19901, County of Kent, and Registered Agent Solutions, Inc. shall be the registered agent of the Corporation in charge thereof. The registered office and registered agent may be changed by the Corporation from time to time.

SECTION 1.2 Other Offices. The Corporation may have such other offices, either inside or outside the State of Delaware, as the Board of Directors of the Corporation (the "Board of Directors" or the "Board") may from time to time designate or as the business of the Corporation may require.

SECTION 1.3 Books and Records. Except to the extent otherwise required by law, the books and records of the Corporation may be kept inside or outside the State of Delaware at such place or places as may from time to time be designated by the Board of Directors.

ARTICLE II

STOCKHOLDERS

SECTION 2.1 Annual Meeting. The annual meeting of the stockholders of the Corporation shall be held on such date and at such time and in such manner as may be fixed by resolution of the Board of Directors.

SECTION 2.2 Special Meeting. Special meetings of the stockholders may only be called by or at the direction of (1) the Chairman of the Board of Directors, or (2) the Board of Directors pursuant to a resolution adopted by a majority of the total number of directors which the Corporation would have if there were no vacancies. The stockholders of the Corporation shall not have the power to call a special meeting of the stockholders of the Corporation or to request the Secretary of the Corporation to call a special meeting of the stockholders. Notice of every special meeting of the stockholders of the Corporation shall state the purpose or purposes of such meeting. Except as otherwise required by law, the business conducted at a special meeting of stockholders of the Corporation shall be limited exclusively to the business set forth in the Corporation's notice of meeting, and the individual or group calling such meeting shall have exclusive authority to determine the business included in such notice. The Board may postpone, reschedule or cancel any special meeting of stockholders previously scheduled by the Board.

SECTION 2.3 Time and Place of Meeting. The Board of Directors or the Chairman of the Board, as the case may be, may designate the place, date and time of any annual or special meeting of the

stockholders or may designate that the meeting be held by means of remote communication. If no designation is so made, the place of meeting shall be the principal office of the Corporation.

SECTION 2.4 Notice of Meeting. Written or printed notice, stating the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given by the Corporation not less than ten (10) days nor more than sixty (60) days before the date of the meeting, either personally, by electronic transmission in the manner provided in Section 232 of the General Corporation Law of the State of Delaware (the "DGCL") (except to the extent prohibited by Section 232(e) of the DGCL) or by mail, to each stockholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail with postage thereon prepaid, addressed to the stockholder at such stockholder's address as it appears on the records of the Corporation. If notice is given by electronic transmission, such notice shall be deemed to be given at the times provided in the DGCL. Such further notice shall be given as may be required by applicable law. Meetings may be held without notice if all stockholders entitled to vote are present, or if notice is waived by those not present in accordance with Section 7.4 of these Bylaws. Any previously scheduled meeting of the stockholders may be postponed, and (unless the Certificate of Incorporation otherwise provides) any special meeting of the stockholders may be cancelled, by resolution of the Board of Directors upon public notice given prior to the date previously scheduled for such meeting of stockholders.

SECTION 2.5 Quorum and Adjournment. Except as otherwise provided by law or by the Certificate of Incorporation, the holders of a majority of the Voting Stock, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders, except that when specified business is to be voted on by a class or series of stock voting as a class, the holders of a majority of the shares of such class or series shall constitute a quorum of such class or series for the transaction of such business. The Chairman of the Board of Directors or the Chief Executive Officer may adjourn the meeting from time to time, whether or not there is a quorum. No notice of the time and place, if any, of adjourned meetings need be given except as required by applicable law. The stockholders present at a duly called meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

SECTION 2.6 Organization. Meetings of stockholders shall be presided over by the Chairman of the Board, or in the absence of such a person, such person as the Board of Directors may designate as chairman of the meeting, or if none or in the Chairman of the Board's absence or inability to act, the Chief Executive Officer, or if none or in the Chief Executive Officer's absence or inability to act, the President, or if none or in the President's absence or inability to act, a Vice President, or, if none of the foregoing is present or able to act, by a chairman to be chosen by the holders of a majority of the shares entitled to vote who are present in person or by proxy at the meeting. The Secretary, or in the Secretary's absence, an Assistant Secretary, shall act as secretary of every meeting, but if neither the Secretary nor an Assistant Secretary is present, the presiding officer of the meeting shall appoint any person present to act as secretary of the meeting. The Board of Directors shall be entitled to make such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in the meeting to stockholders of record of the Corporation, their duly

authorized and constituted proxies and such other persons as the chairman shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting and matters which are to be voted on by ballot.

SECTION 2.7 Proxies and List of Stockholders.

(A) Proxies. At all meetings of stockholders, a stockholder may vote by proxy executed in writing (or in such manner prescribed by the DGCL) by the stockholder, or by such stockholder's duly authorized attorney in fact. No proxy may be voted or acted upon after the expiration of three years from the date of such proxy, unless such proxy provides for a longer period. Every proxy is revocable at the pleasure of the stockholder executing it unless the proxy states that it is irrevocable and applicable law makes it irrevocable. A stockholder may revoke any proxy that is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or by filing another duly executed proxy bearing a later date with the Secretary.

(B) List of Stockholders. A complete list of the stockholders entitled to vote at each meeting of stockholders, arranged in alphabetical order, and showing the address and number of shares registered in the name of each stockholder, shall be prepared and made available for examination during regular business hours by any stockholder for any purpose germane to the meeting. The list shall be available for such examination at the principal place of business of the Corporation for a period of not less than ten (10) days prior to the meeting and during the whole time of the meeting.

SECTION 2.8 Advance Notice of Stockholder Business and Nominations.

(A) Annual Meeting of Stockholders. Without qualification or limitation, for any nominations or any other business to be properly brought before an annual meeting by a stockholder pursuant to Section 2.9(A) of these Bylaws, the stockholder must have given timely notice thereof (including, in the case of nominations, the completed and signed questionnaire, representation and agreement required by Section 2.10 of these Bylaws), and timely updates and supplements thereof, in each case in proper form, in writing to the Secretary, and such other business must otherwise be a proper matter for stockholder action.

To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the one hundred and twentieth (120th) day and not later than the close of business on the ninetieth (90th) day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after such anniversary date, notice by the stockholder must be so delivered not earlier than the close of business on the one hundred and twentieth (120th) day prior to the date of such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to the date of such annual meeting or, if the first Public Announcement of the date of such annual meeting is less than one hundred (100) days prior to the date of such annual meeting, the tenth (10th) day following the day on which Public Announcement of the date of such meeting is first made by the Corporation. In no event shall any adjournment or postponement of an annual meeting, or the Public Announcement thereof, commence a new time period for the giving of a stockholder's notice as described above.

Notwithstanding anything in the immediately preceding paragraph to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased by the Board of Directors,

and there is no Public Announcement by the Corporation naming all of the nominees for director or specifying the size of the increased Board of Directors at least one hundred (100) days prior to the first (1st) anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 2.8(A) shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth (10th) day following the day on which such Public Announcement is first made by the Corporation.

In addition, to be considered timely, a stockholder's notice shall further be updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for the meeting in the case of the update and supplement required to be made as of the record date, and not later than eight (8) business days prior to the date for the meeting or any adjournment or postponement thereof in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof. The obligation to update and supplement as set forth in this paragraph or any other Section of these Bylaws shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any proposal or to submit any new proposal, including by changing or adding nominees, matters, business and or resolutions proposed to be brought before a meeting of the stockholders.

(B) Special Meetings of Stockholders. Only such business as shall have been brought before the special meeting of the stockholders pursuant to the Corporation's notice of meeting shall be conducted at such meeting. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any stockholder may nominate an individual or individuals (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting; provided that the stockholder gives timely notice thereof (including the completed and signed questionnaire, representation and agreement required by Section 2.10 of these Bylaws), and timely updates and supplements thereof in each case in proper form, in writing, to the Secretary.

To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the one hundred and twentieth (120th) day prior to the date of such special meeting and not later than the close of business on the later of the ninetieth (90th) day prior to the date of such special meeting or, if the first Public Announcement of the date of such special meeting is less than one hundred (100) days prior to the date of such special meeting, the tenth (10th) day following the day on which Public Announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall any adjournment or postponement of a special meeting of stockholders, or the Public Announcement thereof, commence a new time period for the giving of a stockholder's notice as described above.

In addition, to be considered timely, a stockholder's notice shall further be updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to the Secretary at the principal executive offices of the Corporation not later than

five (5) business days after the record date for the meeting in the case of the update and supplement required to be made as of the record date, and not later than eight (8) business days prior to the date for the meeting, any adjournment or postponement thereof in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof. The obligation to update and supplement as set forth in this paragraph or any other Section of these Bylaws shall not limit the Company's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any proposal or to submit any new proposal, including by changing or adding nominees, matters, business and or resolutions proposed to be brought before a meeting of the stockholders.

(C) Disclosure Requirements. To be in proper form, a stockholder's notice pursuant to this Section 2.8 or Section 2.9 must include the following, as applicable:

(1) As to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal, as applicable, is made, a stockholder's notice must set forth: (i) the name and address of such stockholder, as they appear on the Corporation's books, of such beneficial owner, if any, and of their respective affiliates or associates or others acting in concert therewith; (ii) (A) the class or series and number of shares of the Corporation which are, directly or indirectly, owned beneficially and of record by such stockholder, such beneficial owner and their respective affiliates or associates or others acting in concert therewith, (B) any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived, in whole or in part, from the value of any class or series of shares of the Corporation, or any derivative or synthetic arrangement having the characteristics of a long position in any class or series of shares of the Corporation, or any contract, derivative, swap or other transaction or series of transactions designed to produce economic benefits and risks that correspond substantially to the ownership of any class or series of shares of the Corporation, including due to the fact that the value of such contract, derivative, swap or other transaction or series of transactions is determined by reference to the price, value or volatility of any class or series of shares of the Corporation, whether or not such instrument, contract or right shall be subject to settlement in the underlying class or series of shares of the Corporation, through the delivery of cash or other property, or otherwise, and without regard to whether the stockholder of record, the beneficial owner, if any, or any affiliates or associates or others acting in concert therewith, may have entered into transactions that hedge or mitigate the economic effect of such instrument, contract or right, or any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation (any of the foregoing, a "Derivative Instrument") directly or indirectly owned beneficially by such stockholder, the beneficial owner, if any, or any affiliates or associates or others acting in concert therewith, (C) any proxy, contract, arrangement, understanding, or relationship pursuant to which such stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith has any right to vote any class or series of shares of the Corporation, (D) any agreement, arrangement, understanding, relationship or otherwise, including any repurchase or similar so-called "stock borrowing" agreement or arrangement, involving such stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith, directly or indirectly, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of any class or series of the shares of the Corporation by, manage the risk of share price changes for, or increase or decrease the voting power of, such stockholder, such beneficial owner or any of their

respective affiliates or associates or others acting in concert therewith with respect to any class or series of the shares of the Corporation, or which provides, directly or indirectly, the opportunity to profit or share in any profit derived from any decrease in the price or value of any class or series of the shares of the Corporation (any of the foregoing, a "Short Interest"), (E) any rights to dividends on the shares of the Corporation owned beneficially by such stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith that are separated or separable from the underlying shares of the Corporation, (F) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership, (G) any performance-related fees (other than an asset-based fee) that such stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, including, without limitation, any such interests held by members of the immediate family sharing the same household of such stockholder, such beneficial owner and their respective affiliates or associates or others acting in concert therewith, (H) any significant equity interests or any Derivative Instruments or Short Interests in any principal competitor of the Corporation held by such stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith and (I) any direct or indirect interest of such stockholder, such beneficial owner and their respective affiliates or associates or others acting in concert therewith in any contract with the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement); (iii) all information that would be required to be set forth in a Schedule 13D filed pursuant to Rule 13d-1(a) or an amendment pursuant to Rule 13d-2(a) if such a statement were required to be filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the rules and regulations promulgated thereunder by such stockholder, such beneficial owner and their respective affiliates or associates or others acting in concert therewith, if any; and (iv) any other information relating to such stockholder, such beneficial owner or any of their respective affiliates or associates or others acting in concert therewith, if any, that would be required to be disclosed in a proxy statement and form or proxy or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder;

(2) If the notice includes any business other than a nomination of a director or directors that the stockholder proposes to bring before the meeting, a stockholder's notice must, in addition to the matters set forth in subsection (1) above, also set forth: (i) a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest of such stockholder, such beneficial owner and each of their respective affiliates or associates or others acting in concert therewith, if any, in such business; (ii) the text of the proposal or business (including the text of any resolutions proposed for consideration and, in the event that such proposal or business includes a proposal to amend the Bylaws of the Corporation, the text of the proposed amendment); and (iii) a description of all agreements, arrangements and understandings between such stockholder, such beneficial owner and each of their respective affiliates or associates or others acting in concert therewith, if any, and any other person or persons (including their names) in connection with the proposal of such business by such stockholder;

(3) As to each individual, if any, whom the stockholder proposes to nominate for election or reelection to the Board of Directors, a stockholder's notice must, in addition to the matters set forth in subsection (1) above, also set forth: (i) all information relating to such individual that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder (including such individual's written consent to being named in the proxy statement as a nominee and written statement of intent to serve as a director for the full term if elected); and (ii) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three (3) years, and any other material relationships, between or among such stockholder and beneficial owner, if any, and their respective affiliates and associates, or others acting in concert therewith, on the one hand, and each proposed nominee, and his or her respective affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K if the stockholder making the nomination and any beneficial owner on whose behalf the nomination is made, if any, or any affiliate or associate thereof or person acting in concert therewith, were the "registrant" for purposes of such rule and the nominee were a director or executive officer of such registrant; and

(4) With respect to each individual, if any, whom the stockholder proposes to nominate for election or reelection to the Board of Directors, a stockholder's notice must, in addition to the matters set forth in subsections (1) and (3) above, also include the completed and signed questionnaire, representation and agreement required by Section 2.10of these Bylaws. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such nominee. Notwithstanding anything to the contrary, only persons who are nominated in accordance with the procedures set forth in these Bylaws, including, without limitation, Sections 2.8, 2.9, and 2.10 hereof, shall be eligible for election as directors.

(D) Notwithstanding the provisions of these Bylaws, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Bylaw; provided, however, that any references in these Bylaws to the Exchange Act or the rules promulgated thereunder are not intended to and shall not limit the separate and additional requirements set forth in these Bylaws with respect to nominations or proposals as to any other business to be considered.

(E) Nothing in these Bylaws shall be deemed to affect any rights: (a) of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act; or (b) of the holders of any series of Preferred Stock if and to the extent provided for under law, the Certificate of Incorporation or these Bylaws. Subject to Rule 14a-8 under the Exchange Act, nothing in these Bylaws shall be construed to permit any stockholder, or give any stockholder the right, to include or have disseminated or described in the Corporation's proxy statement any nomination of director or directors or any other business proposal.

SECTION 2.9 Order of Business.

(A) Annual Meetings of Stockholders. At any annual meeting of the stockholders, only such nominations of individuals for election to the Board of Directors shall be made, and only such other business shall be conducted or considered, as shall have been properly brought before the meeting. For nominations to be properly made at an annual meeting, and proposals of other business to be properly brought before an annual meeting, nominations and proposals of other business must be: (a) specified in the Corporation's notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors; (b) otherwise properly made at the annual meeting, by or at the direction of the Board of Directors; or (c) otherwise properly requested to be brought before the annual meeting by a stockholder of the Corporation in accordance with Section 2.8 or Section 2.9 of these Bylaws. For nominations of individuals for election to the Board of Directors or proposals of other business to be properly requested by a stockholder to be made at an annual meeting, a stockholder must: (i) be a stockholder of record at the time of the giving of notice of such annual meeting by or at the direction of the Board of Directors and at the time of the annual meeting; (ii) be entitled to vote at such annual meeting; and (iii) comply with the procedures set forth in these Bylaws as to such business or nomination. The immediately preceding sentence shall be the exclusive means for a stockholder to make nominations or other business proposals (other than matters properly brought under Rule 14a-8 under the Exchange Act and included in the Corporation's notice of meeting) before an annual meeting of stockholders.

(B) Special Meetings of Stockholders. Only such business shall be conducted or considered at a special meeting of stockholders as shall have been properly brought before the meeting pursuant to the Corporation's notice of meeting. To be properly brought before a special meeting, proposals of business must be (a) specified in the Corporation's notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors or (b) otherwise properly brought before the special meeting, by or at the direction of the Board of Directors; provided, however, that nothing herein shall prohibit the Board of Directors from submitting additional matters to stockholders at any such special meeting. Nominations of individuals for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (a) by or at the direction of the Board of Directors or (b) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who (i) is a stockholder of record at the time of giving of notice of such special meeting and at the time of the special meeting, (ii) is entitled to vote at the meeting (without giving effect to any proxy, voting agreement or other arrangement pursuant to which such stockholder may have been granted the right to act for another stockholder or vote in respect of stock at such special meeting), and (iii) complies with the procedures set forth in these Bylaws as to such nomination. This Section 2.9(B) shall be the exclusive means for a stockholder to make nominations at a special meeting of stockholders.

(C) General. Except as otherwise provided by law, the Certificate of Incorporation or these Bylaws, the chairman of any annual or special meeting shall have the power to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with these Bylaws and, if any proposed nomination or other business is not in compliance with these Bylaws, to declare that no action shall be taken on such nomination or other proposal and such nomination or other proposal shall be disregarded.

SECTION 2.10 Submission of Questionnaire, Representation and Agreement. To be eligible to be a nominee of any stockholder for election or reelection as a director of the Corporation, a person must deliver (in accordance with the time periods prescribed for delivery of notice under Section 2.8 of these Bylaws) to the Secretary at the principal executive offices of the Corporation a written questionnaire

with respect to the background and qualification of such individual and the background of any other person or entity on whose behalf, directly or indirectly, the nomination is being made (which questionnaire shall be provided by the Secretary upon written request), a conditional resignation in accordance with the Corporation's resignation policy in connection with majority voting (the form of which shall be provided by the Secretary upon written request), and a written representation and agreement (in the form provided by the Secretary upon written request) that such individual:

(A) (1) is not and will not become a party to: (a) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation; and (b) any Voting Commitment that could limit or interfere with such individual's ability to comply, if elected as a director of the corporation, with such individual's fiduciary duties under applicable law; (2) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed therein;

(B) agrees to promptly provide to the Corporation such other information as the Corporation may reasonably request; and

(C) in such individual's personal capacity and on behalf of any person or entity on whose behalf, directly or indirectly, the nomination is being made, would be in compliance, if elected as a director of the Corporation, and will comply, with all applicable corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Corporation publicly disclosed from time to time.

SECTION 2.11 Procedure for Election of Directors; Required Vote.

(A) Except as set forth below, election of directors at all meetings of the stockholders at which directors are to be elected shall be by ballot, and, subject to any rights of the holders of any class or series of Preferred Stock to elect directors under specified circumstances, a majority of the votes cast at any meeting for the election of directors at which a quorum is present shall elect directors. For purposes of this Section 2.11, a majority of votes cast shall mean that the number of shares voted "for" a director's election exceeds fifty percent (50%) of the number of votes cast with respect to that director's election. Votes cast shall include direction to withhold authority in each case and exclude abstentions with respect to that director's election. Notwithstanding the foregoing, in the event of a "contested election" of directors, directors shall be elected by the vote of a plurality of the votes cast at any meeting for the election of directors at which a quorum is present. For purposes of this Article II, a "contested election" shall mean any election of directors in which the number of candidates for election as directors exceeds the number of directors to be elected, with the determination thereof being made by the Secretary as of the close of the applicable notice of nomination period set forth in Section 2.8 of these Bylaws or under applicable law, based on whether one or more notice(s) of nomination were timely filed and in proper form in accordance with said Section 2.8; provided, however, that the determination that an election is a "contested election" shall be determinative only as to the timeliness of a notice of nomination and not otherwise as to its validity. If, prior to the time the Corporation mails its initial proxy statement in connection with such election of directors, one or more notices of nomination are withdrawn such that the number of candidates for election as director no longer exceeds the number of directors to be elected, the election shall not be considered a contested election, but in all other cases, once an election is determined to be a contested election, directors shall be elected by the vote of a plurality of the votes cast.

(B) If a nominee for director who is an incumbent director is not elected and no successor has been elected at such meeting, the director shall promptly tender his or her resignation, contingent upon acceptance of such resignation by the Board in accordance with this Section 2.11(B), to the Board. The Nominating, Corporate Governance and Sustainability Committee shall make a recommendation to the Board of Directors as to whether to accept or reject the tendered resignation, or whether other action should be taken. The Board of Directors shall act on the tendered resignation, taking into account the Nominating, Corporate Governance and Sustainability Committee's recommendation, and publicly disclose (by a press release, a Current Report on Form 8-K or other broadly disseminated means of communication) its decision regarding the tendered resignation and the rationale behind the decision within ninety (90) days from the date of the certification of the election results. The Nominating, Corporate Governance and Sustainability Committee in making its recommendation, and the Board of Directors in making its decision, may each consider any factors or other information that it considers appropriate and relevant. The director who tenders his or her resignation shall not participate in the recommendation of the Nominating, Corporate Governance and Sustainability Committee or the decision of the Board of Directors with respect to his or her resignation. If such incumbent director's resignation is not accepted by the Board of Directors, such director shall continue to serve until the next annual meeting and until his or her successor is duly elected, or his or her earlier resignation or removal. If a director's resignation is accepted by the Board of Directors pursuant to this Bylaw, or if a nominee for director is not elected and the nominee is not an incumbent director, then the Board of Directors, in its sole discretion, may fill any resulting vacancy pursuant to the provisions of Section 3.10 of these Bylaws or may decrease the size of the Board of Directors pursuant to the provisions of Section 3.2 of these Bylaws.

(C) Except as otherwise provided by law, the Certificate of Incorporation, or these Bylaws, in all matters other than the election of directors, the affirmative vote of a majority of the shares present in person or represented by proxy at the meeting and entitled to vote on the matter shall be the act of the stockholders.

(D) Any individual who is nominated for election to the Board of Directors and included in the Corporation's proxy materials for an annual meeting and, if applicable, a special meeting, shall tender an irrevocable resignation in advance of the annual meeting or special meeting, as applicable. Such resignation shall become effective upon a determination by the Board of Directors or any committee thereof that: (1) the information provided pursuant to the Corporation by such individual was untrue in any material respect or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (2) such individual shall have breached any representations or obligations owed to the Corporation under these Bylaws.

SECTION 2.12 Inspectors of Elections; Opening and Closing the Polls. The Board of Directors by resolution shall appoint one or more inspectors, which inspector or inspectors may, but does not need to, include individuals who serve the Corporation in other capacities, including, without limitation, as officers, employees, agents or representatives, to act at the meetings of stockholders and make a written report thereof. One or more persons may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate has been appointed to act or is able to act at a meeting of stockholders, the chairman of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before discharging his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall have the duties prescribed by law.

The chairman of the meeting shall be appointed by the inspector or inspectors to fix and announce at the meeting the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting.

SECTION 2.13 No Stockholder Action by Written Consent. Any action required or permitted to be taken by the stockholders of the Corporation must be effected at an annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

ARTICLE III

BOARD OF DIRECTORS

SECTION 3.1 General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authorities by these Bylaws expressly conferred upon them, the Board of Directors may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Certificate of Incorporation or by these Bylaws required to be exercised or done by the stockholders.

SECTION 3.2 Number. Subject to any rights of the holders of any class or series of Preferred Stock to elect directors under specified circumstances, the number of directors shall be fixed from time to time exclusively pursuant to a resolution adopted by a majority of the Board, but shall consist of at least one member and no more than twelve members. No decrease in the number of authorized directors constituting the Board shall shorten the term of any incumbent director.

SECTION 3.3 Classification; Term of Office; Election of Directors. The directors of the Corporation shall be divided, with respect to the time for which they severally hold office, into three classes designated Class I, Class II and Class III. The initial assignment of directors to each such class shall be made by the Board of Directors. Each class shall consist, as nearly as possible, of one-third of the total number of such directors. Class I directors shall initially serve for a term expiring at the 2022 annual meeting of stockholders, Class II directors shall initially serve for a term expiring at the 2023 annual meeting of stockholders, and Class III directors shall initially serve for a term expiring at the 2024 annual meeting of stockholders. Directors of each class shall hold office until the annual meeting at which his or her term expires and until his or her successor shall be elected and qualified, or his or her death, resignation, retirement, disqualification or removal from office. At the 2022 annual meeting of stockholders, the directors whose terms expire at that meeting will be elected for a three-year term expiring at the 2025 annual meeting of stockholders and until their respective successors shall have been duly elected and qualified or until their earlier resignation or removal; at the 2023 and 2024 annual meetings of stockholders, the directors whose terms expire at such meetings shall be elected to hold office for a one-year term expiring, respectively, at the 2024 and 2025 annual meetings of stockholders and until their respective successors shall have been duly elected and qualified or until their earlier resignation or removal (for the avoidance of doubt, at the 2024 annual meeting the Class II directors shall be elected to hold office for a one-year term expiring at the 2025 annual meeting of stockholders); and at the 2025 annual meeting of stockholders and each annual meeting of stockholders thereafter, all directors shall be elected to hold office for a one-year term expiring at the next annual meeting of stockholders and until their respective successors shall have been duly elected and qualified or until their earlier resignation or removal. Pursuant to such procedures, effective as of the conclusion of the 2025 annual meeting of stockholders (the "Declassification Time"), the Board will no longer be classified under Section 141(d) of the DGCL and directors shall no longer be divided into three classes. Prior to the Declassification Time,

if the number of directors is changed, any newly created directorships or decrease in directorships shall be so apportioned among the classes as to make all classes as nearly equal in number as practicable, but in no case will a decrease in the number of directors shorten the term of any incumbent director.

SECTION 3.4 Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this Bylaw immediately after, and at the same place as, the annual meeting of stockholders. The Board of Directors may, by resolution, provide the time and place, if any, for the holding of additional regular meetings without other notice than such resolution.

SECTION 3.5 Special Meetings. Special meetings of the Board of Directors shall be called at the request of the Chairman of the Board or a majority of the Board of Directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix the place, if any, and time of the meetings.

SECTION 3.6 Notice. No notice need be given of any organizational or stated meeting of the Board of Directors for which the Board of Directors has fixed the date, hour and place. Notice of any special meeting of directors shall be given to each director at such person's business or residence in writing by hand delivery, first-class or overnight mail or courier service, email or facsimile transmission, or orally by telephone. If mailed by first-class mail, such notice shall be deemed adequately delivered when deposited in the United States mails so addressed, with postage thereon prepaid, at least five (5) days before such meeting. If by overnight mail or courier service, such notice shall be deemed adequately delivered when delivered to the overnight mail or courier service company at least twenty-four (24) hours before such meeting. If by email, facsimile transmission, telephone or by hand, such notice shall be deemed adequately delivered when the notice is transmitted at least twelve (12) hours before such meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice of such meeting, except for amendments to these Bylaws, as provided under Section 9.1 of these Bylaws. A meeting may be held at any time without notice if all the directors are present or if those not present waive notice of the meeting in accordance with Section 7.4 of these Bylaws.

SECTION 3.7 Action by Consent of Board of Directors. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing, or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board, or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

SECTION 3.8 Conference Telephone Meetings. Members of the Board of Directors, or any committee thereof, may participate in a meeting of the Board of Directors or such committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting.

SECTION 3.9 Quorum. At all meetings of the Board, the presence of a majority of the total authorized number of directors shall constitute a quorum for the transaction of business. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. The directors present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough directors to leave less than a quorum.

SECTION 3.10 Vacancies. Subject to applicable law and the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, vacancies resulting from death, resignation, retirement, disqualification, removal from office or other cause, and newly created directorships resulting from any increase in the authorized number of directors, may be filled only by the affirmative vote of a majority of the remaining directors, though less than a quorum of the Board of Directors, or the sole remaining director and directors so chosen shall hold office (i) until the Declassification Time, for a term expiring at an annual meeting of stockholders at which the term of office of the class to which they have been appointed expires and until such director's successor has been duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided, and (ii) after the Declassification Time, until such director's successor has been duly elected and qualified or until his or her earlier death, resignation or removal as hereinafter provided. No decrease in the number of authorized directors constituting the Board of Directors shall shorten the term of any incumbent director.

SECTION 3.11 Chairman of the Board; Lead Independent Director; Vice Chair. The Chairman of the Board will be elected by the Board of Directors and shall preside at all meetings of the stockholders and of the Board of Directors. The Board of Directors may designate the Chairman of the Board of Directors as an executive or non-executive Chairman. In addition, the Board of Directors may select a non-management director to serve as the Corporation's "lead independent director" (the "Lead Independent Director") and may select a non-management director to serve as the Corporation's vice chair (the "Vice Chair").

SECTION 3.12 Removal. Prior to the Declassification Time, any director, or the entire Board of Directors, may be removed from office at any time but only for cause and only by the affirmative vote of the holders of a majority of the Voting Stock at a meeting called for that purpose. From and after the Declassification Time, any director may be removed from office at any time with or without cause, but only by the affirmative vote of the holders of a majority of the Voting Stock at a meeting called for that purpose.

SECTION 3.13 Committees. The Board may designate any committee as the Board considers appropriate, which shall consist of one or more directors of the Corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Any such committee may to the extent permitted by law exercise such powers and shall have such responsibilities as shall be specified in the designating resolution. Each committee shall keep written minutes of its proceedings and shall report such proceedings to the Board when required.

A majority of any committee may determine its action and fix the time and place of its meetings, unless the Board shall otherwise provide. Notice of such meetings shall be given to each member of the committee in the manner provided for in Section 3.6 of these Bylaws. The Board shall have power at any time to fill vacancies in, to change the membership of, or to dissolve, any such committee. Nothing herein shall be deemed to prevent the Board from appointing one or more committees consisting, in whole or in part, of persons who are not directors of the Corporation; provided, however, that no such committee shall have or may exercise any authority of the Board.

SECTION 3.14 Compensation. The directors shall be entitled to compensation for their services and reimbursement for expenses incurred in connection with the performance of their services.

ARTICLE IV

OFFICERS

SECTION 4.1 Elected Officers. The elected officers of the Corporation shall be a Chief Executive Officer, a President, a Secretary, a Treasurer, and such other officers (including, without limitation, a Chief Financial Officer) as the Board of Directors from time to time may deem proper. Any number of offices may be held by the same person. All officers elected by the Board of Directors shall each have such powers and duties as generally pertain to their respective offices, subject to the specific provisions of this Article IV. Such officers shall also have such powers and duties as from time to time may be conferred by the Board of Directors or by any committee thereof. The Board or any committee thereof may from time to time elect, or the Chief Executive Officer may appoint, such other officers (including one or more Assistant Vice Presidents, Assistant Secretaries and Assistant Treasurers) and such agents, as may be necessary or desirable for the conduct of the business of the Corporation. Such other officers and agents shall have such duties and shall hold their offices for such terms as shall be provided in these Bylaws or as may be prescribed by the Board or such committee or by the Chief Executive Officer, as the case may be.

SECTION 4.2 Election and Term of Office. The elected officers of the Corporation shall be elected by the Board of Directors. Each officer shall hold office until such officer's successor shall have been duly elected and shall have qualified or until such officer's earlier resignation or removal.

SECTION 4.3 Chairman of the Board. The Chairman of the Board shall preside at all meetings of the stockholders and of the Board of Directors.

SECTION 4.4 Chief Executive Officer. The Chief Executive Officer shall be responsible for the general management of the affairs of the Corporation and shall perform all duties incidental to his office which may be required by applicable law and all such other duties as are properly required of him by the Board of Directors. He shall make reports to the Board of Directors and the stockholders, and shall see that all orders and resolutions of the Board of Directors and of any committee thereof are carried into effect.

SECTION 4.5 President. The President shall act in a general executive capacity and shall assist the Chief Executive Officer in the administration and operation of the Corporation's business and general supervision of its policies and affairs.

SECTION 4.6 Vice Presidents. Each Vice President shall have such powers and shall perform such duties as shall be assigned to such Vice President by the Board of Directors, the Chief Executive Officer or the President.

SECTION 4.7 Chief Financial Officer. The Chief Financial Officer shall act in an executive financial capacity. The Chief Financial Officer shall assist the Chief Executive Officer and the President in the general supervision of the Corporation's financial policies and affairs.

SECTION 4.8 Treasurer. The Treasurer shall exercise general supervision over the receipt, custody and disbursement of corporate funds. The Treasurer shall cause the funds of the Corporation to be deposited in such banks as may be authorized by the Board of Directors, or in such banks as may be designated as depositaries in the manner provided by resolution of the Board of Directors. The Treasurer shall have such further powers and duties and shall be subject to such directions as may be granted or

imposed upon him from time to time by the Board of Directors, the Chief Executive Officer or the President.

SECTION 4.9 Secretary. The Secretary shall:

(A) keep or cause to be kept in one or more books provided for that purpose, the minutes of all meetings of the Board of Directors, the committees of the Board of Directors and the stockholders;

(B) see that all notices are duly given in accordance with the provisions of these Bylaws and as required by applicable law;

(C) be custodian of the records and the seal of the Corporation and affix and attest the seal to all stock certificates, if any, of the Corporation (unless the seal of the Corporation on such certificates shall be a facsimile, as hereinafter provided) and affix and attest the seal to all other documents to be executed on behalf of the Corporation under its seal;

(D) see that the books, reports, statements, certificates and other documents and records required by applicable law to be kept and filed are properly kept and filed; and

(E) in general, perform all the duties incident to the office of Secretary and such other duties as from time to time may be assigned to such Secretary by the Board, the Chief Executive Officer or the President.

SECTION 4.10 Removal. Any officer elected, or agent appointed, by the Board of Directors may be removed from office with or without cause by the affirmative vote of a majority of the Board. Any officer or agent appointed by the Chief Executive Officer or the President may be removed by the officer that appointed such officer or agent with or without cause. No elected officer shall have any contractual rights against the Corporation for compensation by virtue of such election beyond the date of the election of his or her successor, his or her death, or his or her resignation or removal, whichever event shall first occur, except as otherwise provided in an employment contract or under an employee deferred compensation plan.

SECTION 4.11 Vacancies. A newly created elected office and a vacancy in any elected office because of death, resignation, or removal may be filled by the Board of Directors. Any vacancy in an office appointed by the Chief Executive Officer or the President because of death, resignation, or removal may be filled by the Chief Executive Officer or the President.

SECTION 4.12 Compensation. The compensation of all elected officers of the Corporation shall be fixed from time to time by the Board of Directors.

ARTICLE V

STOCK CERTIFICATES AND TRANSFERS

SECTION 5.1 Stock; Transfers. Unless otherwise determined by the Board of Directors, the interest of each stockholder of the Corporation will be uncertificated.

The shares of the stock of the Corporation shall be transferred on the books of the Corporation, in the case of certificated shares of stock, if any, by the holder thereof in person or by such person’s attorney duly authorized in writing, upon surrender for cancellation of certificates for at least the same number of

shares, with an assignment and power of transfer endorsed thereon or attached thereto, duly executed, with such proof of the authenticity of the signature as the Corporation or its agents may reasonably require; and, in the case of uncertificated shares of stock, upon receipt of proper transfer instructions from the registered holder of the shares or by such person's attorney duly authorized in writing, and upon compliance with appropriate procedures for transferring shares in uncertificated form. No transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing from and to whom transferred.

The certificates of stock, if any, shall be signed, countersigned and registered in such manner as the Board of Directors may by resolution prescribe, which resolution may permit all or any of the signatures on such certificates to be in facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

Notwithstanding anything to the contrary in these Bylaws, at all times that the Corporation's stock is listed on a stock exchange, the shares of the stock of the Corporation shall comply with all direct registration system eligibility requirements established by such exchange, including any requirement that shares of the Corporation's stock be eligible for issue in book-entry form. All issuances and transfers of shares of the Corporation's stock shall be entered on the books of the Corporation with all information necessary to comply with such direct registration system eligibility requirements, including the name and address of the person to whom the shares of stock are issued, the number of shares of stock issued and the date of issue. The Board of Directors shall have the power and authority to make such rules and regulations as it may deem necessary or proper concerning the issue, transfer and registration of shares of stock of the Corporation in both the certificated (if any) and uncertificated form.

SECTION 5.2 Lost, Stolen or Destroyed Certificates. No certificate for shares of stock in the Corporation shall be issued in place of any certificate alleged to have been lost, destroyed or stolen, except on production of such evidence of such loss, destruction or theft and on delivery to the Corporation of a bond of indemnity in such amount, upon such terms and secured by such surety, as the Board of Directors or any financial officer may in its or such person's discretion require.

SECTION 5.3 Record Owners. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise required by applicable law.

SECTION 5.4 Transfer and Registry Agents. The Corporation may from time to time maintain one or more transfer offices or agencies and registry offices or agencies at such place or places as may be determined from time to time by the Board of Directors or by the Chief Executive Officer or President.

ARTICLE VI

INDEMNIFICATION

SECTION 6.1 Indemnification.

(A) In General. Each person who was or is a party or is otherwise threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter, a "Proceeding"), by reason of the fact that he or she or a person of whom he or she is the legal representative is or was, at any time during which this Bylaw is in effect (whether or not such person continues to serve in such capacity at the time any indemnification or advancement of expenses pursuant hereto is sought or at the time any Proceeding relating thereto exists or is brought), a director or officer of the Corporation or, while serving as a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans maintained or sponsored by the Corporation (hereinafter, a "Covered Person"), shall be (and shall be deemed to have a contractual right to be) indemnified and held harmless by the Corporation (and any successor of the Corporation by merger or otherwise) to the fullest extent authorized by the DGCL as the same exists or may hereafter be amended or modified from time to time (but, in the case of any such amendment or modification, only to the extent that such amendment or modification permits the Corporation to provide greater indemnification rights than said law permitted the Corporation to provide prior to such amendment or modification), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by such person in connection with such Proceeding if the person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the person's conduct was unlawful. Such indemnification shall continue as to a person who has ceased to be a director or officer of the Corporation or ceased serving at the request of the Corporation as a director, officer, trustee, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans maintained or sponsored by the Corporation, and shall inure to the benefit of his or her heirs, executors and administrators; provided that, except as provided in Section 6.1(D), the Corporation shall indemnify any such person seeking indemnification in connection with a Proceeding (or part thereof) initiated by such person only if such Proceeding (or part thereof) was authorized by the Board of Directors.

(B) Advance of Expenses. To the fullest extent authorized by the DGCL as the same exists or may hereafter be amended or modified from time to time (but, in the case of any such amendment or modification, only to the extent that such amendment or modification permits the Corporation to provide greater rights to advancement of expenses than said law permitted the Corporation to provide prior to such amendment or modification), each Covered Person shall have (and shall be deemed to have a contractual right to have) the right, without the need for any action by the Board of Directors, to be paid by the Corporation (and any successor of the Corporation by merger or otherwise) the expenses incurred in connection with any Proceeding in advance of its final disposition, such advances to be paid by the Corporation within twenty (20) days after the receipt by the Corporation of a statement or statements from

the claimant requesting such advance or advances from time to time; provided that if the DGCL requires, the payment of such expenses incurred by a director or officer in his or her capacity as a director or officer (and not, except to the extent specifically required by applicable law, in any other capacity in which service was or is rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter, the "Undertaking") by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right of appeal (a "final disposition") that such director or officer is not entitled to be indemnified for such expenses under this Bylaw or otherwise.

(C) Indemnification in Respect of Successful Defense. Any indemnification of a director or officer of the Corporation or advance of expenses (including attorneys' fees, costs and charges) under Section 6.1(A)−(B) shall be made promptly, and in any event within forty-five (45) days (or, in the case of an advance of expenses, twenty (20) days, provided that the director or officer has delivered the undertaking contemplated by Section 6.1(B)), upon the written request of the director or officer. If a determination by the Corporation that the director or officer is entitled to indemnification pursuant to this Section 6.1 is required, and the Corporation fails to respond within sixty days to a written request for indemnity, the Corporation shall be deemed to have approved the request.

(D) Procedure. To obtain indemnification under this Article VI, a claimant shall submit to the Corporation a written request, including therein or therewith such documentation and information as is reasonably available to the claimant and is reasonably necessary to determine whether and to what extent the claimant is entitled to indemnification. Upon written request by a claimant for indemnification, a determination, if required by applicable law, with respect to the claimant's entitlement thereto shall be made as follows: (1) by a majority of Disinterested Directors (as hereinafter defined), even though less than a quorum; or (2) by a committee of Disinterested Directors designated by majority vote of the Disinterested Directors, even though less than a quorum; or (3) if there are no Disinterested Directors, or if the Disinterested Directors so direct, by Independent Counsel (as hereinafter defined), in a written opinion to the Board of Directors, a copy of which shall be delivered to the claimant; or (4) if a majority of the Disinterested Directors so directs, by a majority vote of the stockholders of the Corporation. In the event the determination of entitlement to indemnification is to be made by Independent Counsel, the Independent Counsel shall be selected by the Disinterested Directors, unless there shall have occurred within two years prior to the date of the commencement of the Proceeding for which indemnification is claimed a "Change of Control" as defined in the Corporation's 2021 Omnibus Incentive Compensation Plan, in which case the Independent Counsel shall be selected by the claimant, unless the claimant shall request that such selection be made by the Disinterested Directors. If it is so determined that the claimant is entitled to indemnification, payment to the claimant shall be made within ten (10) days after such determination. If a claim for indemnification under this Article VI is not paid in full by the Corporation within thirty (30) days after a written claim pursuant to Section 6.1(D) of these Bylaws has been received by the Corporation, or if a request for advancement of expenses under this Article VI is not paid in full by the Corporation within twenty (20) days after a statement pursuant to Section 6.1(B) of these Bylaws and the required Undertaking, if any, have been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim for indemnification or request for advancement of expenses and, if successful, in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action that, under the DGCL, the claimant has not met the standard of conduct which makes it permissible for the Corporation to indemnify the claimant for the amount claimed or that the claimant is not entitled to the requested advancement of expenses, but (except where the required Undertaking, if any, has not been tendered to the Corporation) the burden of proving such defense shall be on the Corporation. Neither the

failure of the Corporation (including its Disinterested Directors, Independent Counsel or stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including its Disinterested Directors, Independent Counsel or stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(E) If a determination shall have been made pursuant to Section 6.1(D) of these Bylaws that the claimant is entitled to indemnification, the Corporation shall be bound by such determination in any judicial proceeding commenced pursuant to Section 6.1(D).

(F) The Corporation shall be precluded from asserting in any judicial proceeding commenced pursuant to Section 6.1(D) that the procedures and presumptions of this Bylaw are not valid, binding and enforceable and shall stipulate in such proceeding that the Corporation is bound by all the provisions of this Bylaw.

SECTION 6.2 Contract Rights; Amendment and Repeal; Non-Exclusivity of Rights.

(A) All of the rights conferred in this Article VI, as to indemnification, advancement of expenses and otherwise, shall be contract rights between the Corporation and each Covered Person to whom such rights are extended that vest at the commencement of such Covered Person's service to or at the request of the Corporation and: (x) any amendment or modification of this Article VI that in any way diminishes or adversely affects any such rights shall be prospective only and shall not in any way diminish or adversely affect any such rights with respect to such person; and (y) all of such rights shall continue as to any such Covered Person who has ceased to be a director or officer of the Corporation or ceased to serve at the Corporation's request as a director, officer, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, as described herein, and shall inure to the benefit of such Covered Person's heirs, executors and administrators.

(B) All of the rights conferred in this Article VI, as to indemnification, advancement of expenses and otherwise: (i) shall not be exclusive of any other rights to which any person seeking indemnification or advancement of expenses may be entitled or hereafter acquire under any statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or Disinterested Directors or otherwise both as to action in such person's official capacity and as to action in another capacity while holding such office; and (ii) cannot be terminated or impaired by the Corporation, the Board of Directors or the stockholders of the Corporation with respect to a person's service prior to the date of such termination.

SECTION 6.3 Insurance, Other Indemnification and Advancement of Expenses.

(A) The Corporation may maintain insurance, at its expense, to protect itself and any current or former director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

(B) The Corporation may, to the extent authorized from time to time by the Board of Directors or the Chief Executive Officer, grant rights to indemnification and rights to advancement of expenses incurred in connection with any Proceeding in advance of its final disposition, to any current or former officer, employee or agent of the Corporation to the fullest extent permitted by applicable law.

SECTION 6.4 Notice. Any notice, request or other communication required or permitted to be given to the Corporation under this Article VI shall be in writing and either delivered in person or sent by telecopy, telex, telegram, overnight mail or courier service, or certified or registered mail, postage prepaid, return receipt requested, to the Secretary and shall be effective only upon receipt by the Secretary.

SECTION 6.5 Severability. If any provision or provisions of this Article VI shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (1) the validity, legality and enforceability of the remaining provisions of this Article VI (including, without limitation, each portion of any paragraph of this Article VI containing any such provision held to be invalid, illegal or unenforceable, that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (2) to the fullest extent possible, the provisions of this Article VI (including, without limitation, each such portion of any paragraph of this Article VI containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

ARTICLE VII

MISCELLANEOUS PROVISIONS

SECTION 7.1 Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the thirty-first day of December of each year.

SECTION 7.2 Dividends. The Board of Directors may from time to time declare, and the Corporation may pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law and the Certificate of Incorporation.

SECTION 7.3 Seal. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its incorporation and the words “Corporate Seal” and “Delaware.” The form of such seal shall be subject to alteration by the Board. The seal may be used by causing it or a facsimile thereof to be impressed, affixed or reproduced or may be used in any other lawful manner.

SECTION 7.4 Waiver of Notice. Whenever any notice is required to be given to any stockholder or director of the Corporation under the provisions of the DGCL, the Certificate of Incorporation or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any annual or special meeting of the stockholders or the Board of Directors or committee thereof need be specified in any waiver of notice of such meeting.

SECTION 7.5 Audits. The accounts, books and records of the Corporation shall be audited upon the conclusion of each fiscal year by an independent certified public accountant selected by the Board of Directors.

SECTION 7.6 Resignations. Any director or any officer, whether elected or appointed, may resign at any time by giving written notice of such resignation to the Chairman of the Board or the Secretary, and such resignation shall be deemed to be effective as of the close of business on the date said notice is received by the Chairman of the Board or the Secretary, or at such later time as is specified therein. Except to the extent specified in such notice, no formal action shall be required of the Board of Directors or the stockholders to make any such resignation effective.

SECTION 7.7 Reliance on Reports and Experts. To the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, a member of the Board, or a member of any Committee designated by the Board, shall, in the performance of such member's duties, be fully protected in relying in good faith upon the records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or Committees of the Board, or by any other person as to matters the member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

SECTION 7.8 Definitions. For purposes of these Bylaws:

(1) "Affiliate" and "Associate" shall have the meanings ascribed thereto in Rule 405 under the Exchange Act; provided, however, that the term "partner" as used in the definition of "associate" shall not include any limited partner that is not involved in the management of the relevant partnership.

(2) "Disinterested Director" means a director of the Corporation who is not and was not a party to the matter in respect of which indemnification is sought by the claimant.

(3) "Independent Counsel" means a law firm, a member of a law firm, or an independent practitioner, that is experienced in matters of corporation law and shall include any person who, under the applicable standards of professional conduct then prevailing, would not have a conflict of interest in representing either the Corporation or the claimant in an action to determine the claimant's rights under these Bylaws.

(4) "Voting Stock" shall mean the outstanding shares of capital stock of the Corporation entitled to vote generally for the election of directors.

(5) "Public Announcement" shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act and the rules and regulations promulgated thereunder.

ARTICLE VIII

CONTRACTS, PROXIES

SECTION 8.1 Contracts. Except as otherwise required by applicable law, the Certificate of Incorporation or these Bylaws, any contracts or other instruments may be executed and delivered in the name and on behalf of the Corporation by such officer or officers of the Corporation as the Board of Directors may from time to time direct. Such authority may be general or confined to specific instances as the Board may determine. The Chairman of the Board, the Chief Executive Officer or the President of the Corporation may execute bonds, contracts, deeds, leases and other instruments to be made or executed by or on behalf of the Corporation. Subject to any restrictions imposed by the Board of Directors, the Chairman of the Board, the Chief Executive Officer or the President of the Corporation may delegate contractual powers to others under his jurisdiction, it being understood, however, that any such delegation of power shall not relieve such officer of responsibility with respect to the exercise of such delegated power.

SECTION 8.2 Proxies. Unless otherwise provided by resolution adopted by the Board of Directors, the Chairman of the Board, the Chief Executive Officer, the President or any Vice President may from time to time appoint an attorney or attorneys or agent or agents of the Corporation, in the name and on behalf of the Corporation, to cast the votes which the Corporation may be entitled to cast as the holder of stock or other securities in any other corporation, any of whose stock or other securities may be held by the Corporation, at meetings of the holders of the stock or other securities of such other corporation, or to consent in writing, in the name of the Corporation as such holder, to any action by such other corporation, and may instruct the person or persons so appointed as to the manner of casting such votes or giving such consent, and may execute or cause to be executed in the name and on behalf of the Corporation and under its corporate seal or otherwise, all such written proxies or other instruments as he or she may deem necessary or proper in the premises.

ARTICLE IX

AMENDMENTS

SECTION 9.1 Amendment.

(A) By the Stockholders. Subject to the provisions of the Certificate of Incorporation, these Bylaws may be altered, amended or repealed, or new Bylaws enacted, at any special meeting of the stockholders if duly called for that purpose (provided that in the notice of such special meeting, notice of such purpose shall be given), or at any annual meeting, by the affirmative vote of the holders of a majority of the Voting Stock.

(B) By the Board of Directors. Subject to the laws of the State of Delaware, the Certificate of Incorporation and these Bylaws, these Bylaws may also be altered, amended or repealed, or new Bylaws enacted, by the Board of Directors.

ARTICLE X

CONSTRUCTION

SECTION 10.1 Construction. In the event of any conflict between the provisions of these Bylaws as in effect from time to time and the provisions of the Certificate of Incorporation of the Corporation as in effect from time to time, the provisions of such Certificate of Incorporation shall be controlling.

Exhibit 4.1
Execution Version

GXO LOGISTICS, INC.

DEBT SECURITIES

INDENTURE

Dated as of July 2, 2021

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Trustee

CROSS-REFERENCE TABLE

This Cross-Reference Table is not a part of the Indenture

TIA Section	Indenture Section
310(a)(1)	7.10
(a)(2)	7.10
(a)(3)	N.A.
(a)(4)	N.A.
(b)	7.08; 7.10; 11.02
311(a)	7.11
(b)	7.11
312(a)	2.05
(b)	11.03
(c)	11.03
313(a)	7.06
(b)(1)	N.A.
(b)(2)	7.06
(c)	11.02
(d)	7.06
314(a)	4.03; 11.02
(b)	N.A.
(c)(1)	11.04
(c)(2)	11.04
(c)(3)	N.A.
(d)	N.A.
(e)	11.05
315(a)	7.01(b)
(b)	7.05; 11.02
(c)	7.01(a)
(d)	7.01(c)
(e)	6.11
316(a)(last sentence)	11.06
(a)(1)(A)	6.05
(a)(1)(B)	6.04
(a)(2)	N.A.
(b)	6.07
(c)	9.04
317(a)(1)	6.08
(a)(2)	6.09
(b)	2.04
318(a)	11.01
(c)	N.A.

N.A. means Not Applicable.

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INDENTURE dated as of July 2, 2021 (the "**Base Indenture**"), by and between GXO LOGISTICS, INC., a Delaware corporation (the "**Company**"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, as trustee (the "**Trustee**").

Each party agrees as follows for the benefit of the other party and for the equal and ratable benefit of the Holders of the Company's debt securities issued under this Base Indenture:

ARTICLE 1
DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01. *Definitions*.

"**Affiliate**" means, when used with reference to a specified Person, any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Person specified.

"**Agent**" means any Registrar, Paying Agent or co-Registrar or agent for service of notices and demands.

"**Authorizing Resolution**" means a resolution adopted by the Board of Directors or by an Officer or committee of Officers pursuant to delegation by the Board of Directors authorizing a Series of Securities.

"**Bankruptcy Law**" means Title 11 of the United States Code, as amended, or any similar federal or state law for the relief of debtors.

"**Board of Directors**" means the Board of Directors of the Company or any duly authorized committee thereof.

"**Business Day**" means any calendar day that is not a Saturday or a Sunday or a day on which banking institutions in the City of New York (or any other place of payment with respect to the applicable Security) are authorized or required by law, regulation or executive order to close.

"**capital stock**" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated) of or in such Person's capital stock or other equity interests.

"**Commission**" means the Securities and Exchange Commission, as from time to time constituted, created under the Exchange Act or, if at any time after the execution of this Base Indenture such Commission is not existing and performing the duties now assigned to it under the TIA, then the body performing such duties at such time.

"**Company**" means the party named as such in this Indenture until a successor replaces it pursuant to the Indenture and thereafter means the successor.

"**Consolidated Total Assets**" means, as of the time of determination, total assets as reflected on the Company's most recent consolidated balance sheet prepared as of the end of a fiscal quarter in accordance with GAAP which the Company shall have most recently filed with the Commission (or, if the Company is not required to so file, as reflected on its most recent consolidated balance sheet prepared in accordance with GAAP) prior to the time at which Consolidated Total Assets is being determined. The calculation of Consolidated Total Assets shall give pro forma effect to any acquisition by or disposition of assets of the Company or any of its Subsidiaries involving the payment or receipt by the Company or any of its Subsidiaries, as applicable, of consideration (whether in the form of cash or non-cash consideration) in excess of $500,000,000 that has occurred since the end of such fiscal quarter, as if such acquisition or disposition had occurred on the last day of such fiscal quarter.

"**Continuing Entity**" has the meaning set forth in Section 5.01(a)(i).

"**control**" means, when used with respect to any Person, the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"**Default**" means any event, act or condition that is, or after notice or the passage of time or both would be, an Event of Default.

"**Definitive Security**" means a certificated Security registered in the name of the Securityholder thereof.

"**Depositary**" means, with respect to Securities of any Series which the Company shall determine will be issued in whole or in part as a Global Security, DTC, another clearing agency, or any successor registered as a clearing agency under the Exchange Act, and any other applicable U.S. or foreign statute or regulation, which, in each case, shall be designated by the Company pursuant to Section 2.01.

"**Dollars**" or "**$**" means United States Dollars.

"**Domestic Subsidiary**" means any Subsidiary of the Company of which, at the time of determination, all of the outstanding capital stock (other than directors' qualifying shares) is owned by the Company directly and/or indirectly and which, at the time of determination, is primarily engaged in contract logistics, other than a Subsidiary that (a) neither transacts any substantial portion of its business nor regularly maintains any substantial portion of its fixed assets within the United States, (b) all or substantially all of whose assets consist of the capital stock of one or more Subsidiaries which are not Domestic Subsidiaries, (c) a majority of whose Voting Stock is owned directly or indirectly by one or more Subsidiaries of the Company which are not Domestic Subsidiaries or (d) does not own a Principal Property.

"**DTC**" means The Depository Trust Company.

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

"**Foreign Currency**" means any currency, currency unit or composite currency, including, without limitation, the euro, issued by the government of one or more countries other than the United States of America or by any recognized confederation or association of such governments.

"**GAAP**" means generally accepted accounting principles in the United States of America in effect from time to time.

"**Global Security**" means, with respect to any Series of Securities, a Security executed by the Company and delivered by the Trustee to the Depositary or pursuant to the Depositary's instruction, all in accordance with the Indenture, which shall be registered in the name of the Depositary or its nominee.

"**Government Obligations**" means securities which are (i) direct obligations of the United States or the other government or governments in the confederation which issued the Foreign Currency in which the principal of or any interest on the Security of the applicable Series shall be payable, in each case for the payment of which its full faith and credit is pledged or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States or such other government or governments, in each case the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States or such other government or governments, which, in either case are not callable or redeemable at the option of the issuer or issuers thereof, and shall also include a depositary receipt issued by a bank or trust company as custodian with respect to any such Government Obligations or a specific payment of interest on or principal of any such Government Obligation held by such custodian for the account of the holder of a depositary receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the Government Obligation or the specific payment of interest on or principal of the Government Obligation evidenced by such depositary receipt.

"**Holder**" or "**Securityholder**" means the Person in whose name a Security is registered on the Registrar's books.

"**Indebtedness**" means, with respect to any Person, debt (other than Non-recourse Obligations) of such Person for borrowed money.

"**Indenture**" means this Base Indenture as amended or supplemented from time to time, including pursuant to any Authorizing Resolution or supplemental indenture pertaining to any Series, and including, for all purposes of this instrument and any such Authorizing Resolution or supplemental indenture, the provisions of the TIA that are deemed to be a part of and govern this Base Indenture and any such Authorizing Resolution or supplemental indenture, respectively.

"**Issue Date**" means, with respect to any Series of Securities, the date on which the Securities of such Series are originally issued under this Indenture.

"**Lien**" means any lien, security interest, pledge, mortgage, conditional sale or other title retention agreement or other similar encumbrance.

"**Non-recourse Obligation**" means Indebtedness (A) substantially related to (1) the acquisition of assets not previously owned by the Company or any of its Subsidiaries or (2) the financing of a project involving the development or expansion of properties of the Company or any of its Subsidiaries, or (B) renewing, refinancing, replacing or extending any of the types of Indebtedness referred to in the preceding clause (A), in each case, as to which the obligee with respect to such Indebtedness has no recourse to the Company or its assets other than the assets which were acquired with the proceeds of such transaction or the project financed with the proceeds of such transaction (and the proceeds thereof), *provided* that Indebtedness will not fail to qualify as Non-recourse Obligations solely because the Company has indemnified any such obligee against damages resulting from or is otherwise obligated to such obligee in respect of exceptions to non-recourse liability in general usage (as determined in good faith by the Board of Directors or any Senior Officer of the Company) in the relevant industry at the time such Indebtedness is incurred (such as fraud, waste, misapplication of funds, failure to maintain insurance coverage, and environmental liability).

"**Notice of Default**" has the meaning specified in Section 6.01(c).

"**NYUCC**" means the New York Uniform Commercial Code, as in effect from time to time.

"**Officer**" means the Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer, the Chief Accounting Officer, the President, any Vice President, the Treasurer, the Assistant Treasurer, the Controller or the Secretary of the Company.

"**Officer's Certificate**" means a certificate signed by an Officer of the Company.

"**Opinion of Counsel**" means a written opinion of counsel, which may be an employee of or counsel for the Company, any Subsidiary of the Company or any Person of which the Company is a Subsidiary, and who shall be reasonably acceptable to the Trustee.

"**Person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or political subdivision thereof.

"**principal**" of a debt security means the principal of the security *plus*, when appropriate, the premium, if any, on the security.

"**Principal Property**" means the land, improvements, buildings and fixtures constituting any research and development facility or service and support facility that is real property located within the territorial limits of the United States (excluding its territories and possessions and Puerto Rico) owned or leased by the Company or any of its Domestic Subsidiaries and having a net book value which, on the date of determination as to whether a Property is a Principal Property is being made, exceeds 2%

of Consolidated Total Assets, other than (a) any such facility as any of the Board of Directors determines in good faith is not of material importance to the total business conducted, or assets owned, by the Company and its Subsidiaries, taken as a whole, and (b) the Company's principal corporate offices.

"**Property**" means any property or asset, whether real, personal or mixed, or tangible or intangible, including shares of capital stock.

"**Securities**" means any securities that are issued under this Base Indenture.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**Senior Officer**" of any specified Person means the Chief Executive Officer, any President, any Vice President, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Secretary or any Assistant Secretary of such Person.

"**Series**" means a series of Securities established under this Base Indenture.

"**Subsidiary**" means any corporation or other entity of which at least a majority of the outstanding capital stock or other equity interests having by the terms thereof ordinary voting power to elect a majority of the directors, managers or trustees of such corporation or other entity, irrespective of whether or not at the time capital stock or other equity securities of any other class or classes of such corporation or other entity shall have or might have voting power by reason of the happening of any contingency, is at the time, directly or indirectly, owned or controlled by the Company or by one or more of its Subsidiaries, or by the Company and one or more of its Subsidiaries.

"**TIA**" means the Trust Indenture Act of 1939, as amended.

"**Trust Officer**" means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, senior associate, associate, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who, in each case, shall have direct responsibility for the administration of this Indenture.

"**Trustee**" means the party named as such in this Base Indenture until a successor replaces it pursuant to this Base Indenture and thereafter means the successor serving hereunder; *provided, however*, that if at any time there is more than one such Person, "Trustee" as used with respect to the Securities of any Series shall mean only the Trustee with respect to Securities of that Series.

"**United States**" means the United States of America.

"**Voting Stock**" of any specified Person as of any date means the capital stock of such Person that is at the time entitled to vote generally in the election of the board of

directors or managers of such Person (or if such Person is a partnership, the board of directors or other governing body of the general partner of such Person).

Section 1.02. *Other Definitions*.

Term	Defined in Section
Agent Members	2.15(a)
Applicable Deficit	8.01(e)
Base Indenture	Preamble
Covenant Defeasance	8.01(c)
Event of Default	6.01
Legal Defeasance	8.01(b)
Legal Holiday	11.07
Paying Agent	2.03
Registrar	2.03
Security Register	2.03
Signature Law	11.12

Section 1.03. *Incorporation by Reference of Trust Indenture Act*. Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture. The following TIA terms used in this Indenture have the following meanings:

"indenture securities" means the Securities of a particular Series.

"obligor" on the indenture securities means the Company or any other obligor on the Securities of a Series.

All other TIA terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by Commission rule have the meanings so assigned to them.

Section 1.04. *Rules of Construction*. Unless the context otherwise requires:

(a) a term has the meaning assigned to it herein;

(b) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP and all accounting determinations shall be made in accordance with GAAP;

(c) "or" is not exclusive and "including" means "including without limitation";

(d) words in the singular include the plural, and in the plural include the singular;

(e) "herein," "hereof" and "hereunder," and other words of similar import, refer to this Indenture as a whole (including any Authorizing Resolution or supplemental

indenture relating to the relevant Series) and not to any particular Article, Section or other subdivision;

(f) all exhibits are incorporated by reference herein and expressly made a part of this Indenture; and

(g) any transaction or event shall be considered "permitted by" or made "in accordance with" or "in compliance with" this Indenture or any particular provision hereof if such transaction or event is not expressly prohibited by this Indenture or such provision, as the case may be.

ARTICLE 2
THE SECURITIES

Section 2.01. *Form and Dating*. The aggregate principal amount of Securities that may be issued under this Base Indenture is unlimited. The Securities may be issued from time to time in one or more Series. Each Series shall be created by an Authorizing Resolution, an Officer's Certificate or a supplemental indenture that establishes the terms of the Series, which may include the following:

(a) the title of the Series;

(b) the aggregate principal amount (or any limit on the aggregate principal amount) of the Series and, if any Securities of a Series are to be issued at a discount from their face amount, or with a premium, the method of computing the accretion of such discount or computing such premium;

(c) the interest rate or method of calculation of the interest rate;

(d) the date from which interest will accrue;

(e) the record dates for interest payable on Securities of the Series;

(f) the dates when, places where and manner in which principal and interest are payable;

(g) if there is more than one Trustee or a Trustee other than Wells Fargo Bank, National Association, the identity of the Trustee and, if not the Trustee, the identity of each Registrar, Paying Agent or authenticating agent with respect to such Securities;

(h) the terms of any mandatory (including any sinking fund requirements) or optional redemption by the Company;

(i) the terms of any redemption at the option of Holders;

(j) the permissible denominations in which Securities of such Series are issuable, if different from $2,000 and multiples of $1,000 in excess thereof;

(k) whether Securities of such Series will be issued in registered or bearer form and the terms of any such forms of Securities;

(l) whether the Securities of the Series shall be issued in whole or in part in the form of a Global Security or Securities; the terms and conditions, if different from those contained in this Base Indenture, upon which such Global Security or Securities may be exchanged in whole or in part for Definitive Securities; the Depositary for such Global Security or Securities; and the form of any legend or legends, if any, to be borne by any such Global Security or Securities in addition to or in lieu of the legends referred to in Section 2.15;

(m) the currency or currencies (including any composite currency) in which principal or interest or both may be paid and the agency or organization, if any, responsible for overseeing any composite currency;

(n) if payments of principal or interest may be made in a currency other than that in which Securities of such Series are denominated, the manner for determining such payments, including the time and manner of determining the exchange rate between the currency in which such Securities are denominated and the currency in which such Securities or any of them may be paid, and any deletions from or modifications of or additions to the terms of this Base Indenture to provide for or to facilitate the issuance of Securities denominated or payable, at the election of the Company or a Holder thereof or otherwise, in a Foreign Currency;

(o) whether the amount of payments of principal of or any interest on such Securities may be determined with reference to an index, formula, financial or economic measure or other method or methods (which index, formula, measure or method or methods may be based, without limitation, on one or more currencies, commodities, equity indices or other indices) and if so, the terms and conditions upon which and the manner in which such amounts shall be determined and paid or be payable;

(p) provisions for electronic issuance of Securities or issuance of Securities of such Series in uncertificated form;

(q) any Events of Default, covenants, defined terms and/or other terms in addition to or in lieu of those set forth in this Base Indenture;

(r) whether and upon what terms Securities of such Series may be defeased or discharged if different from the provisions set forth in this Base Indenture;

(s) the form of the Securities of such Series, which, unless the Authorizing Resolution, Officer’s Certificate or supplemental indenture otherwise provides, shall be in the form of Exhibit A;

(t) any terms that may be required by or advisable under applicable law;

(u) the percentage of the principal amount of the Securities of such Series which is payable if the maturity of the Securities of such Series is accelerated in the case of Securities issued at a discount from their face amount;

(v) whether Securities of such Series will or will not have the benefit of guarantees and, if applicable, the terms and conditions upon which such guarantees may be subordinated to other indebtedness of the respective guarantors;

(w) whether the Securities of such Series are unsubordinated or subordinated debt securities, and if subordinated debt securities, the terms of such subordination;

(x) whether the Securities of the Series will be convertible into or exchangeable for other Securities, capital stock or other securities of any kind of the Company or another Person or Persons, and, if so, the terms and conditions upon which such Securities will be so convertible or exchangeable, including the initial conversion or exchange price or rate or the method of calculation, how and when the conversion price or exchange ratio may be adjusted, whether conversion or exchange is mandatory, at the option of the holder or at the Company's option, the conversion or exchange period, and any other provision in relation thereto; and

(y) any other terms in addition to or different from those contained in this Base Indenture applicable to such Series.

All Securities of one Series need not be issued at the same time and, unless otherwise provided, a Series may be reopened for issuances of additional Securities of such Series pursuant to an Authorizing Resolution, an Officer's Certificate or in any indenture supplemental hereto.

The creation and issuance of a Series and the authentication and delivery thereof are not subject to any conditions precedent.

Section 2.02. *Execution and Authentication*. One Officer shall sign the Securities for the Company by manual or facsimile signature.

If an Officer whose signature is on a Security no longer holds that office at the time the Trustee authenticates the Security, the Security shall nevertheless be valid.

A Security shall not be valid until the Trustee manually signs the certificate of authentication on the Security. The signature shall be conclusive evidence that the Security has been authenticated under this Base Indenture.

At any time and from time to time after the execution and delivery of this Base Indenture, the Company may deliver Securities of any series executed by the Company to the Trustee for authentication. Each Security shall be dated the date of its authentication. The Trustee shall authenticate Securities for original issue upon receipt of, and shall be fully protected in relying upon:

(a) an order to the Trustee signed by an Officer of the Company directing the Trustee to authenticate the Securities;

(b) an Officer's Certificate of the Company delivered in accordance with Section 11.04; and

(c) other than in connection with the authentication of the Securities issued on the date hereof pursuant to this Indenture, an Opinion of Counsel delivered in accordance with Section 11.04.

(d) The Trustee shall have the right to decline to authenticate and deliver any Securities under this Section if the Trustee, being advised by counsel, determines that such action may not lawfully be taken or if the Trustee in good faith shall determine that such action would expose the Trustee to personal liability to existing Holders.

Section 2.03. *Registrar and Paying Agent*. The Company shall maintain an office or agency where Securities may be presented for registration of transfer or where Securities of a Series that are convertible or exchangeable may be surrendered for conversion or exchange ("**Registrar**"), an office or agency where Securities may be presented for payment ("**Paying Agent**") and an office or agency where notices and demands to or upon the Company in respect of the Securities and this Indenture may be served. The Registrar shall keep a register of the Securities and of their transfer and exchange (the "**Security Register**"). The Company may have one or more co-Registrars and one or more additional paying agents. The term "Paying Agent" includes any additional paying agent. The Company may at any time rescind the designation of any Registrar or Paying Agent or approve a change in the office through which the Registrar or Paying Agent acts.

The Company shall enter into an appropriate agency agreement with any Agent not a party to this Base Indenture. The agreement shall implement the provisions of this Indenture that relate to such Agent. The Company shall promptly notify the Trustee in writing of the name and address of any such Agent, and the Trustee shall have the right to inspect the Security Register at all reasonable times to obtain copies thereof, and the Trustee shall have the right to rely upon such register as to the names and addresses of the Holders and the principal amounts and certificate numbers thereof. If the Company fails to maintain a Registrar or Paying Agent or fails to give the foregoing notice, the Trustee shall act as such.

The Company initially appoints the Trustee as Registrar and Paying Agent.

Section 2.04. *Paying Agent to Hold Money in Trust*. Each Paying Agent shall hold in trust for the benefit of Securityholders and the Trustee all money held by the Paying Agent for the payment of principal of or interest on the Securities, and shall notify the Trustee of any default by the Company in making any such payment. If the Company or a Subsidiary acts as Paying Agent, it shall segregate the money and hold it as a separate trust fund. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon doing so the Paying Agent shall have no further

liability for the money. Upon an Event of Default under Section 6.01(d) or Section 6.01(e), the Trustee shall automatically be the Paying Agent.

Section 2.05. *Securityholder Lists*. The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Securityholders. If the Trustee is not the Registrar, the Company shall furnish to the Trustee at least five (5) Business Days before each semiannual interest payment date and at such other times as the Trustee may request in writing a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Securityholders.

Section 2.06. *Transfer and Exchange*. Where a Security is presented to the Registrar or a co-Registrar with a request to register a transfer, the Registrar shall register the transfer as requested if the requirements of Section 8-401(a) of the NYUCC are met and the other provisions of this Section 2.06 and, to the extent applicable, Section 2.15, are satisfied. Where Securities are presented to the Registrar or a co-Registrar with a request to exchange them for an equal principal amount of Securities of other denominations, the Registrar shall make the exchange as requested if the same requirements are met. To permit transfers and exchanges, the Trustee shall authenticate Securities at the Registrar's request. The Registrar need not transfer or exchange any Security selected for redemption or transfer or exchange any Security for a period of 15 days before a selection of Securities to be redeemed or repurchased. Any exchange or transfer shall be without charge, except that the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto, except in the case of exchanges pursuant to Section 2.09, 3.06 or 9.05 not involving any transfer. In connection with the foregoing, the Registrar may require a Holder to furnish appropriate endorsements and transfer documents.

Any Holder of a Global Security shall, by acceptance of such Global Security, agree that transfers of beneficial interests in such Global Security may be effected only through a book-entry system maintained by the Holder of such Global Security (or its agent), and that ownership of a beneficial interest in the Security shall be required to be reflected in a book entry.

Section 2.07. *Replacement Securities*. If the Holder of a Security claims that the Security has been lost, destroyed, mutilated or wrongfully taken, the Company shall issue and execute a replacement security and, upon written request of any Officer of the Company, the Trustee shall authenticate such replacement Security; *provided*, in the case of a lost, destroyed or wrongfully taken Security, that the requirements of Section 8-405 of the NYUCC are met. If any such lost, destroyed, mutilated or wrongfully taken Security shall have matured or shall be about to mature, the Company may, instead of issuing a substitute Security therefor, pay such Security without requiring (except in the case of a mutilated Security) the surrender thereof. An indemnity bond must be sufficient in the judgment of the Trustee to protect the Trustee and in the judgment of the Company to protect the Company, the Trustee and any Agent from any loss which any of them may suffer if a Security is replaced, including the acquisition of such Security by a bona fide

purchaser. The Company and the Trustee may charge for their expenses in replacing a Security.

Section 2.08. *Outstanding Securities*. Securities outstanding at any time are all Securities authenticated by the Trustee except for those cancelled by it and those described in this Section. A Security does not cease to be outstanding because the Company or one of its Affiliates holds the Security.

If a Security is replaced pursuant to Section 2.07, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Security is held by a "protected purchaser" (as such term is defined in the NYUCC).

If the Paying Agent holds on a redemption date, purchase date or maturity date money sufficient to pay Securities payable on that date, then on and after that date such Securities cease to be outstanding and interest on them ceases to accrue.

Subject to the foregoing provisions of this Section, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

Section 2.09. *Temporary Securities*. Until Definitive Securities are ready for delivery, the Company may execute and the Trustee shall (upon receipt of an order from the Company) authenticate temporary Securities. Temporary Securities shall be substantially in the form of Definitive Securities but may have variations that the Company considers appropriate for temporary Securities. Without unreasonable delay, the Company shall prepare and, upon surrender for cancellation of the temporary Security, the Company shall execute and the Trustee shall authenticate Definitive Securities in exchange for temporary Securities. Until so exchanged, the temporary Securities shall in all respects be entitled to the same benefits under this Indenture as Definitive Securities authenticated and delivered hereunder.

Section 2.10. *Cancellation*. The Company at any time may deliver Securities to the Trustee for cancellation. The Registrar and Paying Agent shall forward to the Trustee any Securities surrendered to them for registration of transfer, exchange, redemption, purchase or payment. The Trustee and no one else shall cancel and dispose of such cancelled or tendered Securities, or retain in accordance with its standard retention policy, all Securities surrendered for registration of transfer, exchange, redemption, purchase, payment or cancellation. Unless the Authorizing Resolution, Officer's Certificate or supplemental indenture so provides, the Company may not issue new Securities to replace Securities that it has previously paid or delivered to the Trustee for cancellation.

Section 2.11. *Defaulted Interest*. If the Company defaults in a payment of interest on the Securities of any Series, it shall pay the defaulted interest plus any interest payable on the defaulted interest to the persons who are Securityholders of such Series on a subsequent special record date. The Company shall fix such special record date and a

payment date. At least 15 days before such special record date, the Company shall send to each Securityholder of the relevant Series (with a copy to the Trustee) a notice that states the record date, the payment date and the amount of defaulted interest to be paid. On or before the date such notice is sent, the Company shall deposit with the Paying Agent money sufficient to pay the amount of defaulted interest to be so paid. The Company may pay defaulted interest in any other lawful manner if, after notice given by the Company to the Trustee of the proposed payment, such manner of payment shall be deemed practicable by the Trustee.

Section 2.12. *Treasury Securities*. In determining whether the Holders of the required principal amount of Securities of a Series have concurred in any direction, waiver, consent or notice, Securities owned by the Company or any of its Affiliates shall be considered as though they are not outstanding, except that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Securities which a Trust Officer of the Trustee actually knows are so owned shall be so considered.

Section 2.13. *CUSIP/ISIN Numbers*. The Company in issuing the Securities of any Series may use a "CUSIP" and/or "ISIN" or other similar number, and if so, the Trustee shall use the CUSIP and/or ISIN or other similar number in notices of redemption or exchange as a convenience to Holders of such Securities; *provided* that no representation is hereby deemed to be made by the Trustee as to the correctness or accuracy of any such CUSIP and/or ISIN or other similar number printed in the notice or on such Securities, and that reliance may be placed only on the other identification numbers printed on such Securities. The Company shall promptly notify the Trustee of any change in any CUSIP and/or ISIN or other similar number.

Section 2.14. *Deposit of Moneys*. Prior to 11:00 a.m., New York City time, on each interest payment date and maturity date with respect to each Series of Securities, the Company shall have deposited with the Paying Agent in immediately available funds money in the applicable currency sufficient to make cash payments due on such interest payment date or maturity date, as the case may be, in a timely manner which permits the Paying Agent to remit payment to the Holders of such Series on such interest payment date or maturity date, as the case may be.

Section 2.15. *Book-Entry Provisions for Global Security*. (a) Any Global Security of a Series initially shall (i) be registered in the name of the Depositary or the nominee of such Depositary, (ii) be delivered to the Trustee as custodian for such Depositary and (iii) bear any required legends.

Members of, or participants in, the Depositary ("**Agent Members**") shall have no rights under this Indenture with respect to any Global Security held on their behalf by the Depositary, or the Trustee as its custodian, or under the Global Security, and the Depositary may be treated by the Company, the Trustee and any agent of the Company or the Trustee as the absolute owner of the Global Security for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Trustee or any agent of the Company or the Trustee from giving effect to any written certification,

proxy or other authorization furnished by the Depositary or impair, as between the Depositary and its Agent Members, the operation of customary practices governing the exercise of the rights of a Holder of any Security.

(b) Transfers of any Global Security shall be limited to transfers in whole, but not in part, to the Depositary, its successors or their respective nominees. Global Securities of a Series will be exchangeable for Definitive Securities of such Series without interest coupons only in the following limited circumstances: (i) the Depositary (A) notifies the Company that it is unwilling or unable to continue as depositary for such Global Securities of such Series or (B) has ceased to be a clearing agency registered under the Exchange Act, and in either case, the Company fails to appoint a successor Depositary within 90 days; or (ii) the Company notifies the Trustee in writing that the Company has elected to cause the issuance of such Definitive Securities of such Series under the Indenture. In all such cases, Definitive Securities delivered in exchange for any Global Securities or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by or on behalf of the Depositary (in accordance with its customary procedures).

(c) In connection with any transfer or exchange of a portion of the beneficial interest in any Global Security to beneficial owners pursuant to paragraph (b), the Registrar shall (if one or more Definitive Securities are to be issued) reflect on its books and records the date and a decrease in the principal amount of the Global Security in an amount equal to the principal amount of the beneficial interest in the Global Security to be transferred, and the Company shall execute, and the Trustee shall authenticate and deliver, one or more Definitive Securities of like Series and amount.

(d) In connection with the transfer of an entire Global Security to beneficial owners pursuant to paragraph (b), the Global Security shall be deemed to be surrendered to the Trustee for cancellation, and the Company shall execute, and the Trustee shall authenticate and deliver, to each beneficial owner identified by the Depositary in exchange for its beneficial interest in the Global Security, an equal aggregate principal amount of Definitive Securities of the same Series in authorized denominations.

(e) The Holder of any Global Security may grant proxies and otherwise authorize any person, including Agent Members and persons that may hold interests through Agent Members, to take any action which a Holder is entitled to take under this Indenture or the Securities of such Series.

(f) Unless otherwise provided in the Authorizing Resolution or supplemental indenture for a particular Series of Securities, each Global Security of such Series shall bear legends in substantially the following forms:

"THIS GLOBAL SECURITY IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS SECURITY) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE HOLDERS OF BENEFICIAL INTERESTS HEREIN, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY

CIRCUMSTANCES, EXCEPT THAT (I) THE TRUSTEE MAY MAKE ANY SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO THE INDENTURE, (II) THIS GLOBAL SECURITY MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06 OF THE BASE INDENTURE, (III) THIS GLOBAL SECURITY MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO THE INDENTURE AND (IV) THIS GLOBAL SECURITY MAY BE TRANSFERRED AS A WHOLE, BUT NOT IN PART, TO THE DEPOSITARY, ITS SUCCESSORS OR THEIR RESPECTIVE NOMINEES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

Section 2.16. *No Duty to Monitor*. The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Security (including any transfers between or among Agent Members or beneficial owners of interests in any Global Security) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

Neither the Trustee nor any Agent shall have any responsibility for any actions taken or not taken by the Depositary.

ARTICLE 3
REDEMPTION

Section 3.01. *Notices to Trustee*. Securities of a Series that are redeemable prior to maturity shall be redeemable in accordance with their terms and, unless the Authorizing Resolution, Officer's Certificate or supplemental indenture provides otherwise, in accordance with this Article 3.

If the Company wants to redeem Securities pursuant to any provisions of such Securities permitting the Company to redeem such Securities at its option, it shall notify the Trustee in writing of the redemption date and the principal amount of Securities to be redeemed. Any such notice may be cancelled at any time prior to notice of such redemption being sent to Holders. Any such cancelled notice shall be void and of no effect.

If the Company wants to credit any Securities previously redeemed, retired or acquired against any redemption pursuant to any provisions of such Securities requiring the Company to redeem such Securities, it shall notify the Trustee of the amount of the credit and it shall deliver any Securities not previously delivered to the Trustee for cancellation with such notice.

The Company shall give each notice provided for in this Section 3.01 at least two days before the notice of any such redemption is to be delivered to Holders (unless a shorter notice shall be satisfactory to the Trustee).

Section 3.02. *Selection of Securities to be Redeemed*. If fewer than all of the Securities of a Series are to be redeemed, the Trustee (or Depositary, as applicable) shall select the Securities to be redeemed pro rata, by lot or such other method the Trustee (or Depositary, as applicable) considers fair and appropriate and in a manner that complies with applicable requirements of the Depositary. The Trustee (or Depositary, as applicable) shall make the selection from Securities outstanding not previously called for redemption and shall promptly notify the Company of the serial numbers or other identifying attributes of the Securities so selected. The Trustee (or Depositary, as applicable) may select for redemption portions of the principal of Securities that have denominations larger than the minimum denomination for the Series. Securities and portions of them it selects shall be in amounts equal to a permissible denomination for the Series. Provisions of this Indenture that apply to Securities called for redemption also apply to portions of Securities called for redemption.

Unless otherwise provided in the Authorizing Resolution, Officer’s Certificate or supplemental indenture relating to a Series, if any Security selected for partial redemption is converted into or exchanged for capital stock or other securities, cash or other property in part before termination of the conversion or exchange right with respect to the portion of the Security so selected, the converted portion of such Security shall be deemed (so far as may be) to be the portion selected for redemption. Securities which have been converted or exchanged during a selection of Securities to be redeemed shall be treated by the Trustee as outstanding for the purpose of such selection.

Section 3.03. *Notice of Redemption*. At least 10 days but not more than 60 days before a redemption date, the Company shall send a notice of redemption by first-class mail, postage prepaid (or in the case of Global Securities, deliver electronically in accordance with the applicable procedures of the Depositary), to each Holder of Securities to be redeemed (with a copy to the Trustee).

The notice shall identify the Securities to be redeemed and shall state:

(a) the redemption date and any conditions precedent to such redemption;

(b) the redemption price or the formula pursuant to which such price will be calculated;

(c) if any Security is being redeemed in part, the portion of the principal amount of such Security to be redeemed;

(d) in the case of Securities of a Series that are convertible or exchangeable into shares of the Company's capital stock or other securities, cash or other property, the conversion or exchange price or rate, the date or dates on which the right to convert or exchange the principal of the Securities of such Series to be redeemed will commence or terminate and the place or places where such Securities may be surrendered for conversion or exchange;

(e) the name and address of the Paying Agent;

(f) that Securities called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(g) that, unless the Company defaults in payment of the redemption price, interest on Securities called for redemption ceases to accrue on and after the redemption date;

(h) that the Securities are being redeemed pursuant to the mandatory redemption or the optional redemption provisions, as applicable; and

(i) the CUSIP number and that no representation is hereby deemed to be made be made by the Trustee as to the correctness or accuracy of any such CUSIP and/or ISIN or other similar number printed in the notice or on such Securities, and that reliance may be placed only on the other identification numbers printed on such Securities.

At the Company's request, the Trustee shall give the notice of redemption in the Company's name and at its expense; *provided*, *however*, that the Company shall deliver to the Trustee at least two days prior to the date on which notice of redemption is to be sent or such shorter period as may be satisfactory to the Trustee, such notice and an Officer's Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Section 3.04. *Effect of Notice of Redemption*. Once notice of redemption is sent, Securities called for redemption become due and payable on the redemption date and at the redemption price as set forth in the notice of redemption, unless otherwise specified in such notice of redemption. Upon surrender to the Paying Agent, such Securities shall be paid at the redemption price, *plus* accrued and unpaid interest to the redemption date.

Any notice of redemption of any Series of Securities may, at the Company's discretion, be subject to one or more conditions precedent with respect to completion of a corporate transaction (including, but not limited to, any merger, acquisition, disposition,

asset sale or corporate restructuring or reorganization) or financing (including, but not limited to, any incurrence of indebtedness (or entering into a commitment with respect thereto), sale and leaseback transaction, issuance of securities, equity offering or contribution, liability management transaction or other capital raise) and may be given prior to the completion thereof. If a redemption is subject to satisfaction of one or more conditions precedent, the notice shall describe each condition, and the notice may be rescinded in the event that any or all of the conditions shall not have been satisfied on or prior to the redemption date; provided, however that in no event may such notice be rescinded later than 10:00 a.m. New York City time on the redemption date. Any notice of redemption may provide that payment of the redemption price and the Company's obligations with respect to the redemption may be performed by another Person.

Section 3.05. *Deposit of Redemption Price*. On or before the redemption date, the Company shall deposit with the Paying Agent immediately available funds in the applicable currency sufficient to pay the redemption price of and accrued interest on all Securities to be redeemed on that date. Unless the Company defaults in payment of the redemption price, on and after the redemption date interest will cease to accrue on the Securities, or portions thereof, called for redemption.

Section 3.06. *Securities Redeemed in Part*. Upon surrender of a Definitive Security that is redeemed in part, the Company shall execute and the Trustee shall authenticate for each Holder a new Definitive Security of the same Series equal in principal amount to the unredeemed portion of the Definitive Security surrendered. If any Global Security is redeemed in part, the records of the Trustee shall reflect such decrease in the principal amount of such Global Security.

ARTICLE 4
COVENANTS

Section 4.01. *Payment of Securities*. The Company shall pay the principal of and interest on a Series on the dates, in the currency and in the manner provided in the Securities of the Series. An installment of principal or interest shall be considered paid on the date it is due if the Paying Agent holds on that date money in the applicable currency designated for and sufficient to pay the installment.

The Company shall pay interest on overdue principal at the rate borne by the Series; it shall pay interest on overdue installments of interest at the same rate.

Section 4.02. *Maintenance of Office or Agency*. The Company shall maintain the office or agency required under Section 2.03. The Company shall give prior written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the address of the Trustee, *provided* that the Trustee shall not be the agent for service of legal process on the Company.

Section 4.03. *Compliance Certificate*. The Company shall deliver to the Trustee within 120 days after the end of each fiscal year of the Company an Officer's Certificate stating whether or not the signer knows of any continuing Default by the Company in performing any of its obligations under this Indenture. If the signer does know of such a Default, the certificate shall describe the Default.

Section 4.04. *Waiver of Stay, Extension or Usury Laws*. The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead or in any manner whatsoever claim or take the benefit or advantage of any stay or extension law or any usury law or other law that would prohibit or forgive the Company from paying all or any portion of the principal of or interest on the Securities of any Series as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this Indenture; and (to the extent that it may lawfully do so) the Company expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 4.05. *Commission Reports*.

(a) During any time period in which the TIA applies to the Indenture or Securities of any Series, the Company shall file with the Trustee and the Commission, such information, documents and other reports, and such summaries thereof, as may be required pursuant to the TIA at the times and in the manner provided pursuant to the TIA; provided that any such information, documents or reports required to be filed with the Commission pursuant to Section 13 or 15(d) of the Exchange Act shall be filed with the Trustee within 15 days after the same is so required to be filed with the Commission. The Company will be deemed to have complied with the obligations described in the immediately previous sentence to the extent that the information, documents and reports are filed with the Commission via EDGAR (or any successor electronic delivery procedure) and posted on the Company's website or otherwise publicly available. For the avoidance of doubt, neither this Base Indenture nor the Securities will initially be qualified under the TIA as of the date hereof.

(b) Delivery of the reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants under the Indenture as to which the Trustee is entitled to rely conclusively on an Officer's Certificate. The Trustee shall have no liability or responsibility for the filing, timeliness or content of such reports.

(c) During any time period in which the TIA does not apply to the Indenture or Securities of any Series, for so long as any such Securities remain outstanding, the Company will furnish to the Holders and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Section 4.06. *Limitation on Liens*.

(a) If the Company or any of its Domestic Subsidiaries incurs, issues, assumes or guarantees any Indebtedness and that Indebtedness is secured by a Lien on any of the Principal Properties of the Company or any of its Domestic Subsidiaries, the Company will secure the Securities of each Series equally and ratably with, or prior to, such secured Indebtedness, so long as such secured Indebtedness shall be so secured.

(b) The foregoing restriction shall not apply, with respect to any Series, to:

(i) Liens on Property of a Person existing at the time such Person is merged into or consolidated with the Company or any of its Subsidiaries, at the time such Person becomes a Subsidiary of the Company, or at the time of a sale, lease or other disposition of all or substantially all of the Properties or assets of a Person to the Company or any of the Company's Subsidiaries; *provided* that such Lien was not incurred in anticipation of the merger, consolidation, sale, lease, or other disposition;

(ii) Liens on Property existing at the time of acquisition by the Company or any of its Subsidiaries of such Property (which may include Property previously leased by the Company or any of its Subsidiaries and leasehold interests on such Property, *provided* that the lease terminates prior to or upon the acquisition);

(iii) Liens on Property to secure the payment of all or any part of the cost of acquisition, construction, development or improvement of such Property, or to secure Indebtedness incurred to provide funds for any such purpose, *provided* that the commitment of the creditor to extend the credit secured by any such Lien shall have been obtained not later than 18 months after the later of (a) the completion of the acquisition, construction, development or improvement of such Property or (b) the placing in operation of such Property;

(iv) Liens in favor of the Company or any of its Subsidiaries;

(v) Liens existing on the date of the initial Issue Date of the Securities of such Series (other than any additional Securities of such Series);

(vi) Liens created to secure the Securities of such Series;

(vii) Liens incurred in connection with pollution control, industrial revenue or similar financings;

(viii) Liens on Property in favor of the United States of America or any state thereof, or in favor of any other country, or any department, agency, instrumentality or political subdivision thereof (including, without limitation, security interests to secure Indebtedness of the pollution control or industrial revenue type) in order to permit the Company or any of its Subsidiaries to perform a contract or to secure Indebtedness incurred for the purpose of financing

all or any part of the purchase price for the cost of constructing or improving the Property subject to such security interests or which is required by law or regulation as a condition to the transaction of any business or the exercise of any privilege, franchise or license;

(ix) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Indebtedness secured by any Lien referred to in clauses (i) through (viii) and (x), inclusive, *provided* that (1) such extension, renewal or replacement Lien shall be limited to all or a part of the same Property that secured the Lien extended, renewed or replaced (plus improvements on such Property, and plus any Property relating to a specific project, the completion of which is funded pursuant to clause (2)(b) below), and (2) the Indebtedness secured by such Lien at such time is not increased (other than (a) by an amount equal to any related financing costs (including, but not limited to, the accrued interest and premium, if any, on the Indebtedness being refinanced) and (b) where an additional principal amount of Indebtedness is incurred to provide funds for the completion of a specific project or Property that is subject to a Lien securing the Indebtedness being extended, refinanced or renewed, by an amount equal to such additional principal amount); or

(x) Liens created in substitution of any Liens permitted by clauses (i) through (ix), inclusive, *provided* that, (1) based on a good faith determination of a Senior Officer of the Company, the Principal Property encumbered by such substitute or replacement Lien is substantially similar in nature to the Principal Property encumbered by the otherwise permitted Lien that is being replaced, and (2) the Indebtedness secured by such Lien at such time is not increased (other than (a) by an amount equal to any related financing costs (including, but not limited to, the accrued interest and premium, if any, on the Indebtedness being refinanced) and (b) where an additional principal amount of Indebtedness is incurred to provide funds for the completion of a specific project or property that is subject to a Lien securing the Indebtedness being extended, refinanced or renewed, by an amount equal to such additional principal amount).

(c) Notwithstanding the restrictions set forth in Section 4.06(a) and Section 4.06(b), the Company and its Domestic Subsidiaries may incur secured Indebtedness which would otherwise be subject to such restrictions without equally and ratably securing the Securities of any Series, *provided* that, after giving effect to such secured Indebtedness, the outstanding aggregate principal amount of all such secured Indebtedness (not including Liens permitted under clauses (i) through (x) of Section 4.06(b) with respect to such Series) does not exceed the greater of (i) 15% of Consolidated Total Assets calculated as of the date of the creation or incurrence of the Lien and (ii) 15% of Consolidated Total Assets calculated as of the date of initial Issue Date of the Securities of such Series. The Company or its Domestic Subsidiaries may also, without equally and ratably securing the Securities of any Series, create or incur Liens that renew, substitute or replace (including successive renewals, substitutions or replacements), in whole or in part, any Lien permitted pursuant to the preceding sentence with respect to such Series.

ARTICLE 5
SUCCESSOR PERSON

Section 5.01. *When Company May Merge, etc*.

(a) The Company may consolidate with or merge into another Person or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its Property to any other Person, provided that:

(i) (A) the Company is the continuing Person, or (B) the successor formed from the consolidation or merger or the Person that received the transfer of or leases the Property (the "**Continuing Entity**") is a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia and expressly assumes, by an indenture supplemental hereto, all of the Company's obligations under the Securities and the Indenture;

(ii) immediately after giving effect to the transaction, no Event of Default shall have occurred and be continuing under this Indenture; and

(iii) the Company or the Continuing Entity delivers to the Trustee an Officer's Certificate and an Opinion of Counsel, subject to customary qualifications and exceptions, each stating that the transaction and (if a supplemental indenture is required in connection with such transaction) the supplemental indenture complies with this Section 5.01 and that all conditions precedent in this Indenture relating to the transaction have been satisfied.

(b) Upon satisfaction of the foregoing conditions, if the Company is not the continuing Person, then the Continuing Entity shall succeed to, and be substituted for, and may exercise every right and power of the Company under the Indenture and the Company will be released from all obligations and covenants under the Indenture and the Securities; *provided* that, in the case of a lease of all or substantially all of the Company's Property, the Company will not be released from any of the obligations or covenants under the Indenture and the Securities.

(c) Notwithstanding anything in this Section 5.01, any sale, conveyance, transfer, lease or other disposition of Property between or among the Company and its Subsidiaries will not be prohibited under the Indenture.

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01. *Events of Default*. Each of the following events shall constitute an "**Event of Default**" with respect to a Series of Securities:

(a) default in the payment of the principal of or premium, if any, on any Security of such Series when due at its stated maturity date, upon any optional or mandatory redemption or otherwise;

(b) default in the payment of any interest upon any Security of such Series when it becomes due and payable (if the time of payment has not been extended or deferred), and continuance of such default for a period of 30 days;

(c) default in the performance, or breach, of any covenant of the Company in the Indenture relating to the Securities of such Series (other than a covenant a default in whose performance or whose breach is elsewhere in this Section 6.01 specifically dealt with), and continuance of such default or breach for a period of 90 days after there has been given, by registered or certified mail, or overnight delivery service to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in aggregate principal amount of the outstanding Securities of such Series a written notice specifying such default or breach and stating that such notice is a "**Notice of Default**" under the Indenture;

(d) the entry by a court having jurisdiction in the premises of (i) a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (ii) a decree or order adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of all or substantially all of its Property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 90 consecutive days; and

(e) the commencement by the Company of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of all or substantially all of its Property, or the making by it of a general assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due.

Section 6.02. *Acceleration*. If an Event of Default (other than an Event of Default pursuant to Section 6.01(d) or Section 6.01(e)) occurs and is continuing with respect to a Series of Securities, then the Trustee or the Holders of not less than 25% in aggregate principal amount of the outstanding Securities of such Series may, by a notice in writing to the Company (and to the Trustee if given by Holders), declare the principal amount of all such Securities of such Series, plus accrued and unpaid interest, if any, on such Securities of such Series to be due and payable immediately, and upon any such declaration such principal amount and accrued and unpaid interest shall become

immediately due and payable. However, upon an Event of Default pursuant to Section 6.01(d) or Section 6.01(e), the principal amount of all outstanding Securities of such Series, plus accrued and unpaid interest, if any, on all outstanding Securities of such Series to the acceleration date, shall be due and payable immediately without any declaration or other act on the part of the Trustee or any Holder.

At any time after such a declaration of acceleration with respect to the Securities of a Series has been made but before a judgment or decree for payment of the money due has been obtained by the Trustee, the Holders of a majority in aggregate principal amount of the outstanding Securities of such Series, by written notice to the Trustee, may rescind and annul such declaration and its consequences if all Events of Default, other than the non-payment of the principal and interest, if any, of Securities of such Series which have become due solely as a result of such declaration of acceleration, have been cured or waived as provided in Section 6.04 hereof. No such rescission shall affect any subsequent Default or impair any right consequent thereon.

In case the Trustee shall have proceeded to enforce any right under the Indenture and such proceedings shall have been discontinued or been abandoned because of such rescission or annulment or for any other reason or shall have been determined adversely to the Trustee, then and in every such case the Company and the Trustee shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Company and the Trustee shall continue as though no such proceedings had been taken.

Section 6.03. *Other Remedies*. If an Event of Default with respect to a Series occurs and is continuing, the Trustee may pursue any available remedy by proceeding at law or in equity to collect the payment of principal of or interest on such Series or to enforce the performance of any provision in the Securities of such Series or this Indenture applicable to the Series.

The Trustee may maintain a proceeding even if it does not possess any of the Securities or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Securityholder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. No remedy is exclusive of any other remedy. All available remedies are cumulative.

Section 6.04. *Waiver of Existing Defaults*. Subject to the last sentence of the first paragraph of Section 9.02, the Holders of a majority in aggregate principal amount of the outstanding Securities of a Series affected by a waiver on behalf of all the Holders of such Series by notice to the Trustee have the right to waive an existing Default on such Series and its consequences. When a Default is waived, it is cured and stops continuing, and any Event of Default arising therefrom shall be deemed to have been cured; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05. *Control by Majority*. The Holders of a majority in principal amount of the outstanding Securities of a Series may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to such Series. The Trustee, however, may refuse to follow any direction (a) that conflicts with law or this Indenture, (b) that, subject to Section 7.01, the Trustee determines is unduly prejudicial to the rights of other Securityholders, (c) that would involve the Trustee in personal liability, if there shall be reasonable grounds for believing that adequate indemnity against such liability is not reasonably assured to it, or (d) if the Trustee shall not have been provided with indemnity satisfactory to it.

Section 6.06. *Limitation on Suits*. No Securityholder of any Security of any Series will have any right to institute any proceeding, judicial or otherwise, with respect to the Indenture or for the appointment of a receiver or trustee, or for any remedy under the Indenture unless:

(a) that Holder has previously given to the Trustee written notice of a continuing Event of Default with respect to such Series of Securities;

(b) the Holders of at least 25% in aggregate principal amount of the outstanding Securities of such Series have made a written request to the Trustee, and offered indemnity reasonably satisfactory to the Trustee, to institute the proceeding as Trustee; and

(c) the Trustee has failed to comply with the request for at least 60 days after receipt of the request and the offer of indemnity, and has not received from the Holders of a majority in aggregate principal amount of the outstanding Securities of such Series a direction inconsistent with that request.

A Securityholder may not use this Indenture to prejudice the rights of another Holder of Securities of the same Series or to obtain a preference or priority over another Holder of Securities of the same Series (it being understood that the Trustee does not have an affirmative duty to ascertain whether or not such actions or forbearances by such Holder are unduly prejudicial to another Holder).

Section 6.07. *Rights of Holders to Receive Payment*. Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal of and interest on any Security, on or after the respective due dates expressed in the Security, or to bring suit for the enforcement of any such payment on or after such respective dates, is absolute and unconditional and shall not be impaired or affected without the consent of the Holder.

Section 6.08. *Collection Suit by Trustee*. If an Event of Default in payment of interest or principal specified in Section 6.01(a) or (b) occurs and is continuing, the Trustee may recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal and interest remaining unpaid.

Section 6.09. *Trustee May File Proofs of Claim*. The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements, and advances of the Trustee, its agents and counsel) and the Securityholders allowed in any judicial proceedings relative to the Company or its creditors or Property, and unless prohibited by applicable law or regulation, may vote on behalf of the Holders in any election of a custodian, and shall be entitled and empowered to collect and receive any moneys or other Property payable or deliverable on any such claims and to distribute the same and any custodian in any such judicial proceeding is hereby authorized by each Securityholder to make such payments to the Trustee. Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or vote for or accept or adopt on behalf of any Securityholder any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder or to authorize the Trustee to vote in respect of the claim of any Securityholder except as aforesaid for the election of the custodian.

Section 6.10. *Priorities*. If the Trustee collects any money or Property pursuant to this Article with respect to Securities of any Series, it shall pay out the money in the following order:

First: to the Trustee (acting in its capacity as such) for all amounts due under Section 7.07;

Second: to Securityholders of the Series for amounts due and unpaid on the Series for principal and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Series for principal and interest, respectively; and

Third: to the Company or as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Securityholders pursuant to this Section 6.10.

Section 6.11. *Undertaking for Costs*. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having the due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 or a suit by Holders of more than 10% in principal amount of the Series.

ARTICLE 7
TRUSTEE

Section 7.01. *Duties of Trustee*.

(a) If an Event of Default has occurred and is continuing with respect to Securities of any Series, the Trustee shall, prior to the receipt of direction from the Holders of a majority in principal amount of the Securities of the Series, exercise its rights and powers and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(i) The Trustee need perform only those duties that are specifically set forth in this Indenture and no others and no implied covenants or obligations shall be read into this Indenture against the Trustee.

(ii) In the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. The Trustee, however, in the case of certificates or opinions specifically required by any provision hereof to be furnished to it, shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture but need not confirm or investigate the accuracy of mathematical calculations or other facts or matters stated therein.

(c) The Trustee may not be relieved from liability for its own grossly negligent action, its grossly negligent failure to act or its own willful misconduct, as determined by a final non-appealable order of a court of competent jurisdiction, except that:

(i) This paragraph does not limit the effect of paragraph (b) of this Section 7.01.

(ii) The Trustee shall not be liable for any error of judgment made in good faith by a Trust Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts.

(iii) The Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 or any other direction of the Holders permitted hereunder.

(d) Every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b) and (c) of this Section 7.01.

(e) The Trustee may refuse to perform any duty or exercise any right or power if the Trustee has reasonable grounds to believe that such performance or exercise (i) would require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance, unless it receives indemnity satisfactory to it against any loss, liability or expense, or (ii) is not in accordance with applicable law.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02. *Rights of Trustee*. Subject to Section 7.01:

(a) The Trustee may conclusively rely and shall be fully protected in acting or refraining from acting on any document, resolution, certificate, instrument, report, or direction believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact or matter stated in the document, resolution, certificate, instrument, report, or direction.

(b) Before the Trustee acts or refrains from acting at the request of the Company, it may require an Officer's Certificate or an Opinion of Counsel or both, which shall conform to Sections 11.04 and 11.05 hereof. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on the Officer's Certificate, Opinion of Counsel or any other direction of the Company permitted hereunder.

(c) The Trustee may act through agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care.

(d) The Trustee shall not be liable for any action taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture.

(e) The Trustee may consult with counsel of its selection, and the advice of such counsel or any Opinion of Counsel as to matters of law shall be full and complete authorization and protection in respect of any action taken, omitted or suffered by it hereunder in good faith and in accordance with the advice or opinion of such counsel.

(f) Unless otherwise specifically provided in the Indenture, any demand, request, direction or notice from the Company shall be sufficient if signed by an Officer of the Company.

(g) For all purposes under this Indenture, the Trustee shall not be deemed to have notice or knowledge of any Event of Default unless written notice of any Event of Default is received by a Trust Officer of the Trustee at its address specified in Section 11.02 hereof and such notice references the Securities generally, the Company and this Indenture.

(h) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Trustee receives indemnity satisfactory to the Trustee against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

(i) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice,

request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

(j) In no event shall the Trustee be responsible or liable for special, indirect, punitive, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(k) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder.

(l) The Trustee may request that the Company deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture.

(m) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, (i) any act or provision of any present or future law or regulation or governmental authority, (ii) any act of God, (iii) natural catastrophes, (iv) war, (v) terrorism, (vi) civil disturbances, (vii) accidents, (viii) labor dispute, (ix) disease, (x) epidemic or pandemic, (xi) quarantine, (xii) national emergency, (xiii) loss or malfunction of utility or computer software or hardware, (xiv) communications system failure, (xv) malware or ransomware or (xvi) unavailability of the Federal Reserve Bank wire or telex system or other wire or other funds transfer systems, or (xvii) unavailability of any securities clearing system; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

(n) The permissive rights of the Trustee enumerated herein shall not be construed as duties.

(o) The Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder.

Section 7.03. *Individual Rights of Trustee*. The Trustee in its individual or any other capacity may become the owner or pledgee of Securities and may otherwise deal with the Company or its affiliates with the same rights it would have if it were not Trustee. Any Agent may do the same with like rights. The Trustee, however, must comply with Sections 7.10 and 7.11.

Section 7.04. *Trustee's Disclaimer*. The Trustee makes no representation as to the validity or adequacy of this Indenture, the Securities or of any prospectus used to sell the Securities of any Series; it shall not be accountable for the Company's use of the proceeds from the Securities; it shall not be accountable for any money paid to the Company, or upon the Company's direction, if made under and in accordance with any provision of this Indenture; it shall not be responsible for the use or application of any money received by any Paying Agent other than the Trustee; and it shall not be responsible for any statement of the Company in this Indenture or in the Securities other than its certificate of authentication.

Section 7.05. *Notice of Defaults*. If a Default occurs and is continuing hereunder with respect to a Series of Securities and a Trust Officer of the Trustee has received written notice thereof at the corporate trust office of the Trustee and such notice references the Securities of such Series or the Securities generally and the Indenture and states that it is a "Notice of Default," the Trustee shall give the Holders of Securities of such Series notice of all Defaults known to the Trustee which have occurred with respect to such Securities within 45 days after receipt thereof, unless such Defaults shall have been cured before the giving of such notice; *provided, however*, that except in the case of a Default in the payment of principal or redemption price of (or premium, if any) or interest on any Securities, the Trustee shall be protected in withholding such notice if and so long as its board of directors, executive committee, or trust committee of directors or trustees and/or Trust Officers of the Trustee in good faith determine that the withholding of such notice is in the interests of the Holders of Securities of such Series.

Section 7.06. *Reports by Trustee to Holders*. Within 60 days after each May 15 beginning with the May 15 following the date of this Base Indenture, the Trustee shall send to each Securityholder a brief report dated as of such May 15 that complies with TIA § 313(a) (but if no event described in TIA §§ 313(a)(1) through (8) has occurred within the twelve months preceding the reporting date no report in relation thereto need be transmitted). The Trustee also shall comply with TIA § 313(b).

A copy of each report at the time of its sending to Securityholders shall be delivered to the Company and filed by the Trustee with the Commission and each national securities exchange on which the Securities are listed. The Company agrees to notify the Trustee of each national securities exchange on which the Securities are listed.

Section 7.07. *Compensation and Indemnity*. The Company shall pay to the Trustee from time to time reasonable compensation for its services subject to any written agreement between the Trustee and the Company (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust). The Company shall reimburse the Trustee upon request for all reasonable out-of-pocket expenses incurred by it. Such expenses shall include the reasonable compensation and expenses of the Trustee's agents and counsel. The Company shall indemnify the Trustee, its officers, directors, employees and agents and hold it harmless against any loss, liability, fee, cost, damage or expense incurred or made by or on behalf of it in connection with the administration of this Indenture or the trust hereunder and its duties hereunder including the costs and expenses of defending itself against or investigating

any claim in the premises and the costs and expenses (including reasonable attorneys' fees and expenses and court costs) incurred in connection with any action, claim or suit brought to enforce the Trustee's right to indemnification. The Trustee shall notify the Company promptly of any claim of which it has received written notice and for which it may seek indemnity, but failure by the Trustee to so notify the Company shall not relieve the Company of its obligations hereunder. The Company need not reimburse any expense or indemnify against any loss, liability, fee, cost or damage incurred by the Trustee through the Trustee's, or its officers', directors' or employees' gross negligence or willful misconduct as determined by a final non-appealable order of a court of competent jurisdiction.

Unless otherwise provided in any supplemental indenture, Officer's Certificate or Authorizing Resolution relating to any Series, to ensure the Company's payment obligations in this Section, the Trustee shall have a lien prior to the Securities of all Series on all money or Property held or collected by the Trustee, except that held in trust to pay principal of or interest on particular Securities. When the Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 6.01 or in connection with Article 6 hereof, the expenses (including the reasonable fees and expenses of its counsel) and the compensation for services in connection therewith are to constitute expenses of administration under any Bankruptcy Law. This Section 7.07 shall survive the discharge of the Indenture or the resignation or removal of the Trustee.

Section 7.08. *Replacement of Trustee*. The Trustee may resign with respect to Securities of any or all Series by so notifying the Company. The Holders of a majority in principal amount of the outstanding Securities (or of the relevant Series) may remove the Trustee by so notifying the removed Trustee in writing and may appoint a successor trustee with the Company's consent. The Trustee for one or more Series of Securities may be removed by the Company, so long as no Event of Default has occurred and is continuing with respect to such Series. The Trustee may also be removed by the Company for purposes of the Base Indenture. Such resignation or removal shall not take effect until the appointment by the Securityholders of the relevant Series or the Company as hereinafter provided of a successor trustee and the acceptance of such appointment by such successor trustee. The Company may remove the Trustee and appoint a successor trustee, and any Securityholder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor trustee, for any or no reason, including if:

(a) the Trustee fails to comply with Section 7.10 after written request by the Company or any bona fide Securityholder who has been a Securityholder for at least six months;

(b) the Trustee is adjudged a bankrupt or an insolvent;

(c) a receiver or other public officer takes charge of the Trustee or its Property; or

(d) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company shall promptly appoint a successor trustee with respect to the Securities of the relevant Series. If a successor trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee at the expense of the Company, the Company or any Holder may petition any court of competent jurisdiction for the appointment of a successor trustee.

A successor trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Immediately after that, the retiring Trustee shall, upon payment of its charges hereunder, transfer all Property held by it as Trustee to the successor trustee, the resignation or removal of the retiring Trustee shall become effective, and the successor trustee shall have all the rights, powers and duties of the Trustee under this Indenture. A successor trustee shall send notice of its succession to each Securityholder.

Section 7.09. *Successor Trustee by Merger, etc*. If the Trustee consolidates with, merges with or into or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act shall be the successor trustee.

Section 7.10. *Eligibility; Disqualification*. This Indenture shall always have a Trustee who satisfies the requirements of TIA § 310(a)(1). The Trustee shall have a combined capital and surplus of at least $10,000,000 as set forth in its most recent published annual report of condition. The Trustee shall comply with TIA § 310(b).

Section 7.11. *Preferential Collection of Claims Against Company*. The Trustee shall comply with TIA § 311(a), excluding any creditor relationship listed in TIA § 311(b). A Trustee who has resigned or been removed shall be subject to TIA § 311(a) to the extent indicated therein.

ARTICLE 8
DISCHARGE OF INDENTURE

Section 8.01. *Defeasance upon Deposit of Moneys or Government Obligations; Satisfaction and Discharge*.

(a) The Company may, at its option and at any time, elect to have either paragraph (b) or paragraph (c) below be applied to the outstanding Securities of any Series upon compliance with the applicable conditions set forth in paragraph (d) below.

(b) Upon the Company's exercise under paragraph (a) above of the option applicable to this paragraph (b) with respect to any Series, the Company shall be deemed to have been released and discharged from its obligations with respect to the outstanding Securities of such Series on the date the applicable conditions set forth below are satisfied (hereinafter, "**Legal Defeasance**"). For this purpose, such Legal Defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by the outstanding Securities of such Series, which shall thereafter be

deemed to be "outstanding" only for the purposes of the Sections and matters under this Indenture referred to in (i) and (ii) below, and the Company shall be deemed to have satisfied all its other obligations under such Securities and this Indenture insofar as such Securities are concerned, except for the following which shall survive until otherwise terminated or discharged hereunder: (i) the rights of Holders of outstanding Securities of such Series to receive solely from the trust fund described in paragraph (d) below and as more fully set forth in such paragraph, payments in respect of the principal of and interest on such Securities when such payments are due, (ii) the Company's obligations with respect to such Securities under Section 2.06, Section 2.07, Section 2.09 and Section 4.02, (iii) the rights, powers, trusts, duties, immunities and other provisions in respect of the Trustee hereunder and (iv) this Article 8. The Company may exercise its option under this paragraph (b) with respect to a Series notwithstanding the prior exercise of its option under paragraph (c) below with respect to the Securities of such Series.

(c) Upon the Company's exercise under paragraph (a) above of the option applicable to this paragraph (c) with respect to any Series, the Company shall be released and discharged from the obligations with respect to such Series under Section 4.05, Section 4.06 and Section 5.01 and any other covenant contained in or referenced in the Authorizing Resolution, Officer's Certificate or supplemental indenture relating to such Series (to the extent such release and discharge shall not be prohibited thereby), on and after the date the conditions set forth below are satisfied (hereinafter, "**Covenant Defeasance**"), and the Securities of such Series shall thereafter be deemed to be not "outstanding" for the purpose of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder. For this purpose, such Covenant Defeasance means that, with respect to the outstanding Securities of such Series, the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 6.01(c) or otherwise, but, except as specified above, the remainder of this Indenture and such Securities shall be unaffected thereby.

(d) The following shall be the conditions to the application of either paragraph (b) or paragraph (c) above to the outstanding Securities of any Series:

(i) The Company shall have irrevocably deposited in trust with the Trustee (or another qualifying trustee) money in the currency in which the Securities of such Series are payable or Government Obligations or a combination thereof in such amounts and at such times as are sufficient (in the case of Government Obligations or a combination of money and Government Obligations, in the opinion of a nationally recognized firm of independent public accountants), to pay the principal of and interest on the outstanding Securities of such Series to maturity or redemption; *provided*, *however*, that the Trustee (or other qualifying trustee) shall have received an irrevocable written order from the Company instructing the Trustee (or other qualifying trustee) to apply such

money or the proceeds of such Government Obligations to said payments with respect to the Securities of such Series to maturity or redemption;

(ii) No Default or Event of Default (other than a Default or Event of Default resulting from non-compliance with any covenant from which the Company is released upon effectiveness of such Legal Defeasance or Covenant Defeasance pursuant to paragraph (b) or (c) hereof, as applicable) shall have occurred and be continuing on the date of such deposit or result therefrom;

(iii) Such deposit will not result in a breach or violation of, or constitute a default under, any other material instrument or agreement to which the Company is a party or by which it or any of its Property is bound;

(iv) (A) In the event the Company elects paragraph (b) hereof, the Company shall deliver to the Trustee an Opinion of Counsel in the United States stating that (1) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (2) since the Issue Date pertaining to such Series, there has been a change in the applicable federal income tax law, in either case stating that, and based thereon such Opinion of Counsel shall state that, or (B) in the event the Company elects paragraph (c) hereof, the Company shall deliver to the Trustee an Opinion of Counsel in the United States stating that, in the case of clauses (A) and (B), and subject to customary assumptions and exclusions, Holders of the Securities of such Series will not recognize income, gain or loss for federal income tax purposes as a result of such deposit and the defeasance contemplated hereby and will be subject to federal income tax in the same amounts and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred;

(v) The Company shall have delivered to the Trustee an Officer's Certificate, stating that the deposit made under clause (i) was not made by the Company with the intent of preferring the Holders of the Securities of such Series over any other creditors of the Company or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Company or others; and

(vi) The Company has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent specified herein relating to the defeasance contemplated by this Section 8.01 have been complied with.

In the event all or any portion of the Securities of a Series are to be redeemed through such irrevocable trust, the Company must make arrangements satisfactory to the Trustee, at the time of such deposit, for the giving of the notice of such redemption or redemptions by the Trustee in the name and at the expense of the Company.

(e) The Indenture will be discharged and will cease to be of further effect as to all outstanding Securities of any Series (except as to any surviving rights of conversion or transfer or exchange of Securities of such Series expressly provided for herein or in the

form of Security for such Series), and the Trustee, at the expense of the Company, shall execute instruments reasonably requested by the Company acknowledging such satisfaction and discharge of the Indenture with respect to such Series, when:

(i) All Securities of such Series theretofore authenticated and delivered (other than Securities that have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.07 and Securities for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust) have been delivered to the Trustee for cancellation in accordance with the Indenture, or, if not delivered to the Trustee, such Securities of such Series (A) have become due and payable, (B) will become due and payable at maturity within one year or (C) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company, and in the case of clauses (i)(A), (B) and (C) above, the Company has irrevocably deposited or caused to be deposited with the Trustee (or another qualifying trustee) as trust funds in trust solely for that purpose an amount of money in the currency in which the Securities of such Series are payable or Government Obligations or a combination thereof sufficient (in the case of Government Obligations or a combination of money and Government Obligations, in the opinion of a nationally recognized firm of independent public accountants) to pay and discharge the entire indebtedness on the Securities of such Series not theretofore delivered to the Trustee for cancellation, for principal of and interest on the Securities of such Series, on the date of such deposit or to the maturity or redemption date, as the case may be; *provided* that if on the date of the deposit, the interest payable to, but excluding, or any premium payable on, the stated maturity or redemption date cannot be calculated, the amount deposited shall be sufficient to the extent that an amount is deposited with the Trustee equal to the interest payable to, but excluding, or the premium payable on, the stated maturity or the redemption date calculated as of the date of the deposit, with any deficit on the stated maturity or redemption date, as applicable (any such amount, the "**Applicable Deficit**"), only required to be deposited with the Trustee on or prior to the stated maturity or redemption date, as applicable; *provided*, *further*, any Applicable Deficit shall be set forth in an Officer's Certificate delivered to the Trustee simultaneously with the deposit of the Applicable Deficit that confirms that the Applicable Deficit shall be applied to the interest or other amounts payable at the stated maturity or on the redemption date, as applicable;

(ii) The Company has paid or caused to be paid all other sums payable under the Indenture by the Company;

(iii) The Company has delivered irrevocable instructions to the Trustee (or such other qualifying trustee), to apply the deposited money toward the payment of the Securities of such Series at maturity or redemption, as the case may be; and

(iv) The Company has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, stating that all conditions precedent specified in this Section 8.01(e) relating to the satisfaction and discharge of this Indenture have been complied with.

Section 8.02. *Survival of the Company's Obligations*. Notwithstanding the satisfaction and discharge of this Indenture with respect to any Series under Section 8.01(e), the obligations of the Company to the Trustee under Section 7.07, and, if money shall have been deposited with the Trustee pursuant to Section 8.01(e)(i), the obligations of the Trustee under Section 8.03 and Section 8.04 shall survive.

Section 8.03. *Application of Trust Money*. The Trustee shall hold in trust money or Government Obligations deposited with it pursuant to Section 8.01. It shall apply the deposited money and the money from Government Obligations in accordance with this Indenture to the payment of principal of and interest on the Securities of the defeased or discharged Series.

Section 8.04. *Repayment to the Company*. The Trustee and the Paying Agent shall promptly pay to the Company upon request any excess money or securities held by them at any time. The Trustee and the Paying Agent shall pay to the Company any money held by them for the payment of principal or interest that remains unclaimed for two years, *provided*, *however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once in a newspaper of general circulation in the City of New York or send to each such Holder notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication or sending, any unclaimed balance of such money then remaining will be repaid to the Company. After payment to the Company, Securityholders entitled to the money must look solely to the Company for payment unless applicable abandoned property law designates another Person and all liability of the Trustee or such Paying Agent with respect to such money shall cease.

Section 8.05. *Reinstatement*. If the Trustee is unable to apply any money or Government Obligations in accordance with Section 8.01 (b) or (c) by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's obligations under this Indenture and the Securities relating to the Series shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.01 (b) or (c), as applicable until such time as the Trustee is permitted to apply all such money or Government Obligations in accordance with Section 8.01 (b) or (c), as applicable; *provided*, *however*, that (a) if the Company has made any payment of interest on or principal of any Securities of the Series because of the reinstatement of its obligations hereunder, the Company shall be subrogated to the rights of the Holders of such Securities to receive such payment from the money or Government Obligations held by the Trustee and (b) unless otherwise required by any legal proceeding or any order or judgment of any court or governmental authority, the Trustee shall return all such money or Government Obligations to the Company promptly after receiving a written request

therefor at any time, if such reinstatement of the Company's obligations has occurred and continues to be in effect.

ARTICLE 9
AMENDMENTS, SUPPLEMENTS AND WAIVERS

Section 9.01. *Without Consent of Holders*. The Company and the Trustee may amend or supplement this Indenture or the Securities of a Series without notice to or consent of any Securityholder of such Series:

(a) to cure any ambiguity or to correct or supplement any provision of the Indenture which may be defective or inconsistent with any other provision in the Indenture or the Securities of any Series;

(b) to comply with Article 5 (or any other provisions of the Indenture regarding the consolidation or merger of the Company or the sale, conveyance, transfer, lease or other disposition of all or substantially all of its Property);

(c) to create a Series and establish its terms;

(d) to provide for uncertificated Securities in addition to or in place of Definitive Securities;

(e) to add a guarantor or obligor in respect of any Series;

(f) to secure any Series;

(g) to add to the covenants of the Company for the benefit of the Holders of all or any Series or to surrender any right or power conferred upon the Company by the Indenture;

(h) to add any additional Events of Default for the benefit of Holders of all or any Series;

(i) to comply with requirements of the Commission in order to effect or maintain the qualification of this Indenture under the TIA;

(j) to evidence and provide for the acceptance of the appointment of a successor Trustee with respect to the Securities of one or more Series and to add to or change any of the provisions of the Indenture or any supplemental indenture as shall be necessary to provide for or facilitate the administration of the trusts under such Indenture or supplemental indenture by more than one Trustee pursuant to the requirements set forth in the Indenture;

(k) to make any change that does not adversely affect the rights of any Securityholder in any material respect; or

(l) to conform the provisions of the Indenture to the final offering document in respect of any Series.

After an amendment under this Section 9.01 becomes effective, the Company shall send notice of such amendment to the Securityholders (with a copy to the Trustee).

Section 9.02. *With Consent of Holders*. The Company and the Trustee may amend or supplement this Indenture or the Securities of a Series without notice to any Securityholder of such Series but with the written consent of the Holders of at least a majority in principal amount of the outstanding Securities of each Series affected by the amendment or supplement (voting as one class) (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, Securities of such Series). The Holders of a majority in principal amount of the outstanding Securities of each Series affected by a waiver (voting as one class) may waive any existing Default under, or compliance with, any provision of the Securities of each such Series or of this Indenture relating to each such Series without notice to any Securityholder (including any waiver granted in connection with a purchase of, or tender offer or exchange offer for, Securities of such Series). Without the consent of each Holder of a Security affected thereby, however, an amendment, supplement or waiver, including a waiver pursuant to Section 6.04, may not:

(a) change the stated maturity of the principal of, or any installment of principal of or interest thereon, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or change any place of payment where, or the coin or currency in which, such Security or any premium or interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the stated maturity thereof (or, in the case of redemption, on or after the redemption date);

(b) make any change to Section 6.04, except to increase the percentage in principal amount of Securities of any Series the consent of whose Holders is required for any waiver or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of the Holder of each outstanding Security affected thereby;

(c) waive a continuing Default or Event of Default in the payment of the principal of or interest on any Security or a continuing Default or Event of Default in respect of a covenant or a provision of the Indenture that cannot be modified or amended without the consent of all Holders of the applicable Securities; or

(d) reduce the percentage in principal amount of Securities of any Series the consent of whose Holders is required for any amendment, supplement or waiver.

Any amendment, supplement or waiver which changes or eliminates any covenant or other provision of the Indenture which shall have been included expressly and solely for the benefit of one or more particular Series of Securities, or which modifies the rights

of the Holders of such Series with respect to such covenant or other provision, shall be deemed not to affect the rights of the Holders of any other Series.

It shall not be necessary for the consent of the Holders under this Section to approve the particular form of any proposed supplement, but it shall be sufficient if such consent approves the substance thereof.

Section 9.03. *Compliance with Trust Indenture Act*. From the date on which this Indenture is qualified under the TIA, every amendment to or supplement of this Indenture or any Securities shall comply with the TIA as then in effect.

Section 9.04. *Revocation and Effect of Consents*. A consent to an amendment, supplement or waiver by a Holder shall bind the Holder and every subsequent Holder of a Security or portion of a Security that evidences the same debt as the consenting Holder's Security, even if notation of the consent is not made on any Security. Unless otherwise provided in the consent or the consent solicitation statement or other document describing the terms of the consent, any Holder or subsequent Holder may revoke the consent as to its Security or portion of a Security. Any revocation of a consent by the Holder of a Security or any such subsequent Holder shall be effective only if the Trustee receives the notice of revocation before the date on which the Trustee receives an Officer's Certificate from the Company certifying that the requisite number of consents have been received.

The Company may, but shall not be obligated to, fix a record date for the purpose of determining the Holders of Securities of any Series entitled to consent to any amendment, supplement or waiver. If a record date is fixed, and if Holders otherwise have a right to revoke their consent under the consent or the consent solicitation statement or other document describing the terms of the consent, then notwithstanding the second to last sentence of the immediately preceding paragraph, those Persons who were Holders at such record date (or their duly designated proxies), and only those Persons, shall be entitled to revoke any consent previously given, whether or not such Persons continue to be Holders after such record date.

An amendment, supplement or waiver with respect to a Series becomes effective upon the (i) receipt by the Company or the Trustee of the requisite consents, (ii) satisfaction of any conditions to effectiveness as set forth in the Indenture or any indenture supplemental hereto containing such amendment, supplement or waiver and (iii) execution of such amendment, supplement or waiver (or the related supplemental indenture) by the Company and the Trustee. After an amendment, supplement or waiver with respect to a Series becomes effective, it shall bind every Holder of such Series, unless it makes a change described in any of clauses (a) through (d) of Section 9.02, in which case, the amendment, supplement or waiver shall bind a Holder of a Security who is affected thereby only if it has consented to such amendment, supplement or waiver and every subsequent Holder of a Security or portion of a Security that evidences the same debt as the consenting Holder's Security.

Section 9.05. *Notation on or Exchange of Securities*. If an amendment, supplement or waiver changes the terms of a Security, the Company may require the

Holder of the Security to deliver it to the Trustee, at which time the Trustee shall place an appropriate notation on the Security about the changed terms and return it to the Holder. Alternatively, if the Company or the Trustee so determines, the Company in exchange for the Security shall issue and the Trustee shall authenticate a new Security that reflects the changed terms.

Section 9.06. *Trustee to Sign Amendments, etc*. Subject to Section 7.02(b), the Trustee shall sign any amendment, supplement or waiver authorized pursuant to this Article if the amendment, supplement or waiver does not adversely affect the rights, duties, liabilities or immunities of the Trustee. If it does, the Trustee may, but need not, sign such amendment, supplement or waiver. In signing or refusing to sign such amendment or supplement or waiver, the Trustee shall be provided with and shall be fully protected in relying upon, an Officer's Certificate and an Opinion of Counsel as conclusive evidence that such amendment, supplement or waiver is authorized or permitted by this Indenture (it being understood that in no event shall the Company be required to deliver an Opinion of Counsel in connection with the execution of the First Supplemental Indenture hereto, dated as of the date hereof).

ARTICLE 10
SECURITIES IN FOREIGN CURRENCIES

Section 10.01. *Applicability of Article*. Whenever this Indenture provides for (a) any action by, or the determination of any of the rights of, Holders of Securities of any Series in which not all of such Securities are denominated in the same currency, or (b) any distribution to Holders of Securities, in the absence of any provision to the contrary pursuant to this Indenture or the Securities of any particular Series, any amount in respect of any Security denominated in a Foreign Currency shall be treated for any such action or distribution as that amount of Dollars that could be obtained for such amount on such reasonable basis of exchange and as of the record date with respect to Securities of such Series (if any) for such action, determination of rights or distribution (or, if there shall be no applicable record date, such other date reasonably proximate to the date of such action, determination of rights or distribution) as the Company may specify in a written notice to the Trustee or, in the absence of such written notice, as the paying agent or agency or organization, if any, responsible for overseeing such composite currency may determine. The Trustee shall have no duty to calculate or verify the calculations made pursuant to this Section 10.01.

ARTICLE 11
MISCELLANEOUS

Section 11.01. *Trust Indenture Act Controls*. If any provision of this Indenture limits, qualifies or conflicts with another provision which is required to be included in this Indenture by the TIA, the required provision shall control.

Section 11.02. *Notices*. Any order, consent, notice or communication shall be sufficiently given if in writing and delivered in person or mailed by first-class mail, postage prepaid, or delivered by commercial courier service, addressed as follows:

(a) if to the Company:

GXO Logistics, Inc.
Two American Lane
Greenwich, CT 06831
Attention: Baris Oran

(b) if to the Trustee:

Wells Fargo Bank, National Association
CTSO Mail Operations, MAC: N9300-070
600 South 4th Street, 7th Floor
Minneapolis, MN 55415
Attention: Theresa M. Jacobson
Email: theresa.m.jacobson@wellsfargo.com
Email: lindsey.widdis@wellsfargo.com
Email: melissa.hancock2@wellsfargo.com

The Company or the Trustee by notice to the other may designate additional or different addresses for subsequent notices or communications.

Any notice or communication sent to a Securityholder shall be sent electronically or mailed to him by first-class mail, postage prepaid, or delivered by commercial courier service, at his address as it appears on the registration books of the Registrar, or, in the case of Global Securities sent electronically in accordance with the procedures of the Depositary, and shall be sufficiently given to him if so sent within the time prescribed.

Failure to send a notice or communication to a Securityholder or any defect in it shall not affect its sufficiency with respect to other Securityholders. If a notice or communication is sent in the manner provided above, it is duly given, whether or not the addressee receives it except that notice to the Trustee shall only be effective upon receipt thereof by the Trustee.

If the Company sends notice or communications to the Securityholders, it shall send a copy to the Trustee at the same time.

In addition to the foregoing, the Trustee may accept and act upon notice, instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods. If the party elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee’s understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The party providing electronic instructions agrees to assume all risks arising out of the use of such electronic

methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Notwithstanding any other provision of this Indenture or any Security, where this Indenture or any Security provides for notice of any event to a Holder of a Global Security (whether by mail or otherwise), such notice shall be sufficiently given if given to the Depositary (or its designee) pursuant to the standing instructions from the Depositary or its designee.

Section 11.03. *Communications by Holders with Other Holders*. Securityholders may communicate pursuant to TIA § 312(b) with other Securityholders with respect to their rights under this Indenture or the Securities. The Company, the Trustee, the Registrar and anyone else shall have the protection of TIA § 312(c).

Section 11.04. *Certificate and Opinion as to Conditions Precedent*. Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee:

(a) an Officer's Certificate (which shall include the statements set forth in Section 11.05) stating that, in the opinion of the signers (who may rely upon an Opinion of Counsel with respect to matters of law), all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(b) an Opinion of Counsel (which shall include the statements set forth in Section 11.05) stating that, in the opinion of such counsel (who may rely upon an Officer's Certificate or certificates of public officials as to matters of fact), all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with.

Section 11.05. *Statements Required in Certificate or Opinion*. Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

(a) a statement that the person making such certificate or opinion has read such covenant or condition;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(c) a statement that, in the opinion of such person, such person has made such examination or investigation as is necessary to enable such person to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(d) a statement as to whether or not, in the opinion of such person, such condition or covenant has been complied with.

Section 11.06. *Rules by Trustee and Agents*. The Trustee may make reasonable rules for action by or a meeting of Securityholders. The Registrar or Paying Agent may make reasonable rules for its functions.

Section 11.07. *Legal Holidays*. A "**Legal Holiday**" is a day that is not a Business Day. If any interest or other payment date of a Security falls on a Legal Holiday, the required payment of principal, premium, if any, or interest will be due on the next succeeding Business Day as if made on the date that the payment was due, and no interest will accrue on that payment for the period from and after that interest or other payment date, as the case may be, to the date of that payment on the next succeeding Business Day. If this Indenture provides for a time period that ends or requires performance of any non-payment obligation by a day that is not a Business Day, then such time period shall instead be deemed to end on, and such obligation shall instead be performed by, the next succeeding Business Day.

Section 11.08. *Governing Law*. This Indenture and the Securities of each Series shall be governed by and construed in accordance with the laws of the State of New York.

Section 11.09. *No Adverse Interpretation of Other Agreements*. This Indenture may not be used to interpret another indenture, loan or debt agreement of the Company or a Subsidiary. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 11.10. *No Recourse Against Others*. All liability described in Paragraph 10 of the Securities of any director, officer, employee or stockholder, as such, of the Company, is, to the fullest extent permitted by applicable law, waived and released.

Section 11.11. *Successors and Assigns*. All covenants and agreements of the Company in this Indenture and the Securities shall bind its successors and assigns. All agreements of the Trustee in this Indenture shall bind its successors and assigns.

Section 11.12. *Duplicate Originals*. The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. Signatures of the parties hereto transmitted by facsimile or other electronic transmission shall be deemed to be their original signatures for all purposes. This Indenture shall be valid, binding, and enforceable against a party (subject to applicable bankruptcy, insolvency, fraudulent transfer, fraudulent conveyance, reorganization, moratorium and other laws now or hereinafter in effect affecting creditors' rights or remedies generally and to general principles of equity (including standards of materiality, good faith, fair dealing and reasonableness), whether considered in a proceeding at law or at equity) only when executed and delivered by an authorized individual on behalf of the party by means of (i) any electronic signature permitted by the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, and/or any other relevant electronic signatures law, including relevant provisions of the NYUCC (collectively, "Signature Law"); (ii) an original manual signature; or (iii) a faxed, scanned, or photocopied manual signature.

Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each party hereto shall be entitled to conclusively rely upon, and shall have no liability with respect to, any faxed, scanned, or photocopied manual signature, or other electronic signature, of any party and shall have no duty to investigate, confirm or otherwise verify the validity or authenticity thereof. For avoidance of doubt, original manual signatures shall be used for execution or indorsement of writings when required under the NYUCC or other Signature Law due to the character or intended character of the writings.

Section 11.13. *Severability*. In case any one or more of the provisions contained in this Indenture or in the Securities of a Series shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Indenture or of such Securities.

Section 11.14. *PATRIOT ACT*. The Company acknowledges that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions, and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The Company agrees that it will provide the Trustee with such information as it may reasonably request as required in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

Section 11.15. *Waiver of Jury Trial*. EACH OF THE COMPANY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE SECURITIES OR THE TRANSACTION CONTEMPLATED HEREBY.

Section 11.16. *Jurisdiction*. The Company and the Trustee, and each Holder of a Security by its acceptance thereof, hereby (i) irrevocably submit to the non-exclusive jurisdiction of any federal or state court sitting in the Borough of Manhattan, the city of New York, over any suit, action or proceeding arising out of or relating to this Indenture and (ii) to the fullest extent permitted by applicable law, irrevocably waive and agree not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

[Remainder of this page intentionally left blank]

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

GXO LOGISTICS, INC.,
as Company

By: /s/ Baris Oran
Name: Baris Oran
Title: Chief Financial Officer

[Signature Page – GXO Logistics Indenture]

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: /s/ Joel Odenbrett
Name: Joel Odenbrett
Title: AVP

[Signature Page – GXO Logistics Indenture]

EXHIBIT A

No.: _____ CUSIP/ISIN No.: _____

[Title of Security]

GXO Logistics, Inc.
a Delaware corporation

promises to pay to _____ or registered assigns the principal sum of _____ [Dollars]* on _____.
Interest Payment Dates:_____ and _____ Record Dates: _____ and _____

*Or other currency. Insert corresponding provisions on reverse side of Security in respect of foreign currency denomination or interest payment requirement.

IN WITNESS WHEREOF, the parties have caused this instrument to be duly executed.

GXO LOGISTICS, INC.

By: _____

Name:

Title:

Dated:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee, certifies that this is one of the Securities
referred to in the within mentioned Indenture.

By: _____
Authorized Signatory

Dated:

GXO Logistics, Inc.

[Title of Security]

GXO Logistics, Inc., a Delaware corporation (together with its successors and assigns, the "**Company**"), issued this Security under the Indenture dated as of July 2, 2021 (as amended, modified or supplemented from time to time in accordance therewith, the "**Base Indenture**"), as supplemented by the Supplemental Indenture dated as of _____, (the "**Supplemental Indenture**" and together with the Base Indenture, the "**Indenture**"), by and among the Company and Wells Fargo Bank, National Association, as trustee (in such capacity, the "**Trustee**"), to which reference is hereby made for a statement of the respective rights, obligations, duties and immunities thereunder of the Company, the Trustee and the Holders and of the terms upon which this Security is authorized and delivered. All terms used in this Security that are defined in the Indenture shall have the meanings assigned to them therein. If any terms of this Security conflicts with the terms of the Indenture, the terms of the Indenture shall govern and control.

1. Interest. The Company promises to pay interest on the principal amount of this Security at the rate of [ ] per year. The Company will pay interest semi-annually in arrears on _____ and _____ of each year, beginning on _____, _____, until the principal is paid or made available for payment. Interest on the Securities will accrue from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid, from _____, _____, *provided* that, if there is no existing Default in the payment of interest, and if this Security is authenticated between a record date referred to on the face hereof and the next succeeding interest payment date, interest shall accrue from such interest payment date. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months, at the office or agency of the Company maintained for that purpose in accordance with the Indenture.

2. Method of Payment. The Company will pay interest on this Security (except defaulted interest, if any, which will be paid on a special payment date to Holders of record on such special record date as may be fixed by the Company) to the persons in whose name this Security is registered at the close of business on the _____ or _____ immediately preceding the interest payment date. The Company will pay principal and interest in money of [Insert applicable country or currency] that at the time of payment is legal tender for payment of public and private debts.

3. Paying Agent and Registrar. Initially, the Trustee will act as Paying Agent and Registrar. The Company may change or appoint any Paying Agent, Registrar or co-Registrar in accordance with the Indenture. The Company or any of its Subsidiaries or any of their Affiliates may act as Paying Agent, Registrar or co-Registrar.

4. Optional Redemption. [Insert provisions relating to redemption at the option of the Company, if any] [Insert provisions relating to redemption at option of Holders, if any]

5. Mandatory Redemption. [Insert provisions relating to mandatory redemption, if any]

6. Persons Deemed Owners. The registered Holder of this Security shall be treated as the owner of it for all purposes.

7. Unclaimed Money. All amounts of principal of and premium, if any, and interest on this Security paid by the Company to the Trustee or Paying Agent that remain unclaimed for two years will be repaid to the Company, and the Holder of this Security will thereafter look solely to the Company for payment unless applicable abandoned property law designates another Person.

8. Amendment, Supplement, Waiver. The Indenture or this Security may be amended or supplemented in accordance with the terms of the Indenture.

9. Successor Person. When a successor Person assumes all the obligations of its predecessor under the Securities and the Indenture, the predecessor Person will be released from those obligations, in accordance with and except as set forth in the Indenture.

10. No Recourse Against Others. A director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under the Securities or the Indenture or for any claim based on, in respect of or by reason of, such obligations or their creation. Each Holder by accepting a Security waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Securities.

11. Discharge of Indenture. The Indenture contains certain provisions pertaining to defeasance and discharge, which provisions shall for all purposes have the same effect as if set forth herein.

12. Authentication. This Security shall not be valid until an authorized signatory of the Trustee manually signs the certificate of authentication on the other side of this Security.

13. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= custodian), and U/G/M/A (= Uniform Gift to Minors Act).

14. GOVERNING LAW. This Security shall be governed by and construed in accordance with the laws of the State of New York.

15. CUSIP and ISIN Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP and ISIN numbers to be printed on the Securities and has directed the Trustee to use CUSIP and ISIN numbers in notices of repurchase as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Securities or as contained in any notice of repurchase and reliance may be placed only on the other identification numbers placed thereon.

16. Copies. The Company will furnish to any Holder upon written request and without charge a copy of the Indenture and the applicable Authorizing Resolution or supplemental indenture. Requests may be made to: GXO Logistics, Inc., Two American Lane, Greenwich, CT 06831, Attention: Baris Oran.

ASSIGNMENT FORM

To assign this Security, fill in the form below:

I or we assign and transfer this Security to _____ (insert assignee's social security or tax ID number)

_____
_____
_____
_____
(Print or type assignee's name, address, and zip code)

and irrevocably appoint _____ agent to transfer this Security on the books of the Company. The agent may substitute another to act for him.

Date: _____ _____

Your signature

(Sign exactly as your name appears on the other side of this Security)

Signature Guarantee:

_____

Exhibit 4.2

Execution Version

GXO LOGISTICS, INC.,
as the Company

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

1.650% Notes due 2026

and

2.650% Notes due 2031

First Supplemental Indenture

Dated as of July 2, 2021

to

Indenture dated as of July 2, 2021

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FIRST SUPPLEMENTAL INDENTURE, dated as of July 2, 2021 ("**First Supplemental Indenture**"), to the Indenture dated as of July 2, 2021 (as amended, modified or supplemented from time to time in accordance therewith, other than with respect to a particular Series of debt securities that are not the Notes, the "**Base Indenture**" and, as amended, modified and supplemented by this First Supplemental Indenture, the "**Indenture**"), by and between GXO LOGISTICS, INC. (the "**Company**"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, as trustee (the "**Trustee**").

Each party agrees as follows for the benefit of the other party and for the equal and ratable benefit of the Holders of the Notes:

WHEREAS, the Company has duly authorized the execution and delivery of the Base Indenture to provide for the issuance from time to time of debt securities to be issued in one or more Series as provided in the Base Indenture;

WHEREAS, the Company has duly authorized the execution and delivery, and desires and has requested the Trustee to join it in the execution and delivery, of this First Supplemental Indenture in order to establish and provide for the issuance by the Company of a Series of Securities designated as its 1.650% Notes due 2026 (the "**2026 Notes**") and a Series of Securities designated as its 2.650% Notes due 2031 (the "**2031 Notes**," and together with the 2026 Notes, the "**Notes**"), on the terms set forth herein;

WHEREAS, Section 2.01 of the Base Indenture provides that a supplemental indenture may be entered into by the parties for such purpose without the consent of any Holders; and

WHEREAS, all things necessary to make this First Supplemental Indenture a valid and binding agreement of the parties, in accordance with its terms, and a valid amendment of, and supplement to, the Base Indenture with respect to the Notes have been done.

NOW, THEREFORE:

ARTICLE 1
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.01. *Definitions*. Capitalized terms used herein and not otherwise defined herein have the meanings assigned to them in the Base Indenture. The words "herein," "hereof" and "hereby" and other words of similar import used in this First Supplemental Indenture refer to this First Supplemental Indenture as a whole and not to any particular section hereof.

As used herein, the following terms have the specified meanings:

"**2026 Notes**" has the meaning specified in the recitals of this First Supplemental Indenture.

"**2031 Notes**" has the meaning specified in the recitals of this First Supplemental Indenture.

"**Additional Notes**" has the meaning specified in Section 3.04 of this First Supplemental Indenture.

"**Applicable Procedures**" means, with respect to any transfer or transaction involving a Global Note or beneficial interest therein, the rules and procedures of DTC, and its direct and indirect participants, including, if applicable those of Euroclear and Clearstream, in each case in effect from time to time.

"**Base Indenture**" has the meaning specified in the recitals of this First Supplemental Indenture.

"**Change of Control**" means the occurrence of any of the following: (1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the Company's assets and the assets of its Subsidiaries taken as a whole to any "person" (as that term is used in Section 13(d)(3) of the Exchange Act) other than the Company or one or more of its Subsidiaries; or (2) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" (as defined above), including any group defined as a person for the purpose of Section 13(d)(3) of the Exchange Act, other than the Company or its Subsidiaries, becomes the beneficial owner, directly or indirectly, of more than 50% of the then outstanding number of shares of the Company's Voting Stock; *provided*, *however*, that a person shall not be deemed the beneficial owner of, or to own beneficially, (A) any securities tendered pursuant to a tender or exchange offer made by or on behalf of such person or any of such person's Affiliates until such tendered securities are accepted for purchase or exchange thereunder, or (B) any securities if such beneficial ownership (i) arises solely as a result of a revocable proxy delivered in response to a proxy or consent solicitation made pursuant to the applicable rules and regulations under the Exchange Act, and (ii) is not also then reportable on Schedule 13D (or any successor schedule) under the Exchange Act. Notwithstanding the foregoing, (1) in no event will (i) the distribution or (ii) provided the Company is a direct or indirect wholly owned subsidiary of XPO Logistics, Inc. immediately after giving effect thereto, any transaction undertaken prior to the distribution in connection with the separation and distribution be considered to be a Change of Control and (2) a transaction will not be considered to be a Change of Control if (A) the Company becomes a direct or indirect wholly owned subsidiary of another Person and (B) either (i) the shares of the Company's Voting Stock outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of such Person immediately after giving effect to such transaction or (ii) immediately following such transaction, no person (other than a person satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such Person.

"**Change of Control Offer**" has the meaning set forth in Section 4.04(a).

"**Change of Control Payment Date**" has the meaning set forth in Section 4.04(a).

"**Change of Control Repurchase Event**" means the occurrence of both a Change of Control and a Rating Event.

"**Clearstream**" means Clearstream Banking, S.A., or the successor to its securities clearance and settlement operations.

"**Company**" means the party named as such in this First Supplemental Indenture until a successor replaces it pursuant to the Indenture and thereafter means the successor.

"**Comparable Treasury Issue**" means the United States Treasury security selected by an Independent Investment Banker as having an actual maturity most nearly comparable to the remaining term of the Notes to be redeemed pursuant to Section 4.02 (assuming, for this purpose, that the Notes to be redeemed matured on the applicable Par Call Date).

"**Comparable Treasury Price**" means, with respect to any Redemption Date pursuant to Section 4.02 hereof, (1) the arithmetic average of the applicable Reference Treasury Dealer Quotations for such Redemption Date after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Company obtains fewer than four applicable Reference Treasury Dealer Quotations, the arithmetic average of all applicable Reference Treasury Dealer Quotations for such Redemption Date.

"**Corporate Trust Office**" means the designated office of the Trustee at which at any time its corporate trust business relating to this First Supplemental Indenture shall be administered, which office at the date hereof is located at CTSO Mail Operations, 600 South 4th Street, 7th Floor, Minneapolis, MN 55415, Attention: Theresa M. Jacobson, or such other address as the Trustee may designate from time to time by notice to the Holders and the Company, or the principal corporate trust office of any successor trustee (or such other address as such successor trustee may designate from time to time by notice to the Holders and the Company).

"**Definitive Note**" means a certificated Note containing, if required, the appropriate Restricted Notes Legend set forth in Section 2.02(e)(ii).

"**Depositary**" means DTC or any successor designated by the Company pursuant to the Indenture.

"**distribution**" means the pro rata distribution of all of the Company's issued and outstanding shares of common stock by XPO Logistics, Inc. to the stockholders of XPO Logistics, Inc. as of the close of business on the record date of such distribution, as determined by the board of directors of XPO Logistics, Inc.

"**Escrow Account**" means "Escrow Accounts," as defined in the Escrow Agreement.

"**Escrow Agent**" means Wells Fargo Bank, National Association, in its capacity as Escrow Agent under the Escrow Agreement.

"**Escrow Agreement**" means the Escrow Agreement entered into by and among the Company, the Escrow Agent and the Trustee concurrently with the closing of the offering of the Notes on the Issue Date.

"**Escrow Certificate**" has the meaning assigned to such term in the Escrow Agreement.

"**Escrowed Property**" has the meaning assigned to such term in the Escrow Agreement.

"**Euroclear**" means Euroclear S.A./N.V., a company organized under the laws of Belgium, as operator of the Euroclear System, or its successor in such capacity.

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934.

"**Exchange Notes**" has the meaning specified in the Registration Rights Agreement.

"**First Supplemental Indenture**" has the meaning specified in the recitals of this First Supplemental Indenture.

"**Fitch**" means Fitch Ratings, Inc. and its subsidiaries, or any successor thereto.

"**Global Note**" has the meaning set forth in Section 2.01(b)(ii).

"**Global Notes Legend**" means the legend set forth in Section 2.02(e)(i).

"**Indenture**" has the meaning specified in the recitals of this First Supplemental Indenture.

"**Independent Investment Banker**" means Barclays Capital Inc., Citigroup Global Markets Inc., Credit Agricole Securities (USA) Inc. or Goldman Sachs & Co. LLC and any of their respective successors or their respective Affiliates as the Company may appoint from time to time; *provided*, *however*, that if any of the foregoing ceases to be a Primary Treasury Dealer, the Company may substitute another Primary Treasury Dealer.

"**Initial 2026 Notes**" has the meaning set forth in Section 3.01(b).

"**Initial 2031 Notes**" has the meaning set forth in Section 3.01(b).

"**Initial Notes**" has the meaning set forth in Section 3.01(b).

"**Interest Payment Date**," when used with respect to any Note, means the Stated Maturity of an installment of interest on such Note.

"**Investment Grade Rating**" means a rating of BBB- or better by Fitch (or its equivalent under any successor Rating Categories of Fitch); a rating of BBB- or better by S&P (or its equivalent under any successor Rating Categories of S&P); and the equivalent investment grade credit rating from any additional Rating Agency or Rating Agencies selected by the Company.

"**Notes**" has the meaning specified in the recitals of this First Supplemental Indenture.

"**Notes Custodian**" means the custodian with respect to a Global Note (as appointed by DTC), or any successor Person thereto and will initially be the Trustee.

"**Par Call Date**" means (i) with respect to the 2026 Notes, June 15, 2026 (the date that is one month prior to the Stated Maturity of the principal of the 2026 Notes) and (ii) with respect to the 2031 Notes, April 15, 2031 (the date that is three months prior to the Stated Maturity of the principal of the 2031 Notes).

"**Primary Treasury Dealer**" means a primary U.S. Government securities dealer in the United States of America.

"**principal**" of a Note means the principal amount of the Note.

"**Purchase Agreement**" means the Purchase Agreement, dated as of July 17, 2021, among the Company and the Representatives.

"**Qualified Institutional Buyer**" or "**QIB**" has the meaning specified in Rule 144A promulgated under the Securities Act.

"**Rating Agency**" means (1) each of Fitch and S&P, so long as such entity makes a rating of the Notes publicly available; and (2) if either of Fitch or S&P ceases to rate the Notes or fails to make a rating of the Notes publicly available, a "nationally recognized statistical rating organization" within the meaning of Section 3(a)(62) of the Exchange Act, selected by the Company (as certified by a resolution of the Board of Directors) as a replacement agency for Fitch or S&P, or both, as the case may be.

"**Rating Category**" means (i) with respect to S&P or Fitch, any of the following categories: BBB, BB, B, CCC, CC, C and D (or equivalent successor categories); and (ii) the equivalent of any such category of Fitch or S&P used by another Rating Agency. In determining whether the rating of the Notes has decreased by one or more gradations, gradations within rating categories (+ and − for S&P and Fitch; or the equivalent gradations for another Rating Agency) shall be taken into account (*e.g.*, with respect to S&P and Fitch, a decline in a rating from BB+ to BB, as well as from BB− to B+, will constitute a decrease of one gradation).

"**Rating Event**" means, with respect to a Series of Notes, the rating on such Series of Notes is lowered by both Rating Agencies and such Notes are rated below an Investment Grade Rating by both Rating Agencies, in any case on any day during the period (which period will be extended so long as the rating of such Series of Notes is

under publicly announced consideration for a possible downgrade by any of the Rating Agencies) commencing upon the first public notice of the occurrence of a Change of Control or the Company's intention to effect a Change of Control and ending 60 days following the consummation of the Change of Control; *provided*, *however*, a Rating Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular Change of Control (and thus shall not be deemed a Rating Event) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the Company in writing at the Company's request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the reduction).

"**Redemption Date**," with respect to any Note or portion thereof to be redeemed, means the date fixed for such redemption by or pursuant to the Indenture or such Note.

"**Reference Treasury Dealer**" means each of Barclays Capital Inc., Citigroup Global Markets Inc., Goldman Sachs & Co. LLC and a primary U.S. government securities dealer selected by Credit Agricole Securities (USA) Inc., and any of their respective successors or Affiliates as the Company may appoint from time to time (*provided*, *however*, that if any of them ceases to be a Primary Treasury Dealer, the Company may substitute therefor another Primary Treasury Dealer) and any other Primary Treasury Dealers selected by the Company, and any of their respective Affiliates or successors as the Company may appoint from time to time.

"**Reference Treasury Dealer Quotations**" means, with respect to each Reference Treasury Dealer and any Redemption Date, the arithmetic average, as determined by the Company, of the bid and asked prices for the applicable Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Company by such Reference Treasury Dealer as of 5:00 p.m., New York City time, on the third Business Day preceding such Redemption Date.

"**Registered Exchange Offer**" means the offer by the Company, pursuant to the Registration Rights Agreement, to certain Holders of Initial Notes, to issue and deliver to such Holders, in exchange for their Initial Notes, a like aggregate principal amount of Exchange Notes registered under the Securities Act.

"**Registration Rights Agreement**" means the Registration Rights Agreement, dated as of July 2, 2021, among the Company and the Representatives, as in effect from time to time.

"**Regular Record Date**," for the interest payable on any Interest Payment Date on the Notes of any Series, means the date specified for that purpose herein.

"**Regulation S**" means Regulation S promulgated under the Securities Act.

"**Regulation S Global Note**" has the meaning set forth in Section 2.01(b).

"**Remaining Scheduled Payments**" means, with respect to any Note to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related Redemption Date if such note matured on the applicable Par Call Date but for such redemption; *provided*, *however*, that, if such Redemption Date is not an Interest Payment Date with respect to such Note, the amount of the next scheduled interest payment thereon will be reduced by the amount of interest accrued thereon to, but excluding, such Redemption Date.

"**Representatives**" means Barclays Capital Inc., Citigroup Global Markets Inc., Credit Agricole Securities (USA) Inc. and Goldman Sachs & Co. LLC, as representatives of the initial purchasers named in Schedule A to the Purchase Agreement.

"**Restricted Notes Legend**" means the legend set forth in Section 2.02(e)(ii).

"**Restricted Period**" means with respect to any Notes the period that is 40 days after the later of (i) the original Issue Date of the Notes and (ii) the date when the Notes or any predecessor of the Notes are first offered to Persons other than distributors (as defined in Rule 902 of Regulation S) in reliance on Regulation S.

"**Rule 144**" means Rule 144 promulgated under the Securities Act.

"**Rule 144A**" means Rule 144A promulgated under the Securities Act.

"**Rule 144A Global Note**" has the meaning set forth in Section 2.01(b).

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

"**separation**" means the separation of XPO Logistics, Inc.'s Logistics reporting segment from XPO Logistics, Inc.'s other businesses and the creation, as a result of the distribution, of the Company as an independent, publicly traded company holding the assets and liabilities associated with such Logistics business.

"**Special Mandatory Redemption**" has the meaning set forth in Section 4.03(a).

"**Special Mandatory Redemption Date**" has the meaning set forth in Section 4.03(b).

"**Special Mandatory Redemption Event**" has the meaning set forth in Section 4.03(a).

"**Special Mandatory Redemption Notice Date**" has the meaning set forth in Section 4.03(b).

"**Special Mandatory Redemption Price**" has the meaning set forth in Section 4.03(a).

"**Stated Maturity**" means, when used with respect to any Note or any installment of principal thereof or interest thereon, the date specified in such Note as the fixed date on which the principal of such Note or such installment of principal or interest is due and payable.

"**Transfer Restricted Note**" means any Note that contains or is required to contain a Restricted Notes Legend.

"**Treasury Rate**" means, with respect to any Redemption Date pursuant to Section 4.02 hereof, the rate per annum equal to the semi-annual equivalent yield to maturity (computed as of the third Business Day immediately preceding that Redemption Date) of the applicable Comparable Treasury Issue. In determining this rate, the Company will assume a price for the applicable Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the applicable Comparable Treasury Price for such Redemption Date.

All references to "interest" on the Notes will be deemed to include any additional interest thereof pursuant to the Registration Rights Agreement.

Section 1.02. *Conflicts with Base Indenture*. In the event that any provision of this First Supplemental Indenture limits, qualifies or conflicts with a provision of the Base Indenture, such provision of this First Supplemental Indenture shall control.

ARTICLE 2
FORM OF NOTES

Section 2.01. *Form of Notes.*

(a) The 2026 Notes shall be substantially in the form of Exhibit A-1 and the 2031 Notes shall be substantially in the form of Exhibit A-2 hereto, which are hereby incorporated in and expressly made a part of the Indenture (other than, with respect to (x) any Additional Notes of any Series of the Notes, changes contemplated by Section 3.04 and (y) any Exchange Notes of any Series of the Notes, changes related to legends, transfer restrictions, CUSIP/ISIN numbers and other changes customary for notes registered pursuant to the Securities Act). The Notes may have notations, legends or endorsements required by law, rule or usage to which the Company is subject. Each Note shall be dated the date of its authentication.

(b)

(i) The Initial Notes shall be offered and sold by the Company pursuant to the Purchase Agreement. The Notes shall be resold initially only (A) to persons reasonably believed to be QIBs in reliance on Rule 144A under the Securities Act or (B) outside the United States, to persons other than "U.S. persons" as defined in Rule 902 under the Securities Act in reliance on Regulation S. Notes may thereafter be transferred to, among others, purchasers reasonably believed to be QIBs, purchasers in reliance on Regulation S, and otherwise,

subject to the restrictions on transfer set forth herein. Notes initially resold pursuant to Rule 144A shall be initially issued in the form of one or more permanent global securities in fully registered form (collectively, the "**Rule 144A Global Note**") and Notes initially resold pursuant to Regulation S shall be initially issued in the form of one or more permanent global securities in fully registered form (collectively, the "**Regulation S Global Note**"), in each case without interest coupons and with the Global Notes Legend and the applicable Restricted Notes Legend set forth in Section 2.02(e) hereof. Such global securities shall be deposited on behalf of the purchasers of the Notes represented thereby with the Notes Custodian and registered in the name of DTC or a nominee of DTC, duly executed by the Company and authenticated by the Trustee as provided in this Indenture.

(ii) The Rule 144A Global Note and the Regulation S Global Note are collectively referred to herein as "**Global Notes**." The aggregate principal amount of the Global Notes may from time to time be increased or decreased by adjustments made on the records of the Trustee and DTC or its nominee as hereinafter provided.

(c) This Section 2.01(c) shall apply only to a Global Note deposited with or on behalf of DTC.

(i) The Company shall execute and the Trustee shall, in accordance with this Section 2.01(c), authenticate and deliver initially one or more Global Notes that (A) shall be registered in the name of DTC or its nominee and (B) shall be delivered by the Trustee to DTC or pursuant to DTC's instructions or held by the Trustee as Notes Custodian for DTC.

(ii) Members of, or participants in, DTC ("**Agent Members**") shall have no rights under this Indenture with respect to any Global Note held on their behalf by DTC (or by the Trustee as the Notes Custodian for DTC) or under such Global Note, and the Company, the Trustee and any agent of the Company or the Trustee shall be entitled to treat DTC as the absolute owner of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Trustee or any agent of the Company or the Trustee from giving effect to any written certification, proxy or other authorization furnished by DTC or impair, as between DTC and its Agent Members, the operation of customary practices of DTC governing the exercise of the rights of a Holder of a beneficial interest in any Global Note.

(d) Except as provided in Section 2.15 of the Base Indenture, owners of beneficial interests in Global Notes shall not be entitled to receive physical delivery of Definitive Notes.

(e) The Notes may be presented for registration of transfer and exchange at the offices of the Registrar.

Section 2.02. *Special Transfer Provisions*.

(a) *Transfer and Exchange of Definitive Notes*. When Definitive Notes are presented to the Registrar with a request:

(i) to register the transfer of such Definitive Notes; or

(ii) to exchange such Definitive Notes for an equal principal amount of Definitive Notes of other authorized denominations,

the Registrar shall register the transfer or make the exchange as requested if its reasonable requirements for such transaction are met; provided, however, that the Definitive Notes surrendered for transfer or exchange:

(A) shall be duly endorsed or accompanied by a written instrument of transfer in form reasonably satisfactory to the Company and the Registrar, duly executed by the Holder thereof or its attorney duly authorized in writing; and

(B) are accompanied by the following additional information and documents, as applicable: (x) if such Definitive Notes are being delivered to the Registrar by a Holder for registration in the name of such Holder, without transfer, a certification from such Holder to that effect; or (y) if such Definitive Notes are being transferred to the Company, a certification to that effect (in each case in the form set forth on the reverse side of the Initial Note); or

(C) if such Definitive Notes are being transferred pursuant to an exemption from registration in accordance with Rule 144 under the Securities Act or in reliance upon another exemption from the registration requirements of the Securities Act, (i) a certification to that effect (in the form set forth on the reverse side of the Initial Note) and (ii) if the Company or Registrar so requests, an opinion of counsel or other evidence reasonably satisfactory to it as to the compliance with the restrictions set forth in the legend set forth in Section 2.02(e)(ii).

(b) *Restrictions on Transfer of a Definitive Note for a Beneficial Interest in a Global Note*. A Definitive Note may not be exchanged for a beneficial interest in a Global Note except upon satisfaction of the requirements set forth below. Upon receipt by the Trustee of a Definitive Note, duly endorsed or accompanied by a written instrument of transfer in form reasonably satisfactory to the Company and the Registrar, together with:

(i) certification (in the form set forth on the reverse side of the applicable Initial Note) that such Definitive Note is being transferred (A) to a person reasonably believed to be QIB in accordance with Rule 144A or (B) to a non-U.S. Person outside the United States in an offshore transaction within the

meaning of Regulation S and in compliance with Rule 903 or Rule 904 under the Securities Act; and

(ii) written instructions directing the Trustee to make, or to direct the Notes Custodian to make, an adjustment on its books and records with respect to such Global Note to reflect an increase in the aggregate principal amount of the Notes represented by the Global Note, such instructions to contain information regarding the DTC account to be credited with such increase,

then the Trustee shall cancel such Definitive Note and cause, or direct the Notes Custodian to cause, in accordance with the standing instructions and procedures existing between DTC and the Notes Custodian, the aggregate principal amount of Notes represented by the Global Note to be increased by the aggregate principal amount of the Definitive Note to be exchanged and shall credit or cause to be credited to the account of the Person specified in such instructions a beneficial interest in the Global Note equal to the principal amount of the Definitive Note so canceled. If no Global Notes are then outstanding and the Global Note has not been previously exchanged for Definitive Notes pursuant to this Indenture, the Company shall issue and the Trustee shall authenticate, upon receipt of an order from the Company, a new Global Note in the appropriate principal amount.

(c) *Transfer and Exchange of Global Notes*.

(i) The transfer and exchange of Global Notes or beneficial interests therein shall be effected through DTC, in accordance with this First Supplemental Indenture (including applicable restrictions on transfer set forth herein, if any) and the Applicable Procedures therefor. A transferor of a beneficial interest in a Global Note shall deliver a written or electronic order given in accordance with the Applicable Procedures containing information regarding the participant account of DTC to be credited with a beneficial interest in such Global Note or another Global Note and such account shall be credited in accordance with such order with a beneficial interest in the applicable Global Note and the account of the Person making the transfer shall be debited by an amount equal to the beneficial interest in the Global Note being transferred.

(ii) Transfers by an owner of a beneficial interest in a Rule 144A Global Note to a transferee who takes delivery of such interest through a Regulation S Global Note of the same Series, whether before or after the expiration of the Restricted Period, shall be made in accordance with the Applicable Procedures and only upon receipt by the Trustee of a written certification (in the form set forth on the reverse side of the Initial Note) from the transferor to the effect that such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S or (if available) Rule 144 under the Securities Act and, if such transfer is being made prior to the expiration of the Restricted Period, the interest transferred shall be held immediately thereafter through Euroclear, Clearstream or their respective participants.

(iii) Beneficial interests in a Regulation S Global Note may be exchanged for interests in a Rule 144A Global Note of the same Series in accordance with the Applicable Procedures and if (1) such exchange occurs in connection with a transfer of Notes in compliance with Rule 144A and (2) the transferor of the beneficial interest in the Regulation S Global Note first delivers to the Trustee a written certificate (in the form set forth on the reverse side of the Initial Note) to the effect that the beneficial interest in the Regulation S Global Note, is being transferred to a Person (A) who the transferor reasonably believes to be a QIB, (B) purchasing for its own account or the account of a QIB in a transaction meeting the requirements of Rule 144A, and (C) in accordance with all applicable securities laws of the States of the United States and other jurisdictions.

(iv) If the proposed transfer is a transfer of a beneficial interest in one Global Note to a beneficial interest in another Global Note, the Registrar shall reflect on its books and records the date and an increase in the principal amount of the Global Note to which such interest is being transferred in an amount equal to the principal amount of the interest to be so transferred, and the Registrar shall reflect on its books and records the date and a corresponding decrease in the principal amount of the Global Note from which such interest is being transferred.

(v) Notwithstanding any other provisions of this First Supplemental Indenture (other than the provisions set forth in Section 2.15 of the Base Indenture), a Global Note may not be transferred as a whole except by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC or by DTC or any such nominee to a successor to DTC or a nominee of such successor to DTC.

(vi) In the event that a Global Note is exchanged for Definitive Notes pursuant to Section 2.15 of the Base Indenture prior to the consummation of the Registered Exchange Offer or the effectiveness of a Shelf Registration Statement (as defined in the Registration Rights Agreement) with respect to such Notes, such Notes may be exchanged only in accordance with such procedures as are substantially consistent with the provisions of this Section 2.02 (including the certification requirements set forth on the reverse of the Initial Notes intended to ensure that such transfers comply with Rule 144, Rule 144A, Regulation S or such other applicable exemption from registration under the Securities Act, as the case may be) and such other procedures as may from time to time be adopted by the Company.

(d) *Restrictions on Transfer of Regulation S Global Notes*.

(i) Prior to the expiration of the Restricted Period, interests in a Regulation S Global Note may be held through Euroclear, Clearstream or through organizations that are participants in Euroclear or Clearsteam. During the Restricted Period, beneficial ownership interests in a Regulation S Global Note may only be sold, pledged or transferred through Euroclear, Clearstream or their

respective participants in accordance with the Applicable Procedures and only (a) to the Company or any Subsidiary thereof, (b) pursuant to a registration statement that has been declared effective under the Securities Act, (c) for so long as such security is eligible for resale pursuant to Rule 144A, to a Person whom the selling holder reasonably believes is a QIB that purchases for its own account or for the account of a QIB to whom notice is given that the resale, pledge or transfer is being made in reliance on Rule 144A, (d) pursuant to offers and sales to non-U.S. Persons that occur outside the United States (within the meaning of Regulation S under the Securities Act), or (e) pursuant to another available exemption from the registration requirements of the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States, subject to the Company's and the Trustee's right prior to any such offer, sale or transfer pursuant to clause (d) or (e) to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them. Prior to the expiration of the Restricted Period, transfers by an owner of a beneficial interest in a Regulation S Global Note to a transferee who takes delivery of such interest through a Rule 144A Global Note shall be made only in accordance with the Applicable Procedures, pursuant to Rule 144 or 144A of the Securities Act and upon receipt by the Trustee of a written certification (in the form on the reverse side of the Initial Note).

(ii) Upon the expiration of the Restricted Period, beneficial ownership interests in a Regulation S Global Note shall be transferable in accordance with applicable law and the other terms of the Indenture.

(e) *Legend*.

(i) Each Note certificate evidencing the Global Notes (and all Notes that are Global Notes issued in exchange therefor or in substitution thereof) will contain a legend substantially to the following effect (each defined term in the legend being defined as such for purposes of the legend only):

"THIS GLOBAL SECURITY IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS SECURITY) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE HOLDERS OF BENEFICIAL INTERESTS HEREIN, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES, EXCEPT THAT (I) THE TRUSTEE MAY MAKE ANY SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO THE INDENTURE, (II) THIS GLOBAL SECURITY MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06 OF THE BASE INDENTURE, (III) THIS GLOBAL SECURITY MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO THE INDENTURE AND (IV) THIS GLOBAL SECURITY MAY BE TRANSFERRED AS A WHOLE, BUT NOT IN PART, TO THE DEPOSITARY, ITS SUCCESSORS OR THEIR RESPECTIVE NOMINEES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(ii) Except as permitted by the following paragraphs (iii), (iv), (v) or (vi), each Note certificate evidencing the Global Notes and the Definitive Notes (and all Notes issued in exchange therefor or in substitution thereof) will contain a legend substantially to the following effect (each defined term in the legend being defined as such for purposes of the legend only):

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER REPRESENTS THAT

(1) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT, OR

(2) IT IS NOT A "U.S. PERSON" AND IS OUTSIDE OF THE UNITED STATES (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT).

NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION. THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE THAT IS (A) IN THE CASE OF RULE 144A GLOBAL NOTES, ONE YEAR, OR (B) IN THE CASE OF REGULATION S GLOBAL NOTES, 40 DAYS, IN EACH CASE AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF

THIS SECURITY), ONLY (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM."

Each Note evidencing a Global Note offered and sold to a QIB pursuant to Rule 144A will contain a legend substantially to the following effect:

"EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER."

(iii) Upon any sale or transfer of a Transfer Restricted Note that is a Definitive Note, the Registrar shall permit the Holder thereof to exchange such Transfer Restricted Note for a Definitive Note that does not bear the legends set forth above and rescind any restriction on the transfer of such Transfer Restricted Note if the Holder certifies in writing to the Registrar that its request for such exchange was made in reliance on Rule 144 (such certification to be in the form set forth on the reverse of the Initial Note).

(iv) After a transfer of any Initial Notes during the period of the effectiveness of a Shelf Registration Statement (as defined in the Registration Rights Agreement) with respect to such Initial Notes, as the case may be, all requirements pertaining to the Restricted Notes Legend on such Initial Notes shall cease to apply and the requirements that any such Initial Notes be issued in global form shall continue to apply.

(v) Upon the consummation of a Registered Exchange Offer with respect to the Initial Notes pursuant to which Holders of such Initial Notes are offered Exchange Notes in exchange for their Initial Notes, all requirements pertaining to Initial Notes that Initial Notes be issued in global form shall continue to apply, and Exchange Notes in global form without the Restricted

Notes Legend will be deposited with the Notes Custodian and the Initial Notes cancelled.

(vi) Upon a sale or transfer after the expiration of the Restricted Period of any Initial Note acquired pursuant to Regulation S, all requirements that such Initial Note bear the Restricted Notes Legend shall cease to apply and the requirements requiring any such Initial Note be issued in global form shall continue to apply.

(f) Cancellation or Adjustment of Global Note. At such time as all beneficial interests in a Global Note have either been exchanged for Definitive Notes, transferred, redeemed, repurchased or canceled, such Global Note shall be returned by DTC to the Trustee for cancellation or retained and canceled by the Trustee. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for Definitive Notes, transferred in exchange for an interest in another Global Note, redeemed, repurchased or canceled, the principal amount of Notes represented by such Global Note shall be reduced and an adjustment shall be made on the books and records of the Trustee (if it is then the Notes Custodian for such Global Note) with respect to such Global Note, by the Trustee or the Notes Custodian, to reflect such reduction.

(g) Prior to the due presentation for registration of transfer of any Note, the Company, the Trustee, the Paying Agent and the Registrar may deem and treat the person in whose name a Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Note and for all other purposes whatsoever, whether or not such Note is overdue, and none of the Company, the Trustee, the Paying Agent or the Registrar shall be affected by notice to the contrary.

(h) All Notes issued upon any transfer or exchange pursuant to the terms of this First Supplemental Indenture shall evidence the same debt and shall be entitled to the same benefits under the Indenture as the Notes surrendered upon such transfer or exchange.

(i) Any Definitive Note delivered in exchange for an interest in the Transfer Restricted Note shall, except as otherwise provided by Section 2.02(e) hereof, contain the applicable Restricted Notes Legend set forth in Section 2.02(e)(ii) hereof.

(j) By its acceptance of any Note containing any legend in Section 2.02(e), each Holder of such Note acknowledges the restrictions on transfer of such Note set forth in this Indenture and in such legend in Section 2.02(e) and agrees that it shall transfer such Note only as provided in this Indenture.

ARTICLE 3
THE NOTES

Section 3.01. *Amount; Series; Terms*.

(a) There is hereby created and designated two Series of Securities under the Base Indenture: the title of the 2026 Notes shall be "1.650% Notes due 2026" and the title of the 2031 Notes shall be "2.650% Notes due 2031." The changes, modifications and supplements to the Base Indenture effected by this First Supplemental Indenture shall be applicable only with respect to, and govern the terms of, the Notes and shall not apply to any other Series of Securities that may be issued under the Base Indenture unless a supplemental indenture or Authorizing Resolution with respect to such other Series of Securities or Officer's Certificate establishing such Series of Securities specifically incorporates such changes, modifications and supplements.

(b) The aggregate principal amount of 2026 Notes that initially may be authenticated and delivered under this First Supplemental Indenture (the "**Initial 2026 Notes**") shall be limited to $400,000,000, and the aggregate principal amount of 2031 Notes that initially may be authenticated and delivered under this First Supplemental Indenture (the "**Initial 2031 Notes**," and together with the Initial 2026 Notes, the "**Initial Notes**") shall be limited to $400,000,000, subject, in each case, to increase as set forth in Section 3.04.

(c) The Stated Maturity of the 2026 Notes, on which principal thereof is due and payable, shall be July 15, 2026 and the Stated Maturity of the 2031 Notes, on which principal thereof is due and payable, shall be July 15, 2031. The Notes shall be payable and may be presented for payment, purchase, redemption, registration of transfer and exchange at the office of the Company maintained for such purpose, which shall initially be the Corporate Trust Office of the Trustee.

(d) The 2026 Notes shall accrue interest at the rate of 1.650% per year and the 2031 Notes shall accrue interest at the rate of 2.650% per year, in each case beginning on July 2, 2021 or from the most recent date to which interest has been paid or duly provided for, as further provided in the forms of Notes annexed hereto as Exhibit A-1 or Exhibit A-2. Interest on the Notes shall be computed on the basis of a 360-day year comprised of twelve 30-day months. The Interest Payment Dates for the Notes shall be January 15 and July 15 of each year, beginning on January 15, 2022, and the Regular Record Date for any interest payable on each such Interest Payment Date shall be the immediately preceding December 31 and June 30, respectively; *provided* that upon the Stated Maturity of the principal of the Notes, interest shall be payable on such Stated Maturity from the most recent date to which interest has been paid or duly provided, and shall include the required payment of principal or premium, if any. If any Interest Payment Date, Stated Maturity or other payment date with respect to the Notes is not a Business Day, the required payment of principal, premium, if any, or interest will be due on the next succeeding Business Day as if made on the date that such payment was due, and no interest will accrue on that payment for the period from and after that Interest Payment Date, Stated Maturity or other payment date, as the case may be, to the date of that payment on the next succeeding Business Day.

(e) The Notes of each Series will be initially issued in the form of one or more Global Notes, deposited with the Trustee, as Notes Custodian, or its nominee, duly

executed by the Company and authenticated by the Trustee as provided in the Base Indenture.

(f) Payment of principal of and premium, if any, and interest on a Global Note registered in the name of or held by the Depositary or its nominee will be made in immediately available funds to the Depositary or its nominee, as the case may be, as the Holder of such Global Note. If the Notes are no longer represented by a Global Note, payment of interest on certificated Notes in definitive form may, at the Company's option, be made by (i) check mailed directly to Holders of such Notes at their registered addresses or (ii) upon request of any Holder of at least $1,000,000 principal amount of Notes, wire transfer to an account located in the United States maintained by the payee.

Section 3.02. *Denominations*. The Notes of each Series shall be issuable only in registered form in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof.

Section 3.03. *Book-entry Provisions for Global Securities*. Except for the circumstances described in Article 2 of the Base Indenture, no Global Note may be exchanged in whole or in part for Notes registered, and no transfer of a Global Note in whole or in part may be registered, in the name of any Person other than the Depositary for such Global Note or a nominee thereof.

Section 3.04. *Additional Notes*. The Company may, without notice to or the consent of the Holders of the Notes, create and issue pursuant to the Indenture additional Notes of a Series ("**Additional Notes**") having the same terms as, and ranking equally and ratably with, the applicable Series of Notes in all respects, except for the issue date, the public offering price and, if applicable, the payment of interest accruing prior to the issue date of such Additional Notes and the first payment of interest following the issue date of such Additional Notes; *provided* that if such Additional Notes are not fungible with the applicable Series of Notes for U.S. federal income tax purposes, such Additional Notes will have a separate CUSIP number. Such Additional Notes may be consolidated and form a single Series with, and will have the same terms as to ranking, redemption, waivers, amendments or otherwise as, the applicable Series of Notes (including any Exchange Notes issued with respect to such Series in accordance with the Registration Rights Agreement), and will vote together as one class on all matters with respect to such Series of Notes.

ARTICLE 4
REDEMPTION OR REPURCHASE OF SECURITIES

Section 4.01. *Applicability of Base Indenture*. Subject to Section 1.02 hereof, the provisions of Article 3 of the Base Indenture, as supplemented by the provisions of this First Supplemental Indenture, shall apply to redemptions of the Notes pursuant to Section 4.02 hereof.

Section 4.02. *Optional Redemption*.

(a) The Company may redeem the 2026 Notes and the 2031 Notes at its option, either in whole or in part, at any time or from time to time prior to the applicable Par Call Date, at a redemption price equal to the greater of the following amounts, plus, in each case, accrued and unpaid interest thereon to, but excluding, the Redemption Date:

(i) 100% of the aggregate principal amount of the Notes to be redeemed; or

(ii) the sum of the present values of the Remaining Scheduled Payments, discounted by the Company to the Redemption Date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) using a discount rate equal to the Treasury Rate plus 15 basis points for the 2026 Notes and 20 basis points for the 2031 Notes.

(b) The Company may redeem the 2026 Notes and the 2031 Notes at its option, either in whole or in part, at any time or from time to time on or after the applicable Par Call Date, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus, in each case, accrued and unpaid interest thereon to, but excluding, the Redemption Date.

(c) Unless the Company defaults in the payment of the redemption price, on and after the Redemption Date, interest will cease to accrue on the Notes, or portions thereof, called for redemption.

Section 4.03. *Escrow of Proceeds; Special Mandatory Redemption*.

(a) In the event that (x) the Company has not delivered an Escrow Certificate to the Escrow Agent and the Trustee prior to 11:59 p.m. (New York City time) on or prior to April 2, 2022 (the date that is nine months after the Issue Date), (y) the Escrowed Property is released to the Company or to such other person as the Company directs but the distribution is not consummated at or prior to 11:59 p.m. (New York City time) on the fifth Business Day following the date on which such Escrowed Property is so released or (z) the Company notifies the Escrow Agent and the Trustee in writing that the Company will not pursue the distribution (the earliest such event described in clause (x), (y) or (z), if any, the "**Special Mandatory Redemption Event**"), the Company will be required to redeem the Notes then outstanding (such redemption, the "**Special Mandatory Redemption**") at a redemption price equal to 101% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest thereon to, but excluding, the Special Mandatory Redemption Date (the "**Special Mandatory Redemption Price**").

(b) In the event that the Company becomes obligated to redeem the Notes pursuant to the Special Mandatory Redemption, the Company will promptly, and in any event not more than ten Business Days after the Special Mandatory Redemption Event, deliver to the Escrow Agent and the Trustee notice (the date on which such notice is delivered, the "**Special Mandatory Redemption Notice Date**") of the Special Mandatory Redemption and the date upon which such Notes will be redeemed (the "**Special Mandatory Redemption Date**," which date shall be no later than the third

Business Day following the Special Mandatory Redemption Notice Date) and to the Trustee a notice of Special Mandatory Redemption for the Trustee to deliver to each registered Holder of Notes to be redeemed. Upon delivery by the Company to the Trustee of the notice of Special Mandatory Redemption, the Trustee will promptly mail, or deliver electronically if such Notes are held by any Depositary (including, without limitation, DTC) in accordance with such Depositary's customary procedures, such notice of Special Mandatory Redemption to each registered Holder of Notes to be redeemed at its registered address (so long as such notice is delivered to the Trustee at least one Business Day prior to the date such notice is to be sent (or such shorter period as the Trustee may agree)). On the Business Day immediately following the Special Mandatory Redemption Notice Date, the Escrow Agent, without the requirement of further notice to or action by the Company or any other person, shall liquidate all Escrowed Property and release the Escrowed Property to the Trustee. On or prior to the Special Mandatory Redemption Date, if necessary, the Company shall deposit with the Trustee immediately available funds in U.S. dollars in an amount sufficient, when taken together with such liquidated Escrowed Property, to pay the Special Mandatory Redemption Price on all Notes to be redeemed on such date. The Trustee shall apply such liquidated Escrowed Property and such deposited funds on the Special Mandatory Redemption Date to the Special Mandatory Redemption. Unless the Company defaults in payment of the Special Mandatory Redemption Price, on and after such Special Mandatory Redemption Date, interest will cease to accrue on the Notes to be redeemed. The Trustee will release to the Company any liquidated Escrowed Property or other deposited funds remaining after the Notes are redeemed.

(c) Notwithstanding the foregoing, installments of interest on any Series of Notes that are due and payable on Interest Payment Dates falling on or prior to the Special Mandatory Redemption Date will be payable on such Interest Payment Dates to the registered Holders as of the close of business on the relevant Regular Record Dates in accordance with the Notes and the Indenture.

(d) The Company shall not be required to make any mandatory redemption or sinking fund payments with respect to the Notes, except for the Special Mandatory Redemption pursuant to Section 4.03 hereof, if applicable.

Section 4.04. *Repurchase of Notes Upon a Change of Control*.

(a) If a Change of Control Repurchase Event occurs with respect to a Series of Notes, unless the Company has exercised its right to redeem such Notes as described in Section 4.02 of this First Supplemental Indenture, the Company is required to make an offer (the "**Change of Control Offer**") to each Holder of the Notes of such Series to repurchase all or any part (in excess of $2,000 and in integral multiples of $1,000) of that Holder's Notes of such Series, at a repurchase price in cash equal to 101% of the aggregate principal amount of the Notes repurchased plus any accrued and unpaid interest on the Notes repurchased to, but excluding, the date of repurchase. Within 30 days following any Change of Control Repurchase Event with respect to the Notes or, at the option of the Company, prior to any Change of Control, but after the public announcement of the transaction that constitutes or may constitute a Change of Control,

the Company will electronically deliver or mail a notice to each Holder of the applicable Series of Notes, with a copy to the Trustee, describing the transaction or transactions that constitute or may constitute the Change of Control Repurchase Event and offering to repurchase the Notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is electronically delivered or mailed (the "**Change of Control Payment Date**"). The notice shall, if electronically delivered or mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on a Change of Control Repurchase Event occurring on or prior to the Change of Control Payment Date.

(b) On the Change of Control Payment Date, the Company will, to the extent lawful:

(i) accept for payment all the Notes or portions of the Notes properly tendered pursuant to the Change of Control Offer;

(ii) deposit with the Paying Agent an amount equal to the aggregate purchase price in respect of all the Notes or portions of the Notes properly tendered; and

(iii) deliver or cause to be delivered to the Trustee the Notes properly accepted, together with an Officer's Certificate stating the aggregate principal amount of Notes being purchased by the Company.

(c) The Paying Agent will promptly deliver to each Holder of Notes properly tendered payment for such Notes, and the Trustee will promptly authenticate and deliver (or cause to be transferred by book-entry) to each Holder a new Note equal in principal amount to any unpurchased portion of any Notes surrendered.

(d) The Company is not required to make an offer to repurchase Notes in connection with a Change of Control Repurchase Event if a third party makes such an offer in the manner and at the times and otherwise in compliance with the requirements hereunder for such an offer made by the Company, and such third party purchases all Notes validly tendered and not withdrawn under its offer.

(e) If Holders of not less than 90% in aggregate principal amount of the applicable outstanding Series of Notes validly tender and do not withdraw such Notes in an offer to repurchase the Notes in connection with a Change of Control Repurchase Event and the Company purchases all of the Notes of such Series validly tendered and not withdrawn by such Holders, the Company will have the right, upon not less than 10 nor more than 60 days' prior written notice to the Holders of Notes of such Series and the Trustee, given not more than 30 days following the Change of Control Payment Date, to redeem all Notes of such Series that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest to, but excluding, the Redemption Date.

(f) The Company will comply with the requirements of Rule 14e-1 under the Exchange Act, and any other securities laws and regulations thereunder, to the extent

those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Repurchase Event provisions of the Indenture or the Notes, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.04 or the Notes by virtue of compliance with such securities laws and regulations.

(g) Notwithstanding anything to the contrary in the Indenture or otherwise, for the avoidance of doubt, the Company's obligation to repurchase Notes upon a Change of Control Repurchase Event may be waived by the Holders of not less than a majority in aggregate principal amount of the outstanding Notes of the applicable Series affected by such waiver.

ARTICLE 5
COVENANTS, DEFAULTS AND REMEDIES

Section 5.01. *Covenants*. Article 4 and Article 5 of the Base Indenture shall apply to the Notes.

Section 5.02. *Defaults and Remedies*. Article 6 of the Base Indenture shall apply to the Notes.

ARTICLE 6
ESCROW MATTERS

Section 6.01. *Escrow Account*. The Company shall, pursuant to the terms of the Escrow Agreement, deposit (or cause to be deposited) into the Escrow Account the net proceeds of the offering of the Initial Notes.

Section 6.02. *Release of Escrowed Property*. The Escrow Agreement provides that subject to the terms and conditions set forth therein, the Escrow Agent will liquidate all Escrowed Property then held by it and cause the release of the proceeds of such liquidated Escrowed Property to the Company or to such other Person as the Company directs in accordance with the terms of the Escrow Agreement.

Section 6.03. *Trustee Direction to Execute Escrow Agreement*. The Trustee is hereby authorized and directed to execute and deliver the Escrow Agreement.

ARTICLE 7
MISCELLANEOUS

Section 7.01. *Confirmation of Indenture*. The Base Indenture, as supplemented and amended by this First Supplemental Indenture, is in all respects ratified and confirmed, and the Base Indenture and this First Supplemental Indenture shall be read, taken and construed as one and the same instrument.

Section 7.02. *Counterparts*. The parties hereto may sign any number of copies of this First Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. Signatures of the parties hereto transmitted by facsimile or other electronic transmission shall be deemed to be their original signatures for all purposes. This First Supplemental Indenture shall be valid, binding, and enforceable against a party (subject to applicable bankruptcy, insolvency, fraudulent transfer, fraudulent conveyance, reorganization, moratorium and other laws now or hereinafter in effect affecting creditors' rights or remedies generally and to general principles of equity (including standards of materiality, good faith, fair dealing and reasonableness), whether considered in a proceeding at law or at equity) only when executed and delivered by an authorized individual on behalf of the party by means of (i) any electronic signature permitted by the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, and/or any other relevant electronic signatures law, including relevant provisions of the NYUCC (collectively, "**Signature Law**"); (ii) an original manual signature; or (iii) a faxed, scanned, or photocopied manual signature. Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each party hereto shall be entitled to conclusively rely upon, and shall have no liability with respect to, any faxed, scanned, or photocopied manual signature, or other electronic signature, of any party and shall have no duty to investigate, confirm or otherwise verify the validity or authenticity thereof. For avoidance of doubt, original manual signatures shall be used for execution or indorsement of writings when required under the NYUCC or other Signature Law due to the character or intended character of the writings.

Section 7.03. *Governing Law*. This First Supplemental Indenture and the Notes of each Series shall be governed by and construed in accordance with the laws of the State of New York.

Section 7.04. *Waiver of Jury Trial*. EACH OF THE COMPANY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS FIRST SUPPLEMENTAL INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

Section 7.05. *Jurisdiction*. The Company and the Trustee, and each Holder of a Note by its acceptance thereof, hereby (i) irrevocably submit to the non-exclusive jurisdiction of any federal or state court sitting in the Borough of Manhattan, the city of New York, over any suit, action or proceeding arising out of or relating to the First Supplemental Indenture and (ii) to the fullest extent permitted by applicable law, irrevocably waive and agree not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

Section 7.06. *Recitals by the Company*. The recitals in this First Supplemental Indenture are made by the Company only and not by the Trustee, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this First Supplemental Indenture or of the Notes. The Trustee shall not be accountable for the use or application by the Company of the Notes or the proceeds thereof. All of the provisions contained in the Base Indenture in respect of the rights, privileges, immunities, powers and duties of the Trustee shall be applicable in respect of the Notes and of this First Supplemental Indenture as fully and with like effect as if set forth herein in full.

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

GXO LOGISTICS, INC.,
as Company

By: /s/ Baris Oran

Name: Baris Oran

Title: Chief Financial Officer

[*Signature Page – GXO Logistics First Supplement Indenture*]

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: /s/ Joel Odenbrett

Name: Joel Odenbrett

Title: AVP

[*Signature Page – GXO Logistics First Supplement Indenture*]

EXHIBIT A-1

[FORM OF 2026 NOTE]

[Global Notes Legend]

THIS GLOBAL SECURITY IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS SECURITY) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE HOLDERS OF BENEFICIAL INTERESTS HEREIN, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES, EXCEPT THAT (I) THE TRUSTEE MAY MAKE ANY SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO THE INDENTURE, (II) THIS GLOBAL SECURITY MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06 OF THE BASE INDENTURE, (III) THIS GLOBAL SECURITY MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO THE INDENTURE AND (IV) THIS GLOBAL SECURITY MAY BE TRANSFERRED AS A WHOLE, BUT NOT IN PART, TO THE DEPOSITARY, ITS SUCCESSORS OR THEIR RESPECTIVE NOMINEES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

[Restricted Notes Legend]

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER REPRESENTS THAT

(1) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A “QUALIFIED INSTITUTIONAL BUYER” (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT, OR

(2) IT IS NOT A “U.S. PERSON” AND IS OUTSIDE OF THE UNITED STATES (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT).

NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION. THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE THAT IS (A) IN THE CASE OF RULE 144A GLOBAL NOTES, ONE YEAR, OR (B) IN THE CASE OF REGULATION S GLOBAL NOTES, 40 DAYS, IN EACH CASE AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY’S AND THE TRUSTEE’S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.

[For 144A Global Notes]

[EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.]

[FORM OF NOTE]

GXO LOGISTICS, INC.

No. [ ]

144A CUSIP No. 36262G AA9
144A ISIN No. US36262GAA94
REG S CUSIP No. U4038P AA7
REG S ISIN No. USU4038PAA76

$[ ]

1.650% Note due 2026

GXO LOGISTICS, INC., a Delaware corporation, promises to pay to Cede & Co., or registered assigns, the principal sum of [__] DOLLARS (or such other amount set forth on the Schedule of Increases or Decreases in Global Note attached hereto) on July 15, 2026.

Interest Payment Dates: January 15 and July 15, commencing January 15, 2022.

Record Dates: December 31 and June 30.

Additional provisions of this Note are set forth on the other side of this Note.

IN WITNESS WHEREOF, the parties have caused this instrument to be duly executed.

GXO LOGISTICS, INC.

By: _____

Name:

Title:

Dated:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

WELLS FARGO BANK, NATIONAL ASSOCIATION
as Trustee, certifies that this is one of the
Notes referred to in the Indenture.

By: _____
Authorized Signatory

Dated:

[FORM OF REVERSE SIDE OF NOTE]

1.650% Note Due 2026

GXO Logistics, Inc., a Delaware corporation (together with its successors and assigns, the "**Company**"), issued this Note under the Indenture dated as of July 2, 2021 (as amended, modified or supplemented from time to time in accordance therewith, the "**Base Indenture**"), as supplemented by the First Supplemental Indenture dated as of July 2, 2021 (the "**Supplemental Indenture**" and together with the Base Indenture, the "**Indenture**"), by and between the Company and Wells Fargo Bank, National Association, as trustee (in such capacity, the "**Trustee**"), to which reference is hereby made for a statement of the respective rights, obligations, duties and immunities thereunder of the Company, the Trustee and the Holders and of the terms upon which this Note is authorized and delivered. All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them therein. If any terms of this Note conflicts with the terms of the Indenture, the terms of the Indenture shall govern and control.

1. *Interest*. The Company promises to pay interest on the principal amount of this Note at the rate of 1.650% per year. The Company will pay interest semi-annually in arrears on January 15 and July 15 of each year (each, an "**Interest Payment Date**"), beginning on January 15, 2022, until the principal is paid or made available for payment. Interest on this Note will accrue from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid, from the date of issuance to, but excluding, the applicable Interest Payment Date or Stated Maturity of the principal of the Note, as the case may be. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. If any Interest Payment Date, Stated Maturity or other payment date with respect to the Notes is not a Business Day, the required payment of principal, premium, if any, or interest will be due on the next succeeding Business Day as if made on the date that such payment was due, and no interest will accrue on that payment for the period from and after that Interest Payment Date, Stated Maturity or other payment date, as the case may be, to the date of that payment on the next succeeding Business Day.

2. *Method of Payment*. The Company will pay interest on this Note (except defaulted interest, if any, which will be paid on a special payment date to Holders of record on such special record date as may be fixed by the Company in accordance with Section 2.11 of the Base Indenture) to the persons in whose name this Note is registered at the close of business on the Regular Record Date immediately preceding the relevant Interest Payment Date. The Company will pay principal and interest in money of the United States of America that at the time of payment is legal tender for payment of public and private debts, at the office or agency of the Company maintained for that purpose in accordance with the Indenture.

3. *Paying Agent*. Initially, the Trustee will act as Paying Agent and Registrar. The Company may have one or more co-Registrars and one or more additional

paying agents. The Company may at any time rescind the designation of any Registrar or Paying Agent or approve a change through which the Registrar or Paying Agent acts.

4. *Optional Redemption*. This Note shall be redeemable at the option of the Company in accordance with Section 4.02 of the Supplemental Indenture.

5. *Special Mandatory Redemption*. The Company will be required to redeem this Note as and to the extent set forth in (and only in the circumstances described in) Section 4.03 of the Supplemental Indenture.

6. *Offer to Repurchase Upon Change of Control Repurchase Event*. The Company will be required to make a Change of Control Offer as and to the extent set forth in (and only in the circumstances described in) Section 4.04 of the Supplemental Indenture.

7. *Persons Deemed Owners*. The registered Holder of this Note shall be treated as the owner of it for all purposes.

8. *Unclaimed Money*. All amounts of principal of and premium, if any, and interest on this Note paid by the Company to the Trustee or Paying Agent that remain unclaimed for two years will be repaid to the Company, and the Holder of this Note will thereafter look solely to the Company for payment unless applicable abandoned property law designates another Person.

9. *Amendment, Supplement, Waiver*. The Indenture or this Note may be amended or supplemented in accordance with the terms of the Indenture.

10. *Successor Person*. When a successor Person assumes all the obligations of its predecessor under the Note and the Indenture, the predecessor Person will be released from those obligations, in accordance with and except as set forth in the Indenture.

11. *No Recourse Against Others*. A director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under the Note or the Indenture or for any claim based on, in respect of or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Note.

12. *Discharge of Indenture*. The Indenture contains certain provisions pertaining to defeasance and discharge, which provisions shall for all purposes have the same effect as if set forth herein.

13. *Authentication*. This Note shall not be valid until an authorized signatory of the Trustee manually signs the certificate of authentication on the other side of this Note.

14. *Abbreviations*. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= custodian), and U/G/M/A (= Uniform Gift to Minors Act).

15. *Governing Law*. This Note shall be governed by and construed in accordance with the laws of the State of New York.

16. *CUSIP and ISIN Numbers*. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP and ISIN numbers to be printed on this Note and has directed the Trustee to use CUSIP and ISIN numbers in notices of repurchase as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on this Note or as contained in any notice of repurchase, and reliance may be placed only on the other identification numbers placed thereon.

17. *Copies*. The Company will furnish to any Holder upon written request and without charge a copy of the Base Indenture and a copy of the Supplemental Indenture. Requests may be made to: GXO Logistics, Inc., Two American Lane, Greenwich, CT 06831, Attention: Baris Oran.

ASSIGNMENT FORM

To assign this Note, fill in the form below:

I or we assign and transfer this Note to:

_____

(Print or type assignee's name, address and zip code)

_____

(Insert assignee's soc. sec. or tax I.D. No.)

and irrevocably appoint agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: _____ Your Signature: _____

_____

Sign exactly as your name appears on the other side of this Note.

Signature Guarantee:

Date: _____ _____

Signature must be guaranteed by a participant in a recognized signature guaranty medallion program or other signature guarantor program reasonably acceptable to the Trustee

Signature of Signature Guarantee

CERTIFICATE TO BE DELIVERED UPON EXCHANGE OR
REGISTRATION OF TRANSFER RESTRICTED NOTE

Wells Fargo Bank, National Association
Attn: DAPS Reorg
MAC N9300-070
600 South 4th Street, 7th Floor
Minneapolis, MN 55415
Telephone No.: (877) 872-4605
Fax No.: (866) 969-1290
Email: DAPSReorg@wellsfargo.com

This certificate relates to $ _____ principal amount of Notes held in (check applicable space) _____ book-entry or _____ definitive form by the undersigned.

The undersigned (check one box below):

☐ has requested the Trustee by written order to deliver in exchange for its beneficial interest in the Global Note held by the Depository a Note or Notes in definitive, registered form of authorized denominations and an aggregate principal amount equal to its beneficial interest in such Global Note (or the portion thereof indicated above);

☐ has requested the Trustee by written order to exchange or register the transfer of a Note or Notes.

In connection with any transfer of any of the Notes evidenced by this certificate occurring while this Note is still a Transfer Restricted Definitive Note or a Transfer Restricted Global Note, the undersigned confirms that such Notes are being transferred in accordance with its terms:

CHECK ONE BOX BELOW

(1)	☐	to the Company; or
(2)	☐	to the Registrar for registration in the name of the holder, without transfer; or
(3)	☐	pursuant to an effective registration statement under the Securities Act; or
(4)	☐	to a person reasonably believed to be a “qualified institutional buyer” (as defined in Rule 144A under the Securities Act) that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that such transfer is being made in reliance on Rule 144A, in each case pursuant to and in compliance with Rule 144A under the Securities Act; or
(5)	☐	to a non-U.S. person outside the United States in an offshore transaction within the meaning of Regulation S under the Securities Act in compliance with Rule 903 or 904 under the Securities Act and such Note shall be held immediately

		after the transfer through Euroclear, Clearstream or their respective participants until the expiration of the Restricted Period (as defined in the Indenture); or
(6)	☐	pursuant to another available exemption from registration provided by Rule 144 under the Securities Act.

Unless one of the boxes is checked, the Trustee will refuse to register any of the Notes evidenced by this certificate in the name of any Person other than the registered holder thereof; *provided, however,* that if box (5) or (6) is checked, the Company or the Trustee may require, prior to registering any such transfer of the Notes, such legal opinions, certifications and other information as the Company or the Trustee have reasonably requested to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Date: _____ Your Signature: _____

_____

Sign exactly as your name appears on the other side of this Note.

Signature Guarantee:

Date: _____ _____

Signature must be guaranteed by a participant in a recognized signature guaranty medallion program or other signature guarantor program reasonably acceptable to the Trustee

Signature of Signature Guarantee

TO BE COMPLETED BY PURCHASER IF (4) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Date: _____

_____

NOTICE: To be executed by an executive officer

[TO BE ATTACHED TO GLOBAL NOTES]

SCHEDULE OF INCREASES OR DECREASES IN GLOBAL NOTE

The initial principal amount of this Global Note is $_____. The following increases or decreases in this Global Note have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal amount of this Global Note following such decrease or increase	Signature of authorized signatory of Trustee or Notes Custodian

EXHIBIT A-2

[FORM OF 2031 NOTE]

[Global Notes Legend]

THIS GLOBAL SECURITY IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS SECURITY) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE HOLDERS OF BENEFICIAL INTERESTS HEREIN, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES, EXCEPT THAT (I) THE TRUSTEE MAY MAKE ANY SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO THE INDENTURE, (II) THIS GLOBAL SECURITY MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06 OF THE BASE INDENTURE, (III) THIS GLOBAL SECURITY MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO THE INDENTURE AND (IV) THIS GLOBAL SECURITY MAY BE TRANSFERRED AS A WHOLE, BUT NOT IN PART, TO THE DEPOSITARY, ITS SUCCESSORS OR THEIR RESPECTIVE NOMINEES.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

[Restricted Notes Legend]

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER REPRESENTS THAT

(1) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT, OR

(2) IT IS NOT A "U.S. PERSON" AND IS OUTSIDE OF THE UNITED STATES (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT).

NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION. THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE THAT IS (A) IN THE CASE OF RULE 144A GLOBAL NOTES, ONE YEAR, OR (B) IN THE CASE OF REGULATION S GLOBAL NOTES, 40 DAYS, IN EACH CASE AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.

[For 144A Global Notes]

[EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.]

[FORM OF NOTE]

GXO LOGISTICS, INC.

No. [ ]

144A CUSIP No. 36262G AC5
144A ISIN No. US36262GAC50
REG S CUSIP No. U4038P AB5
REG S ISIN No. USU4038PAB59

$[ ]

2.650% Note due 2031

GXO LOGISTICS, INC., a Delaware corporation, promises to pay to Cede & Co., or registered assigns, the principal sum of [__] DOLLARS (or such other amount set forth on the Schedule of Increases or Decreases in Global Note attached hereto) on July 15, 2031.

Interest Payment Dates: January 15 and July 15, commencing January 15, 2022.

Record Dates: December 31 and June 30.

Additional provisions of this Note are set forth on the other side of this Note.

IN WITNESS WHEREOF, the parties have caused this instrument to be duly executed.

GXO LOGISTICS, INC.

By: _____

Name:

Title:

Dated:

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

WELLS FARGO BANK, NATIONAL ASSOCIATION
as Trustee, certifies that this is one of the Notes referred to in the Indenture.

By: _____
Authorized Signatory

Dated:

[FORM OF REVERSE SIDE OF NOTE]

2.650% Note Due 2031

GXO Logistics, Inc., a Delaware corporation (together with its successors and assigns, the "**Company**"), issued this Note under the Indenture dated as of July 2, 2021 (as amended, modified or supplemented from time to time in accordance therewith, the "**Base Indenture**"), as supplemented by the First Supplemental Indenture dated as of July 2, 2021 (the "**Supplemental Indenture**" and together with the Base Indenture, the "**Indenture**"), by and between the Company and Wells Fargo Bank, National Association, as trustee (in such capacity, the "**Trustee**"), to which reference is hereby made for a statement of the respective rights, obligations, duties and immunities thereunder of the Company, the Trustee and the Holders and of the terms upon which this Note is authorized and delivered. All terms used in this Note that are defined in the Indenture shall have the meanings assigned to them therein. If any terms of this Note conflicts with the terms of the Indenture, the terms of the Indenture shall govern and control.

1. *Interest*. The Company promises to pay interest on the principal amount of this Note at the rate of 2.650% per year. The Company will pay interest semi-annually in arrears on January 15 and July 15 of each year (each, an "**Interest Payment Date**"), beginning on January 15, 2022, until the principal is paid or made available for payment. Interest on this Note will accrue from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid, from the date of issuance to, but excluding, the applicable Interest Payment Date or Stated Maturity of the principal of the Note, as the case may be. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. If any Interest Payment Date, Stated Maturity or other payment date with respect to the Notes is not a Business Day, the required payment of principal, premium, if any, or interest will be due on the next succeeding Business Day as if made on the date that such payment was due, and no interest will accrue on that payment for the period from and after that Interest Payment Date, Stated Maturity or other payment date, as the case may be, to the date of that payment on the next succeeding Business Day.

2. *Method of Payment*. The Company will pay interest on this Note (except defaulted interest, if any, which will be paid on a special payment date to Holders of record on such special record date as may be fixed by the Company in accordance with Section 2.11 of the Base Indenture) to the persons in whose name this Note is registered at the close of business on the Regular Record Date immediately preceding the relevant Interest Payment Date. The Company will pay principal and interest in money of the United States of America that at the time of payment is legal tender for payment of public and private debts, at the office or agency of the Company maintained for that purpose in accordance with the Indenture.

3. *Paying Agent*. Initially, the Trustee will act as Paying Agent and Registrar. The Company may have one or more co-Registrars and one or more additional

paying agents. The Company may at any time rescind the designation of any Registrar or Paying Agent or approve a change through which the Registrar or Paying Agent acts.

4. *Optional Redemption*. This Note shall be redeemable at the option of the Company in accordance with Section 4.02 of the Supplemental Indenture.

5. *Special Mandatory Redemption*. The Company will be required to redeem this Note as and to the extent set forth in (and only in the circumstances described in) Section 4.03 of the Supplemental Indenture.

6. *Offer to Repurchase Upon Change of Control Repurchase Event*. The Company will be required to make a Change of Control Offer as and to the extent set forth in (and only in the circumstances described in) Section 4.04 of the Supplemental Indenture.

7. *Persons Deemed Owners*. The registered Holder of this Note shall be treated as the owner of it for all purposes.

8. *Unclaimed Money*. All amounts of principal of and premium, if any, and interest on this Note paid by the Company to the Trustee or Paying Agent that remain unclaimed for two years will be repaid to the Company, and the Holder of this Note will thereafter look solely to the Company for payment unless applicable abandoned property law designates another Person.

9. *Amendment, Supplement, Waiver*. The Indenture or this Note may be amended or supplemented in accordance with the terms of the Indenture.

10. *Successor Person*. When a successor Person assumes all the obligations of its predecessor under the Note and the Indenture, the predecessor Person will be released from those obligations, in accordance with and except as set forth in the Indenture.

11. *No Recourse Against Others*. A director, officer, employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under the Note or the Indenture or for any claim based on, in respect of or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Note.

12. *Discharge of Indenture*. The Indenture contains certain provisions pertaining to defeasance and discharge, which provisions shall for all purposes have the same effect as if set forth herein.

13. *Authentication*. This Note shall not be valid until an authorized signatory of the Trustee manually signs the certificate of authentication on the other side of this Note.

14. *Abbreviations*. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= custodian), and U/G/M/A (= Uniform Gift to Minors Act).

15. *Governing Law*. This Note shall be governed by and construed in accordance with the laws of the State of New York.

16. *CUSIP and ISIN Numbers*. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP and ISIN numbers to be printed on this Note and has directed the Trustee to use CUSIP and ISIN numbers in notices of repurchase as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on this Note or as contained in any notice of repurchase, and reliance may be placed only on the other identification numbers placed thereon.

17. *Copies*. The Company will furnish to any Holder upon written request and without charge a copy of the Base Indenture and a copy of the Supplemental Indenture. Requests may be made to: GXO Logistics, Inc., Two American Lane, Greenwich, CT 06831, Attention: Baris Oran.

ASSIGNMENT FORM

To assign this Note, fill in the form below:

I or we assign and transfer this Note to:

_____

(Print or type assignee's name, address and zip code)

_____

(Insert assignee's soc. sec. or tax I.D. No.)

and irrevocably appoint agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: _____ Your Signature: _____

_____

Sign exactly as your name appears on the other side of this Note.

Signature Guarantee:

Date: _____ _____

Signature must be guaranteed by a participant in a recognized signature guaranty medallion program or other signature guarantor program reasonably acceptable to the Trustee

Signature of Signature Guarantee

CERTIFICATE TO BE DELIVERED UPON EXCHANGE OR
REGISTRATION OF TRANSFER RESTRICTED NOTE

Wells Fargo Bank, National Association
Attn: DAPS Reorg
MAC N9300-070
600 South 4th Street, 7th Floor
Minneapolis, MN 55415
Telephone No.: (877) 872-4605
Fax No.: (866) 969-1290
Email: DAPSReorg@wellsfargo.com

This certificate relates to $ _____ principal amount of Notes held in (check applicable space) _____ book-entry or _____ definitive form by the undersigned.

The undersigned (check one box below):

☐ has requested the Trustee by written order to deliver in exchange for its beneficial interest in the Global Note held by the Depository a Note or Notes in definitive, registered form of authorized denominations and an aggregate principal amount equal to its beneficial interest in such Global Note (or the portion thereof indicated above);

☐ has requested the Trustee by written order to exchange or register the transfer of a Note or Notes.

In connection with any transfer of any of the Notes evidenced by this certificate occurring while this Note is still a Transfer Restricted Definitive Note or a Transfer Restricted Global Note, the undersigned confirms that such Notes are being transferred in accordance with its terms:

CHECK ONE BOX BELOW

(1)	☐	to the Company; or
(2)	☐	to the Registrar for registration in the name of the holder, without transfer; or
(3)	☐	pursuant to an effective registration statement under the Securities Act; or
(4)	☐	to a person reasonably believed to be a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act) that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that such transfer is being made in reliance on Rule 144A, in each case pursuant to and in compliance with Rule 144A under the Securities Act; or
(5)	☐	to a non-U.S. person outside the United States in an offshore transaction within the meaning of Regulation S under the Securities Act in compliance with Rule 903 or 904 under the Securities Act and such Note shall be held immediately after the transfer through Euroclear, Clearstream or their respective participants until the expiration of the Restricted Period (as defined in the Indenture); or
(6)		pursuant to another available exemption from registration provided by Rule 144 under the Securities Act.

Unless one of the boxes is checked, the Trustee will refuse to register any of the Notes evidenced by this certificate in the name of any Person other than the registered holder thereof; *provided, however*, that if box (5) or (6) is checked, the Company or the Trustee may require, prior to registering any such transfer of the Notes, such legal opinions, certifications and other information as the Company or the Trustee have reasonably requested to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Date: _____ Your Signature: _____

_____

Sign exactly as your name appears on the other side of this Note.

Signature Guarantee:

Date: _____ _____

Signature must be guaranteed by a participant in a recognized signature guaranty medallion program or other signature guarantor program reasonably acceptable to the Trustee

Signature of Signature Guarantee

TO BE COMPLETED BY PURCHASER IF (4) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

Date: _____

_____

NOTICE: To be executed by an executive officer

[TO BE ATTACHED TO GLOBAL NOTES]

SCHEDULE OF INCREASES OR DECREASES IN GLOBAL NOTE

The initial principal amount of this Global Note is $____. The following increases or decreases in this Global Note have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal amount of this Global Note following such decrease or increase	Signature of authorized signatory of Trustee or Notes Custodian

REGISTRATION RIGHTS AGREEMENT

This REGISTRATION RIGHTS AGREEMENT dated July 2, 2021 (this "**Agreement**") is entered into by and among GXO Logistics, Inc., a Delaware corporation (the "**Company**") and Barclays Capital Inc., Citigroup Global Markets Inc., Credit Agricole Securities (USA) Inc. and Goldman Sachs & Co. LLC as representatives (collectively, the "**Representatives**") of the initial purchasers listed in Schedule A to the Purchase Agreement (as defined below) (the "**Initial Purchasers**").

The Company and the Representatives are parties to the Purchase Agreement dated June 17, 2021 (the "**Purchase Agreement**"), which provides for the sale by the Company to the Initial Purchasers of $400,000,000 aggregate principal amount of 1.650% notes due 2026 (the "2026 Notes") and $400,000,000 aggregate principal amount of 2.650% notes due 2031 (together with the 2026 Notes, the "**Securities**"). As an inducement to the Initial Purchasers to enter into the Purchase Agreement, the Company has agreed to provide to the Initial Purchasers and their direct and indirect transferees the registration rights set forth in this Agreement. The execution and delivery of this Agreement is a condition to the closing under the Purchase Agreement.

In consideration of the foregoing, the parties hereto agree as follows:

Section 1. *Definitions*. As used in this Agreement, the following terms shall have the following meanings:

"**Agreement**" shall have the meaning set forth in the Preamble.

"**Business Day**" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which commercial banking institutions in New York, New York are authorized or obligated by law or required by executive order to close.

"**Company**" shall have the meaning set forth in the Preamble.

"**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended from time to time.

"**Exchange Dates**" shall have the meaning set forth in Section 2(a)(i) hereof.

"**Exchange Offer**" shall mean the exchange offer by the Company of Exchange Securities for Registrable Securities pursuant to Section 2(a) hereof.

"**Exchange Offer Registration Statement**" shall mean an exchange offer registration statement on Form S-4 (or, if applicable, on another appropriate form) and all amendments and supplements to such registration statement, in each case including the Prospectus contained therein or deemed a part thereof, all exhibits thereto and any document incorporated by reference therein.

"**Exchange Securities**" shall mean notes issued by the Company under the Indenture, containing terms substantially identical in all material respects to the Securities (except that the Exchange Securities will not be subject to restrictions on transfer or to any increase in annual interest rate for failure to comply with this Agreement) and to be offered to Holders in exchange for Registrable Securities pursuant to the Exchange Offer.

"**FINRA**" shall mean the Financial Industry Regulatory Authority, Inc.

"**Free Writing Prospectus**" shall mean each free writing prospectus (as defined in Rule 405 under the Securities Act) prepared by or on behalf of the Company and used by the Company in connection with the sale of the Securities or the Exchange Securities.

"**Holders**" shall mean the holders of Registrable Securities, and each of their successors, assigns and direct and indirect transferees who become owners of Registrable Securities under the Indenture; *provided* that, for purposes of Section 4 and Section 5 hereof, the term "**Holders**" shall include Participating Broker-Dealers.

"**Indenture**" shall mean the Indenture dated as of July 2, 2021 between the Company and Wells Fargo Bank, National Association, as trustee (the "**Trustee**"), as supplemented by the Supplemental Indenture, dated as of July 2, 2021 between the Company and the Trustee, as the same may be further amended, modified and/or supplemented from time to time in accordance with the terms thereof with applicability to the Securities and the Exchange Securities.

"**Initial Purchasers**" shall have the meaning set forth in the Preamble.

"**Inspector**" shall have the meaning set forth in Section 3(a)(xiv) hereof.

"**Issuer Information**" shall have the meaning set forth in Section 5(a) hereof.

"**Notice and Questionnaire**" shall mean a notice of registration statement and selling security holder questionnaire distributed to a Holder by the Company upon receipt of a Shelf Request from such Holder.

"**Participating Broker-Dealers**" shall have the meaning set forth in Section 4(a) hereof.

"**Participating Holder**" shall mean any Holder of Registrable Securities that has returned a completed and signed Notice and Questionnaire to the Company in accordance with Section 2(b) hereof.

"**Person**" shall mean an individual, partnership, limited liability company, corporation, trust or unincorporated organization, or a government or agency or political subdivision thereof.

"**Prospectus**" shall mean the prospectus included in, or, pursuant to the rules and regulations of the Securities Act, deemed a part of, a Registration Statement, including any preliminary prospectus, and any such prospectus as amended or supplemented by any

prospectus supplement, including a prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by a Shelf Registration Statement, and by all other amendments and supplements to such prospectus, and in each case including any document incorporated by reference therein.

"**Purchase Agreement**" shall have the meaning set forth in the Preamble.

"**Registrable Securities**" shall mean the Securities; *provided* that the Securities shall cease to be Registrable Securities upon the earliest to occur of the following: (i) when a Registration Statement with respect to such Securities has become effective under the Securities Act and such Securities have been exchanged or disposed of pursuant to such Registration Statement, (ii) when such Securities cease to be outstanding, (iii) when such Securities have been resold pursuant to Rule 144 (or any successor provision) under the Securities Act (but not Rule 144A) without regard to volume restrictions, provided that the Company shall have removed or caused to be removed any restrictive legend on the Securities or (iv) the date that is three years after the date of this Agreement.

"**Registration Default**" shall mean the occurrence of any of the following: (i) the Registration Statement referenced in Section 2(a)(x) is not deemed effective on or prior to the Target Registration Date or (ii) if the Exchange Offer is not consummated prior to the Target Registration Date and, if a shelf registration statement is required pursuant to Section 2(b), such Shelf Registration Statement is not declared effective on or prior to the later of (x) the Target Registration Date and (y) 60 days after delivery of the applicable Shelf Request, or (iii) if a shelf registration statement is required pursuant to Section 2(b) and after being declared effective, such Shelf Registration Statement ceases to be effective or the Prospectus contained therein ceases to be usable for resales of Registrable Securities (a) on more than two occasions of at least 30 consecutive days during the Shelf Effectiveness Period or (b) at any time in any 12-month period during the required effectiveness period and such failure to remain effective or useable for resales of Registrable Securities exists for more than 90 days (whether or not consecutive) in any 12-month period.

"**Registration Expenses**" shall mean any and all expenses incident to performance of or compliance by the Company with this Agreement, including without limitation: (i) all SEC, stock exchange or FINRA registration and filing fees, (ii) all fees and expenses incurred in connection with compliance with state securities or blue sky laws (including reasonable fees and disbursements of one counsel for any Underwriters or Holders in connection with blue sky qualification of any Exchange Securities or Registrable Securities), (iii) all expenses of the Company in preparing or assisting in preparing, word processing, printing and distributing any Registration Statement, any Prospectus, any Free Writing Prospectus and any amendments or supplements thereto, any underwriting agreements, securities sales agreements or other similar agreements and any other documents relating to the performance of and compliance with this Agreement, (iv) all rating agency fees incurred by the Company, (v) all fees and disbursements relating to the qualification of the Indenture under applicable securities laws, (vi) the reasonable fees and disbursements of the Trustee and one counsel, (vii) the fees and disbursements of counsel for the Company and, in the case of a Shelf Registration

Statement, the reasonable fees and disbursements of one counsel for the Participating Holders (which counsel shall be selected or replaced by the Participating Holders holding a majority of the aggregate principal amount of Registrable Securities held by such Participating Holders and which counsel may also be counsel for the Initial Purchasers) and (viii) the fees and disbursements of the independent registered public accountants of the Company, including the expenses of any special audits or "comfort" letters required by or incident to the performance of and compliance with this Agreement, but excluding fees and expenses of counsel to the Underwriters (other than fees and expenses set forth in clause (ii) above) or the Holders and underwriting discounts and commissions, brokerage commissions and transfer taxes, if any, relating to the sale or disposition of Registrable Securities by a Holder.

"**Registration Statement**" shall mean any registration statement of the Company that covers any of the Exchange Securities or Registrable Securities pursuant to the provisions of this Agreement and all amendments and supplements to any such registration statement, including post-effective amendments, in each case including the Prospectus contained therein or deemed a part thereof, all exhibits thereto and any document incorporated by reference therein.

"**Representatives**" shall have the meaning set forth in the Preamble.

"**SEC**" shall mean the United States Securities and Exchange Commission.

"**Securities**" shall have the meaning set forth in the Preamble.

"**Securities Act**" shall mean the Securities Act of 1933, as amended from time to time.

"**Shelf Effectiveness Period**" shall have the meaning set forth in Section 2(b) hereof.

"**Shelf Registration**" shall mean a registration effected pursuant to Section 2(b) hereof.

"**Shelf Registration Statement**" shall mean a "shelf" registration statement of the Company that covers all or a portion of the Registrable Securities on an appropriate form under Rule 415 under the Securities Act, or any similar rule that may be adopted by the SEC, and all amendments and supplements to such registration statement, including post-effective amendments, in each case including the Prospectus contained therein or deemed a part thereof, all exhibits thereto and any document incorporated by reference therein.

"**Shelf Request**" shall have the meaning set forth in Section 2(b) hereof.

"**Staff**" shall mean the staff of the SEC.

"**Suspension Actions**" shall have the meaning set forth in Section 2(e) hereof.

"**Target Registration Date**" shall mean June 27, 2022.

"**Trust Indenture Act**" shall mean the Trust Indenture Act of 1939, as amended from time to time.

"**Underwriter**" shall have the meaning set forth in Section 3(f) hereof.

"**Underwritten Offering**" shall mean an offering in which Registrable Securities are sold to an Underwriter for reoffering to the public.

Section 2. *Registration Under the Securities Act*.

(a) To the extent not prohibited by any applicable law or applicable interpretations of the Staff, the Company shall use its commercially reasonable efforts to (x) cause to be filed an Exchange Offer Registration Statement on the appropriate form under the Securities Act, as selected by the Company, covering an offer to the Holders to exchange all the Registrable Securities for Exchange Securities and (y) have such Registration Statement become effective on or before the Target Registration Date, and, if requested by one or more Participating Broker-Dealers, remain effective until 180 days after the last Exchange Date for use by such Participating Broker-Dealers. The Company shall commence the Exchange Offer for the Securities promptly after (but in no event later than 30 days after) the Exchange Offer Registration Statement is declared effective by the SEC, and use its commercially reasonable efforts to complete the Exchange Offer not later than 60 days after such effective date.

The Company shall commence the Exchange Offer by mailing and/or electronically delivering, or by causing the mailing and/or electronic delivery of, the related Prospectus, appropriate letters of transmittal and other accompanying documents to each Holder stating, in addition to such other disclosures as are required by applicable law, substantially the following:

(i) that the Exchange Offer is being made pursuant to this Agreement and that all Registrable Securities validly tendered and not properly withdrawn will be accepted for exchange;

(ii) the dates of acceptance for exchange (which shall be a period of at least 20 Business Days from the date such notice is mailed and/or electronically delivered) (each, an "**Exchange Date**");

(iii) that any Registrable Security not tendered will remain outstanding and continue to accrue interest but will not retain any rights under this Agreement, except as otherwise specified herein;

(iv) that any Holder electing to have a Registrable Security exchanged pursuant to the Exchange Offer will be required to (A) surrender such Registrable Security, together with the appropriate letters of transmittal, to the institution and at the address and in the manner specified in the notice, or (B) effect such exchange otherwise in compliance with the applicable procedures of the depositary for such Registrable Security, in each case prior to the close of business on the last Exchange Date with respect to the Exchange Offer; and

(v) that any Holder of Registrable Securities will be entitled to withdraw its election, not later than the close of business on the last Exchange Date with respect to the Exchange Offer, by (A) sending to the institution at the address specified in the notice, a facsimile transmission or letter setting forth the name of such Holder, the principal amount of Registrable Securities delivered for exchange and a statement that such Holder is withdrawing its election to have such Securities exchanged or (B) effecting such withdrawal in compliance with the applicable procedures of the depositary for the Registrable Securities.

As a condition to participating in the Exchange Offer, a Holder will be required to represent to the Company that (1) any Exchange Securities to be received by it will be acquired in the ordinary course of its business, (2) at the time of the commencement of the Exchange Offer it has no arrangement or understanding with any Person to participate in the distribution (within the meaning of the Securities Act) of the Exchange Securities in violation of the provisions of the Securities Act, (3) it is not an "affiliate" (within the meaning of Rule 405 under the Securities Act) of the Company, (4) if such Holder is not a broker-dealer, that it is not engaged in, and does not intend to engage in, the distribution of the Exchange Securities and (5) if such Holder is a broker-dealer that will receive Exchange Securities for its own account in exchange for Registrable Securities that were acquired as a result of market-making or other trading activities, then such Holder will deliver a Prospectus (or, to the extent permitted by law, make available a Prospectus to purchasers) in connection with any resale of such Exchange Securities.

As soon as practicable after the last Exchange Date with respect to the Exchange Offer for Registrable Securities, the Company shall:

(vi) accept for exchange Registrable Securities or portions thereof validly tendered and not properly withdrawn pursuant to the Exchange Offer; and

(vii) deliver, or cause to be delivered, to the Trustee for cancellation all Registrable Securities or portions thereof so accepted for exchange by the Company and issue, and cause the Trustee to promptly authenticate and deliver to each Holder, Exchange Securities equal in principal amount to the principal amount of the Registrable Securities tendered by such Holder; provided that if any of the Registrable Securities are in book-entry form, the Company shall, in cooperation with the Trustee, effect the exchange of Registrable Securities in accordance with applicable book-entry procedures.

The Company shall use its commercially reasonable efforts to complete the Exchange Offer as provided above and shall use reasonable best efforts to comply with the applicable requirements of the Securities Act, the Exchange Act and other applicable laws and regulations in connection with the Exchange Offer. The Exchange Offer shall not be subject to any conditions, other than that the Exchange Offer does not violate any applicable law or applicable interpretations of the Staff and that no action or proceeding has been instituted or threatened in

any court or by or before any governmental agency relating to the Exchange Offer which, in the Company's judgment, could reasonably be expected to impair the Company's ability to proceed with the Exchange Offer.

(b) In the event that the Company determines that the Exchange Offer Registration provided for in Section 2(a) hereof is not available under applicable law or if applicable interpretations of the Staff do not permit the Company to effect the Exchange Offer for Registrable Securities, or, if for any reason the Company does not consummate the Exchange Offer for Registrable Securities by the later of the Target Registration Date and the date the Company receives a written request (a "**Shelf Request**") from any Initial Purchaser representing that it holds Registrable Securities that are or were ineligible to be exchanged in the Exchange Offer, the Company shall use its commercially reasonable efforts to cause to be filed and become effective, as soon as practicable after such determination, date or Shelf Request, as the case may be, a Shelf Registration Statement on the appropriate form under the Securities Act, as selected by the Company, providing for the sale of all the Registrable Securities by the Holders thereof and to have such Shelf Registration Statement become effective; *provided* that (a) no Holder will be entitled to have any Registrable Securities included in any Shelf Registration Statement, or entitled to use the prospectus forming a part of such Shelf Registration Statement, until such Holder shall have delivered a completed and signed Notice and Questionnaire and provided such other information regarding such Holder to the Company as is contemplated by Section 3(c) hereof and, if necessary, the Shelf Registration Statement has been amended to reflect such information, and (b) the Company shall be under no obligation to file or cause to become effective any such Shelf Registration Statement before it is obligated to file or cause to become effective an Exchange Offer Registration Statement pursuant to Section 2(a) hereof.

The Company agrees to use its commercially reasonable efforts to keep the Shelf Registration Statement continuously effective until the date on which the Securities covered thereby cease to be Registrable Securities (the "**Shelf Effectiveness Period**"). The Company further agrees to use its commercially reasonable efforts to supplement or amend the Shelf Registration Statement, the related Prospectus and any Free Writing Prospectus if required by the rules, regulations or instructions applicable to the registration form used by the Company for such Shelf Registration Statement or by the Securities Act or by any other rules and regulations thereunder or if reasonably requested by a Participating Holder of Registrable Securities with respect to information relating to such Holder, and to use its commercially reasonable efforts to cause any such amendment to become effective, if required, and such Shelf Registration Statement, Prospectus or Free Writing Prospectus, as the case may be, to become usable as soon as thereafter practicable. The Company agrees to furnish to the Participating Holders copies of any such supplement or amendment promptly after its being used or filed with the SEC, as reasonably requested by the Participating Holders.

(c) The Company shall pay all Registration Expenses in connection with any registration pursuant to Section 2(a) or Section 2(b) hereof. Each Holder shall pay all underwriting discounts and commissions, brokerage commissions and transfer taxes, if

any, relating to the sale or disposition of such Holder's Registrable Securities pursuant to the Shelf Registration Statement.

(d) An Exchange Offer Registration Statement pursuant to Section 2(a) hereof will not be deemed to have become effective unless it has been declared effective by the SEC. A Shelf Registration Statement pursuant to Section 2(b) hereof will not be deemed to have become effective unless it has been declared effective by the SEC or is automatically effective upon filing with the SEC as provided by Rule 462 under the Securities Act.

If a Registration Default occurs with respect to the Registrable Securities, the interest rate on the Registrable Securities (and only the Registrable Securities) will be increased by (i) 0.25% per annum for the first 90 day period beginning on the day immediately following such Registration Default and (ii) an additional 0.25% per annum with respect to each subsequent 90 day period, in each case until and including the date such Registration Default ends, up to a maximum increase of 1.00% per annum. A Registration Default ends with respect to any Security when such Security ceases to be a Registrable Security or, if earlier, (1) in the case of a Registration Default under clause (i) or (ii) of the definition thereof, when the Exchange Offer is completed or when the Shelf Registration Statement covering such Registrable Securities becomes effective or (2) in the case of a Registration Default under clause (iii) of the definition thereof, when the Registration Statement becomes effective or the Prospectus again becomes usable. If at any time more than one Registration Default has occurred and is continuing, then, until the next date that there is no Registration Default, the increase in interest rate provided for by this paragraph shall apply as if there occurred a single Registration Default that begins on the date that the earliest such Registration Default occurred and ends on the next date that there is no Registration Default.

Notwithstanding anything to the contrary in this Agreement, if the Exchange Offer with respect to the Registrable Securities is consummated, any Holder who was, at the time the Exchange Offer was pending and consummated, eligible to exchange, and did not validly tender, or withdrew, its Securities for Exchange Securities in the Exchange Offer will not be entitled to receive any additional interest pursuant to the preceding paragraph, and upon the completion of the Exchange Offer, such Securities will no longer constitute Registrable Securities hereunder.

Any amounts of additional interest due under this clause (d) will be payable in cash on the regular interest payment dates of the Securities. The additional interest will be determined by multiplying the applicable additional interest rate by the principal amount of the Securities, multiplied by a fraction, the numerator of which is the number of days such additional interest rate was applicable during such period (determined on the basis of a 360 day year composed of twelve 30-day months, but it being understood that if the regular interest payment date of the Securities is not a Business Day and the payment is made on the next succeeding Business Day, no further interest will accrue as a result of such delay), and the denominator of which is 360.

(e) The Company shall be entitled to suspend its obligation to file any amendment to a Shelf Registration Statement, furnish any supplement or amendment to a Prospectus included in a Shelf Registration Statement or any Free Writing Prospectus, make any other filing with the SEC that would be incorporated by reference into a Shelf Registration Statement, cause a Shelf Registration Statement to remain effective or the Prospectus or any Free Writing Prospectus usable or take any similar action (collectively, "**Suspension Actions**") if there is a possible acquisition, disposition or business combination or other transaction, business development or event involving the Company or its subsidiaries that may require disclosure in the Shelf Registration Statement or Prospectus and the Company determines that such disclosure is not in the best interest of the Company and its stockholders or obtaining any financial statements relating to any such acquisition or business combination required to be included in the Shelf Registration Statement or Prospectus would be impracticable. Upon the occurrence of any of the conditions described in the foregoing sentence, the Company shall give prompt notice of the delay or suspension (but not the basis thereof) to the Participating Holders. Upon the termination of such condition, the Company shall promptly proceed with all Suspension Actions that were delayed or suspended and, if required, shall give prompt notice to the Participating Holders of the cessation of the delay or suspension (but not the basis thereof).

(f) Without limiting the remedies available to the Initial Purchasers and the Holders, the Company acknowledges that any failure by the Company to comply with its obligations under Section 2(a) and Section 2(b) hereof may result in material irreparable injury to the Initial Purchasers or the Holders for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of any such failure, the Initial Purchasers or any Holder may seek to specifically enforce the Company's obligations under Section 2(a) and Section 2(b) hereof.

Section 3. Registration Procedures.

(a) In connection with its obligations pursuant to Section 2(a) and Section 2(b) hereof, the Company shall use commercially reasonable efforts to:

(i) prepare and file with the SEC such amendments and post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement effective for the applicable period in accordance with Section 2 hereof and cause each Prospectus to be supplemented by any required prospectus supplement and, as so supplemented, to be filed pursuant to Rule 424 under the Securities Act; and keep each Prospectus current during the period described in Section 4(a)(3) of, and Rule 174 under, the Securities Act that is applicable to transactions by brokers or dealers with respect to the Registrable Securities or Exchange Securities;

(ii) to the extent any Free Writing Prospectus is used, file with the SEC any Free Writing Prospectus that is required to be filed by the Company with the SEC in accordance with the Securities Act and to retain a copy of any Free Writing Prospectus not required to be filed;

(iii) in the case of a Shelf Registration, furnish to each Participating Holder, to counsel for the Initial Purchasers, to counsel for such Participating Holders and to each Underwriter of an Underwritten Offering of Registrable Securities, if any, without charge, as many copies of each Prospectus, preliminary prospectus or Free Writing Prospectus, and any amendment or supplement thereto (other than any document that amends and supplements any Prospectus, preliminary prospectus or Free Writing Prospectus because it is incorporated by reference therein), as such Participating Holder, counsel or Underwriter may reasonably request in writing in order to facilitate the sale or other disposition of the Registrable Securities thereunder; and, subject to Section 3(d) hereof, the Company consents to the use of such Prospectus, preliminary prospectus or such Free Writing Prospectus and any amendment or supplement thereto in accordance with applicable law by each of the Participating Holders and any such Underwriters in connection with the offering and sale of the Registrable Securities covered by and in the manner described in such Prospectus, preliminary prospectus or such Free Writing Prospectus or any amendment or supplement thereto in accordance with applicable law;

(iv) register or qualify the Registrable Securities under all applicable state securities or blue sky laws of such jurisdictions of the United States as any Participating Holder shall reasonably request in writing by the time the applicable Registration Statement becomes effective; cooperate with such Participating Holders in connection with any filings required to be made with FINRA; and do any and all other acts and things within the Company's reasonable control that may be reasonably necessary to enable each Participating Holder to remove any legal impediments to completing the disposition in each such jurisdiction of the Registrable Securities owned by such Participating Holder; provided that the Company shall not be required to (1) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (2) execute or file any general consent to service of process in any such jurisdiction or (3) subject itself to taxation or service of process in any such jurisdiction if it is not already so subject;

(v) notify counsel for the Initial Purchasers (it being understood that for purposes of this Agreement, such references to such counsel shall mean counsel on the date of this Agreement unless the Initial Purchasers notify the Company in writing otherwise) and, in the case of a Shelf Registration, notify each Participating Holder and counsel for such Participating Holders (it being understood that for purposes of this Agreement, references to such counsel shall only be applicable to the extent that the Company has been provided with contact information for such counsel) promptly and, if requested by any such Participating Holder or counsel, confirm such advice in writing (1) when a Registration Statement has become effective, when any post-effective amendment thereto has been filed and becomes effective, when any Free Writing Prospectus has been filed or any amendment or supplement to the Prospectus or any Free Writing Prospectus has been filed, (2) of the issuance by the SEC or any state securities authority of any stop order suspending the effectiveness of a

Registration Statement or the initiation of any proceedings for that purpose, including the receipt by the Company of any notice of objection of the SEC to the use of a Shelf Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act, (3) if, between the applicable effective date of a Shelf Registration Statement and the closing of any sale of Registrable Securities covered thereby, the representations and warranties of the Company contained in any underwriting agreement, securities sales agreement or other similar agreement, if any, relating to such offering of such Registrable Securities cease to be true and correct in all material respects or if the Company receives any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any U.S. jurisdiction or the initiation of any proceeding for such purpose, (4) of the happening of any event during the period a Registration Statement is effective that makes any statement made in such Registration Statement or the related Prospectus or any Free Writing Prospectus untrue in any material respect or that requires the making of any changes in such Registration Statement or Prospectus or any Free Writing Prospectus in order to make the statements therein not misleading and (5) of any determination by the Company that a post-effective amendment to a Registration Statement or any amendment or supplement to the Prospectus or any Free Writing Prospectus would be appropriate;

(vi) notify counsel for the Initial Purchasers or, in the case of a Shelf Registration, notify each Participating Holder and counsel for such Participating Holders, of any request by the SEC or any state securities authority for amendments and supplements to a Registration Statement, Prospectus or any Free Writing Prospectus or for additional information after the Registration Statement has become effective;

(vii) obtain the withdrawal of any order suspending the effectiveness of a Registration Statement or, in the case of a Shelf Registration, the resolution of any objection of the SEC pursuant to Rule 401(g)(2) under the Securities Act, including by filing an amendment to such Registration Statement on the proper form, as soon as reasonably practicable and provide prompt notice to each Holder or Participating Holder of the withdrawal of any such order or such resolution;

(viii) in the case of a Shelf Registration, furnish to each Participating Holder, without charge, upon request, at least one conformed copy of each Registration Statement and any post-effective amendment thereto (without any documents incorporated therein by reference or exhibits thereto, unless requested), if such documents are not available via EDGAR;

(ix) in the case of a Shelf Registration, cooperate with the Participating Holders to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends and enable such Registrable Securities to be issued in such denominations and, in the case of certificated securities, registered in such names (consistent with the provisions of the Indenture) as such Participating Holders may reasonably

request at least one Business Day prior to the closing of any sale of Registrable Securities;

(x) upon the occurrence of any event contemplated by Section 3(a)(v)(4) hereof, prepare and file with the SEC a supplement or post-effective amendment to the applicable Exchange Offer Registration Statement or Shelf Registration Statement or the related Prospectus or any Free Writing Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered (or, to the extent permitted by law, made available) to purchasers of the Registrable Securities, such Prospectus or Free Writing Prospectus, as the case may be, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and the Company shall notify the Participating Holders (in the case of a Shelf Registration Statement) and the Initial Purchasers and any Participating Broker-Dealers known to the Company (in the case of an Exchange Offer Registration Statement) to suspend use of the Prospectus or any Free Writing Prospectus as promptly as practicable after the occurrence of such an event, and such Participating Holders, such Participating Broker-Dealers and the Initial Purchasers, as applicable, hereby agree to suspend use of the Prospectus or any Free Writing Prospectus, as the case may be, until the Company has amended or supplemented the Prospectus or the Free Writing Prospectus, as the case may be, to correct such misstatement or omission; provided that the Company shall not be required to take any action pursuant to this Section 3(a)(x) during any suspension period pursuant to Sections 2(e) or 3(d) hereof;

(xi) a reasonable time prior to the filing of any Registration Statement, any Prospectus, any Free Writing Prospectus, any amendment to a Registration Statement or amendment or supplement to a Prospectus or a Free Writing Prospectus, provide copies of such document to the Representatives and their counsel (and, in the case of a Shelf Registration Statement, to the Participating Holders and their counsel) and make such of the representatives of the Company as shall be reasonably requested by the Representatives or their counsel (and, in the case of a Shelf Registration Statement, the Participating Holders or their counsel) available for discussion of such document at reasonable times and upon reasonable notice; and the Company shall not, at any time after initial filing of a Registration Statement, use or file any Prospectus, any Free Writing Prospectus, any amendment of or supplement to a Registration Statement or a Prospectus or a Free Writing Prospectus, of which the Representatives and their counsel (and, in the case of a Shelf Registration Statement, the Participating Holders and their counsel) shall not have previously been advised and furnished a copy or to which the Representatives or their counsel (and, in the case of a Shelf Registration Statement, the Participating Holders or their counsel) shall reasonably object in writing within two Business Days after the receipt thereof, unless the Company believes that use or filing of such Prospectus, Free Writing Prospectus, or any amendment of or supplement thereto is required by applicable law;

(xii) obtain a CUSIP number for all Exchange Securities or Registrable Securities that are registered on a Shelf Registration Statement, as the case may be, not later than the initial effective date of a Registration Statement;

(xiii) cause the Indenture to be qualified under the Trust Indenture Act in connection with the registration of the Exchange Securities or Registrable Securities, as the case may be; cooperate with the Trustee and the Holders to effect such changes to the Indenture as may be required for the Indenture to be so qualified in accordance with the terms of the Trust Indenture Act; and execute, cause the Trustee to execute, all documents as may be required to effect such changes and all other forms and documents required to be filed with the SEC to enable the Indenture to be so qualified in a timely manner;

(xiv) in the case of a Shelf Registration, make available for inspection by a representative of the Participating Holders (an "**Inspector**"), any Underwriters participating in the applicable disposition pursuant to such Shelf Registration Statement, one firm of attorneys and one firm of accountants designated by a majority in aggregate principal amount of the Registrable Securities held by the Participating Holders and one firm of attorneys and one firm of accountants designated by such Underwriters, at reasonable times and in a reasonable manner, all pertinent financial and other records, documents and properties of the Company and its subsidiaries reasonably requested by any such Inspector, Underwriter, attorney or accountant, and cause the respective officers, directors and employees of the Company to supply all information reasonably requested by any such Inspector, Underwriter, attorney or accountant in connection with customary due diligence related to the offering and sale of Registrable Securities under a Shelf Registration Statement, subject to such parties conducting such investigation entering into confidentiality agreements as the Company may reasonably require and to any applicable privilege or pre-existing contractual confidentiality obligations;

(xv) if reasonably requested by any Participating Holder, promptly include or incorporate by reference in a Prospectus supplement or post-effective amendment such information with respect to such Participating Holder as such Participating Holder reasonably requests to be included therein, based upon a reasonable belief that such information is required to be included therein or is necessary to make the information about such Participating Holder not misleading, and make all required filings of such Prospectus supplement or such post-effective amendment as soon as reasonably practicable after the Company has received notification of the matters to be so included in such filing; and

(xvi) in the case of a Shelf Registration, enter into such customary agreements and take all such other actions in connection therewith (including those requested by the Participating Holders of a majority in principal amount of the Registrable Securities covered by the Shelf Registration Statement) in order to expedite or facilitate the disposition of such Registrable Securities including, but not limited to, in connection with an Underwritten Offering, (1) to the extent

possible, making such representations and warranties to the Participating Holders and any Underwriters of such Registrable Securities with respect to the business of the Company and its subsidiaries and the Registration Statement, Prospectus, any Free Writing Prospectus and documents incorporated by reference or deemed incorporated by reference, if any, in each case, in form, substance and scope as are customarily made by issuers to underwriters in underwritten offerings and consistent with the applicable representations and warranties in the Purchase Agreement and confirm the same if and when requested, (2) obtain an opinion of counsel to the Company (which counsel and opinion, in form, scope and substance, shall be reasonably satisfactory to the Participating Holders and such Underwriters and their respective counsel) addressed to the Underwriter of Registrable Securities, covering the matters customarily covered in opinions requested in underwritten offerings and consistent with the opinions delivered pursuant to the Purchase Agreement, *provided* that, if required by the Underwriter, counsel for the Participating Holders shall provide an opinion to the Underwriter covering the matters customarily covered in opinions requested from selling securityholders by underwriters in underwritten offerings, in connection with an Underwritten Offering (3) in connection with an Underwritten Offering, obtain "comfort" letters from the independent registered public accountant of the Company (and, if necessary, any other registered public accountant of any subsidiary of the Company, or of any business acquired by the Company for which financial statements and financial data are or are required to be included in the Registration Statement) addressed to the Underwriter of Registrable Securities, such letters to be in customary form and covering matters of the type customarily covered in "comfort" letters in connection with underwritten offerings, including but not limited to financial information contained in any preliminary prospectus, Prospectus or Free Writing Prospectus and (4) in connection with an Underwritten Offering, deliver such documents and certificates as may be reasonably requested by the Underwriters, and which are customarily delivered in underwritten offerings, to evidence the continued validity of the representations and warranties made pursuant to clause (1) above and to evidence compliance with any customary conditions contained in an underwriting agreement.

(b) The Company will comply in all material respects with all rules and regulations of the SEC to the extent and so long as they are applicable to the Exchange Offer or the Shelf Registration.

(c) In the case of a Shelf Registration Statement, the Company may require, as a condition to including such Holder's Registrable Securities in such Shelf Registration Statement, each Holder of Registrable Securities to furnish to the Company a Notice and Questionnaire and such other information regarding such Holder and the proposed disposition by such Holder of such Registrable Securities and other documentation necessary to effectuate the proposed disposition as the Company may from time to time reasonably request in writing and require such Holder to agree in writing to be bound by all provisions of this Agreement applicable to such Holder. Each Holder of Registrable Securities as to which any Shelf Registration is being effected agrees to furnish promptly to the Company all information required to be disclosed so

that the information previously furnished to the Company by such Holder is not materially misleading and does not omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made.

(d) Each Participating Holder agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 3(a)(v)(2) or Section 3(a)(v)(4) hereof, such Participating Holder will forthwith discontinue disposition of Registrable Securities pursuant to the Shelf Registration Statement until such Participating Holder's receipt of the copies of the supplemented or amended Prospectus and any Free Writing Prospectus contemplated by Section 3(a)(x) hereof and, if so directed by the Company, such Participating Holder will deliver to the Company all copies in its possession, other than permanent file copies then in such Participating Holder's possession, of the Prospectus and any Free Writing Prospectus covering such Registrable Securities that is current at the time of receipt of such notice.

(e) If the Company shall give any notice to suspend the disposition of Registrable Securities pursuant to a Registration Statement, the Company shall not be required to maintain the effectiveness thereof during the period of such suspension, and the Company shall extend the period during which such Registration Statement shall be maintained effective pursuant to this Agreement by the number of days during the period from and including the date of the giving of such notice to and including the date when the Holders of such Registrable Securities shall have received copies of the supplemented or amended Prospectus or any Free Writing Prospectus necessary to resume such dispositions or notice that such amendment or supplement is not necessary; *provided, however*, that no such extension shall be made in the case where such suspension is solely a result the Company's compliance with Section 3(c) or any other suspension at the request of a Holder.

(f) The Participating Holders who desire to do so may sell such Registrable Securities in an Underwritten Offering. In any such Underwritten Offering, the investment bank or investment banks and manager or managers (each an "**Underwriter**") that will administer the offering will be selected by the Holders of a majority in principal amount of the Registrable Securities included in such offering, subject in each case to consent by the Company (which shall not be unreasonably withheld or delayed so long as such bank or manager is internationally recognized as an underwriter of debt securities offerings). All fees, costs and expenses of the Underwriters, except for Registration Expenses, shall be borne solely by the Participating Holders.

(g) No Holder of Registrable Securities may participate in any Underwritten Offering hereunder unless such Holder (a) agrees to sell such Holder's Registrable Securities on the basis provided in any underwriting arrangements approved by the Persons entitled hereunder to approve such arrangements and (b) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements.

Section 4. *Participation of Broker-Dealers in Exchange Offer*.

(a) The Staff has taken the position that any broker-dealer that receives Exchange Securities for its own account in the Exchange Offer in exchange for Securities that were acquired by such broker-dealer as a result of market-making or other trading activities (a "**Participating Broker-Dealer**") may be deemed to be an "underwriter" within the meaning of the Securities Act and must deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Securities.

The Company understands that it is the Staff's position that if the Prospectus contained in an Exchange Offer Registration Statement includes a plan of distribution containing a statement to the above effect and the means by which Participating Broker-Dealers may resell the Exchange Securities, without naming the Participating Broker-Dealers or specifying the amount of Exchange Securities owned by them, such Prospectus may be delivered by Participating Broker-Dealers (or, to the extent permitted by law, made available to purchasers) to satisfy their prospectus delivery obligation under the Securities Act in connection with resales of Exchange Securities for their own accounts, so long as the Prospectus otherwise meets the requirements of the Securities Act.

(b) In light of the above, and notwithstanding the other provisions of this Agreement, the Company agrees to amend or supplement the Prospectus contained in the Exchange Offer Registration Statement for a period of up to 180 days after the last Exchange Date (as such period may be extended pursuant to Section 3(e) hereof), if requested by one or more Participating Broker-Dealers, in order to expedite or facilitate the disposition of any Exchange Securities by Participating Broker-Dealers consistent with the positions of the Staff recited in Section 4(a) above. The Company further agrees that, subject to Section 3(c), Participating Broker-Dealers shall be authorized to deliver such Prospectus (or, to the extent permitted by law, make available) during such period in connection with the resales contemplated by this Section 4.

(c) The Initial Purchasers shall have no liability to the Company or any Holder with respect to any request that they may make pursuant to Section 4(b) hereof.

Section 5. *Indemnification and Contribution*.

(a) The Company will indemnify and hold harmless each Initial Purchaser and each Holder, their respective directors, officers and employees, each person, if any, who controls any Initial Purchaser or any Holder within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, and each affiliate of any Initial Purchaser within the meaning of Rule 405 under the Securities Act, from and against any and all losses, claims, damages and liabilities, joint or several, to which such Initial Purchaser, Holder, director, officer, employee, controlling person or affiliate may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus as amended or supplemented, any Free Writing Prospectus or any "issuer information" ("**Issuer Information**") filed or required to be filed pursuant to Rule 433(d)

under the Securities Act, or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary in order to make the statements therein in the light of the circumstances under which they were made not misleading, and will reimburse each such Initial Purchaser, Holder, director, officer, employee, controlling person or affiliate for any legal or other out-of-pocket expenses reasonably incurred by such Initial Purchaser, Holder, director, officer, employee, controlling person or affiliate in connection with investigating or defending any such loss, damage, liability, action or claim as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Registration Statement, any Prospectus as amended or supplemented, any Free Writing Prospectus or any Issuer Information in reliance upon and in conformity with information relating to any Initial Purchaser or any Holder furnished to the Company in writing by such Initial Purchaser or by such Holder expressly for use therein.

(b) Each Holder will, severally and not jointly, indemnify and hold harmless the Company, the Initial Purchasers and the other selling Holders, the directors, officers and employees of the Company, and the Initial Purchasers, each Person, if any, who controls the Company, any Initial Purchaser and any other selling Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and each affiliate of any Initial Purchaser within the meaning of Rule 405 under the Securities Act against any losses, claims, damages or liabilities to which the Company or such Initial Purchaser, other selling Holder, director, officer, employee, controlling person or affiliate may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) that arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus as amended or supplemented or any Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary in order to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Registration Statement, any Prospectus as amended or supplemented or any Free Writing Prospectus in reliance upon and in conformity with written information relating to such Holder furnished to the Company by such Holder; and each Holder will reimburse the Company and such Initial Purchaser, other selling Holder, director, officer, employee, controlling person and affiliate for any legal or other out-of-pocket expenses reasonably incurred by the Company, Initial Purchaser, other selling Holder, director, officer, employee, controlling person or affiliate in connection with investigating, or defending any such loss, damage, liability, action or claim as such expenses are incurred, but only with reference to information relating to such Holder furnished to the Company in writing by such Holder expressly for use in any Registration Statement, any Prospectus or any Free Writing Prospectus.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such

subsection, notify the indemnifying party in writing of the commencement thereof; but the omission to so notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party except to the extent such omission materially prejudices the indemnifying party. In case any such action shall be brought against any indemnified party, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation, and shall not be liable for any settlement of any proceeding effected without its written consent, such consent not to be unreasonably withheld, delayed or conditioned.

(d) To the extent the indemnification provided for in paragraph (a) or (b) of this Section 5 is unavailable to an indemnified party or insufficient in respect of any losses, claims, damages or liabilities referred to therein (or actions in respect thereof), then each indemnifying party under such paragraph, in lieu of indemnifying such indemnified party thereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative benefits received by the Company from the offering of the Securities or Exchange Securities, on the one hand, and the Holders from receiving Securities or Exchange Securities registered under the Securities Act, on the other. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only the relative benefits but also the relative fault of the Company on the one hand and the Holders on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative fault of the Company on the one hand and the Holders on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or such Holder and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) The Company and the Holders agree that it would not be just or equitable if contribution pursuant to this Section 5 were determined by *pro rata* allocation (even if the Holders were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (d) above shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such Indemnified Person in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 5, no

Holder shall be required to contribute any amount in excess of the amount by which the total price at which the Securities or Exchange Securities sold by such Holder exceeds the amount of any damages that such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The Holders' obligations to contribute pursuant to this Section 5 are several and not joint.

(f) The remedies provided for in this Section 5 are not exclusive and shall not limit any rights or remedies that may otherwise be available to any indemnified party at law or in equity.

(g) The indemnity and contribution provisions contained in this Section 5 shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of the Initial Purchasers or any Holder, any Person controlling any Initial Purchaser or any Holder or any affiliate of any Initial Purchaser, or by or on behalf of the Company, its officers or directors or any Person controlling the Company, (iii) acceptance of any of the Exchange Securities and (iv) any sale of Registrable Securities pursuant to a Shelf Registration Statement.

Section 6. *General*.

(a) *No Inconsistent Agreements.* The Company represents, warrants and agrees that (i) the rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of any other outstanding securities issued or guaranteed by the Company under any other agreement and (ii) the Company has not entered into, and on or after the date of this Agreement will not enter into, any agreement that is inconsistent with the rights granted to the Holders of Registrable Securities in this Agreement or otherwise conflicts with the provisions hereof.

(b) *Amendments and Waivers*. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given unless the Company has obtained the written consent of Holders of at least a majority in aggregate principal amount of the outstanding Registrable Securities affected by such amendment, modification, supplement, waiver or consent; *provided* that no amendment, modification, supplement, waiver or consent to any departure from the provisions of Section 5 hereof shall be effective as against any Holder of Registrable Securities unless consented to in writing by such Holder. Any amendments, modifications, supplements, waivers or consents pursuant to this Section 6(b) shall be by a writing executed by each of the parties hereto. Each Holder of Registrable Securities outstanding at the time of any such amendment, modification, supplement, waiver or consent thereafter shall be bound by any such amendment, modification, supplement, waiver or consent effected pursuant to this Section 6(b), whether or not any notice, writing or marking indicating such amendment, modification, supplement, waiver or consent appears on the Registrable Securities or is delivered to such Holder. Notwithstanding the foregoing, each Holder

may waive compliance with respect to any obligation of the Company under this Agreement as it may apply or be enforced by such particular Holder.

(c) *Notices.* All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, registered first-class mail, telecopier, electronic transmission or any courier guaranteeing overnight delivery (i) if to a Holder, at the most current address given by such Holder to the Company by means of a notice given in accordance with the provisions of this Section 6(c), which address initially is, with respect to the Initial Purchasers, the addresses set forth in the Purchase Agreement; (ii) if to the Company, initially at the applicable address set forth in the Purchase Agreement and thereafter at such other address(es), notice of which is given in accordance with the provisions of this Section 6(c); and (iii) to such other persons at their respective addresses as provided in the Purchase Agreement and thereafter at such other address, notice of which is given in accordance with the provisions of this Section 6(c). All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; three Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt is acknowledged, if telecopied or electronically transmitted; and on the next Business Day if timely delivered to an air courier guaranteeing overnight delivery.

(d) *Majority of Holders*. Whenever an action or determination under this Agreement requires a majority of the aggregate principal amount of the applicable holders, in determining such majority, if the Company shall issue any additional Securities under the Indenture prior to consummation of the Exchange Offer or, if applicable, the effectiveness of any Shelf Registration Statement, then such additional Securities and the Registrable Securities to which this Agreement relates shall be treated together as one class for purposes of determining whether the consent or approval of Holders of a specified percentage of Registrable Securities has been obtained.

(e) *Successors and Assigns.* This Agreement shall inure to the benefit of and be binding upon the successors, assigns and transferees of each of the parties, including, without limitation and without the need for an express assignment, subsequent Holders; *provided* that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Registrable Securities in violation of the terms of the Purchase Agreement or the Indenture. If any transferee of any Holder shall acquire Registrable Securities in any manner, whether by operation of law or otherwise, such Registrable Securities shall be held subject to all the terms of this Agreement, and by taking and holding such Registrable Securities such Person shall be conclusively deemed to have agreed to be bound by and to perform all of the terms and provisions of this Agreement and such Person shall be entitled to receive the benefits hereof. The Initial Purchasers (in their capacity as Initial Purchasers) shall have no liability or obligation to the Company with respect to any failure by a Holder to comply with, or any breach by any Holder of, any of the obligations of such Holder under this Agreement.

(f) *Third Party Beneficiaries.* Each Holder shall be a third party beneficiary to the agreements made hereunder between the Company, on the one hand, and the Initial Purchasers, on the other hand, and shall have the right to enforce such agreements

directly to the extent it deems such enforcement necessary or advisable to protect its rights or the rights of other Holders hereunder.

(g) *Counterparts.* This Agreement may be executed in two or more counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument, and shall become effective when one or more counterparts have been signed by each of the parties and delivered (by telecopy, electronic delivery or otherwise) to the other parties. Signatures to this Agreement transmitted by facsimile transmission, by electronic mail in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing the original signature.

(h) *Headings.* The headings in this Agreement are for convenience of reference only, are not a part of this Agreement and shall not limit or otherwise affect the meaning hereof.

(i) *Governing Law.* This Agreement, and any claim, controversy or dispute arising under or related to this Agreement, shall be governed by and construed in accordance with the laws of the State of New York.

(j) *Entire Agreement; Severability.* This Agreement contains the entire agreement between the parties relating to the subject matter hereof and supersedes all oral statements and prior writings with respect thereto. If any term, provision, covenant or restriction contained in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable or against public policy, the remainder of the terms, provisions, covenants and restrictions contained herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated. The Company and the Initial Purchasers shall endeavor in good faith negotiations to replace the invalid, void or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, void or unenforceable provisions.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

GXO Logistics, Inc.

By: /s/ Baris Oran

Name: Baris Oran

Title: Chief Financial Officer

[Signature Page to Registration Rights Agreement]

Confirmed and accepted as of the date first above written:
BARCLAYS CAPITAL INC.
CITIGROUP GLOBAL MARKETS INC.
CREDIT AGRICOLE SECURITIES (USA) INC.
GOLDMAN SACHS & CO. LLC
For themselves and on behalf of the
several Initial Purchasers

Barclays Capital Inc.

By: /s/ Kenneth Chang
Name: Kenneth Chang
Title: MD

Citigroup Global Markets Inc.

By: /s/ Brian D. Bednarski
Name: Brian D. Bednarski
Title: Managing Director

Credit Agricole Securities (USA) Inc.

By: /s/ Ivan Hrazdira
Name: Ivan Hrazdira
Title: Managing Director

Goldman Sachs & Co. LLC

By: /s/ Sam Chaffin
Name: Sam Chaffin
Title: Vice President

FORM OF OPTION AWARD AGREEMENT UNDER THE XPO LOGISTICS, INC. 2016 OMNIBUS INCENTIVE COMPENSATION PLAN, dated as of [] between XPO Logistics, Inc., a Delaware corporation (the "Company"), and []

This Option Award Agreement (the "Award Agreement") sets forth the terms and conditions of an award of options to purchase [] shares (this "Award") of the Company's common stock, $0.001 par value per share (each, a "Share"), that are being granted to you on the date hereof (such date, the "Grant Date"), at an exercise price of $[][1] per Share (the "Exercise Price"), that are subject to the terms and conditions specified herein (each such option to purchase one Share, an "Option"), and that are granted to you under the XPO Logistics, Inc. 2016 Omnibus Incentive Compensation Plan, as amended (the "Plan"). The Options are not intended to qualify as "incentive stock options" (within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended).

THIS AWARD IS SUBJECT TO ALL TERMS AND CONDITIONS OF THE PLAN AND THIS AWARD AGREEMENT, INCLUDING THE DISPUTE RESOLUTION PROVISIONS SET FORTH IN SECTION 10 OF THIS AWARD AGREEMENT. BY SIGNING YOUR NAME BELOW, YOU SHALL HAVE CONFIRMED YOUR ACCEPTANCE OF THE TERMS AND CONDITIONS OF THIS AWARD AGREEMENT.

SECTION 1. The Plan. This Award is made pursuant to the Plan, all the terms of which are hereby incorporated in this Award Agreement. In the event of any conflict between the terms of the Plan and the terms of this Award Agreement, the terms of the Plan shall govern.

SECTION 2. Definitions. Capitalized terms used in this Award Agreement that are not defined in this Award Agreement have the meanings as used or defined in the Plan. As used in this Award Agreement, the following terms have the meanings set forth below:

"Business Day" means a day that is not a Saturday, a Sunday or a day on which banking institutions are legally permitted to be closed in the City of New York.

"Cause" means your (i) gross negligence or willful failure to perform your duties hereunder or willful refusal to follow any lawful directive of the Chief Executive Officer of the Company or the Board of Directors of the Company; (ii) abuse of or dependency on alcohol or drugs (illicit or otherwise) that adversely affects your performance of duties hereunder; (iii) commission of any fraud, embezzlement, theft or dishonesty, or any deliberate misappropriation of money or other assets of the Company; (iv) breach of any term of any Employment Agreement to which you may be party or any agreement governing long-term incentive compensation or equity compensation to which you may be party or breach of your fiduciary duties to the Company; (v) failure to provide the Company with at least 30 days' advanced written notice of your intention to resign; (vi) any willful act, or failure to act, in bad faith to the detriment of the Company; (vii) willful failure to cooperate in good faith with a governmental or internal investigation of the Company or any of its directors, managers, officers or employees, if the Company requests your cooperation; (viii) failure to follow the Company's code of conduct or ethics policy; and (ix) conviction of, or plea of nolo contendere to, a felony or

[1] Exercise price per Share will equal the closing price per Share as reported by the NYSE on the Grant Date.

any serious crime; provided that, the Company will provide you with written notice describing the facts and circumstances that the Company believes constitutes Cause and, in cases where cure is possible, you shall first be provided a 15-day cure period. If, subsequent to your termination of employment for any reason other than by the Company for Cause, it is determined in good faith by the Chief Executive Officer of the Company that your employment could have been terminated by the Company for Cause, your employment shall, at the election of the Chief Executive Officer of the Company at any time up to two years after your termination of employment but in no event more than six months after the Chief Executive Officer of the Company learns of the facts or events that could give rise to the termination for Cause, be deemed to have been terminated for Cause retroactively to the date the events giving rise to Cause occurred.

"CIC Termination" means your termination of employment by the Company without Cause (and other than due to your disability) or by you for Good Reason, in each case following a Change in Control of the Company.

"Employment Agreement" means any individual offer letter or employment agreement between you and the Company or any of its Subsidiaries.

"Good Reason" means, without first obtaining your written consent: (i) a material reduction of your annual base salary from that in effect immediately prior to the Change in Control (or if higher, that in effect at any time thereafter), other than pursuant to a general reduction in annual base salary that applies on a uniform basis to all employees of the Company or an Affiliate (if you are an employee of an Affiliate) who are similarly situated to you; (ii) a material reduction in your target annual cash bonus opportunity from that in effect immediately prior to the Change in Control (or, if higher, that in effect at any time thereafter); (iii) a material, adverse change in your title, reporting relationship, authority, duties, or responsibilities from those in effect immediately prior to the Change in Control; or (iv) the Company requires
that you be based at a location that is more than 50 miles from the location of your employment
immediately prior to the applicable Change of Control; provided that, the Company shall first be provided a 30-day cure period (the "Cure Period"), following receipt of written notice setting forth in reasonable detail the specific event, circumstance or conduct of the Company that constitutes Good Reason, to cease, and to cure, any event, circumstance or conduct specified in such written notice, if curable; provided further, that such notice shall be provided to the Company within 45 days of the occurrence of the event, circumstance or conduct constituting Good Reason. If, at the end of the Cure Period, the event, circumstance or conduct that constitutes Good Reason has not been remedied, you will be entitled to terminate employment for Good Reason during the 30-day period that follows the end of the Cure Period. If you do not terminate employment during such 30-day period, you will not be permitted to terminate employment for Good Reason as a result of such event, circumstance or conduct.

"Spinoff" means the distribution of the outstanding Shares to the stockholders of the Company, pursuant to the Separation and Distribution Agreement between the Company and GXO Logistics, Inc. entered into in connection with such distribution.

"Vesting Date" means each date on which all or a portion of the Options subject to this Award Agreement become fully vested and exercisable as provided in Section 3(a) or 3(c) of this Award Agreement.

SECTION 3. Vesting and Exercise.

(a) Vesting Schedule. On each Vesting Date set forth below, your rights with respect to the number of Options that corresponds to such Vesting Date, as specified in the chart below, shall become vested and such Options shall become exercisable, provided that (i) the Spinoff occurs on or prior to March 31, 2022 and (ii) you remain employed by the Company or an Affiliate through the applicable Vesting Date below. All unvested Options referenced in this Section 3 shall be forfeited, and shall cease to be outstanding, (x) if the Spinoff does not occur on or prior to March 31, 2022 or (y) upon the termination of your employment with the Company for any reason.

Scheduled Vesting Date	Aggregate Percentage Vesting Percentage
First Anniversary of the Grant Date	10%
Second Anniversary of the Grant Date	15%
Third Anniversary of the Grant Date	20%
Fourth Anniversary of the Grant Date	25%
Fifth Anniversary of the Grant Date	30%

(b) Exercise of Options. Options, to the extent that they are vested, may be exercised, in whole or in part (but for the purchase of whole Shares only), by delivery to the Company of (i) written or electronic notice, complying with the applicable procedures established by the Committee or the Company from time to time, stating the number of Options that are thereby exercised, and (ii) full payment, in accordance with Section 6(b)(iv) of the Plan, of the aggregate Exercise Price for the Shares with respect to which the Options are thereby exercised. Upon exercise and full payment of the Exercise Price for Shares with respect to which the Options are thereby exercised, subject to Section 7(a) of this Award Agreement, the Company shall issue to you or your legal representative (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company, the delivery of share certificates or as otherwise determined by the Company) one Share for each Option you have exercised.

(c) Change of Control. In the event of a Change of Control, all Options shall, to the extent outstanding as of the date of such Change of Control and replaced in compliance with Section 8(b) of the Plan, remain outstanding and unvested, and shall (i) vest in accordance with the vesting schedule set forth in Section 3(a), subject to your continued employment through each applicable Vesting Date specified in Section 3(a), or (ii) vest in full immediately upon your earlier CIC Termination. If such Options are not replaced in compliance with Section 8(b) of the Plan, such Options shall vest immediately upon the Change of Control.

SECTION 4. Forfeiture of Options. (a) If you (i) breach any restrictive covenant (which, for the avoidance of doubt, includes any non-compete, non-solicit, non-disparagement or confidentiality provisions) contained in any arrangements with the Company (including your Employment Agreement and your Confidential Information Protection Agreement) to which you are subject or (ii) engage in fraud or willful misconduct that contributes materially to any financial restatement or material loss to the Company or any of its Subsidiaries, your rights with respect to the Option shall immediately terminate, the Options shall be forfeited and cease to be outstanding (and you shall be entitled to no further payments or benefits with respect thereto), and, if any Options were previously exercised, the Company may require you to forfeit or remit to the Company the after-tax net amount paid or received by you, in respect of such Options; provided, however, that (x) the Company shall make such demand that you forfeit or remit any such amount no later than six months after learning of the conduct described in this Section 4(a) and (y) in cases where cure is possible, you shall first be provided a 15-day cure period to cease, and to cure, such conduct.

(b) Notwithstanding the foregoing, unless the Committee determines otherwise, vested and unexercised Options shall automatically expire, and cease to be outstanding, on the earliest to occur of (i) the date of the termination of your employment for Cause, (ii) one year after your termination of employment due to death or permanent disability (as defined in the Company's long-term disability plan applicable to you), (iii) the tenth anniversary of the Grant Date in the case of your CIC Termination; (iv) three months after the date of the termination of your employment if your employment terminates for any reason other than those set forth in clauses (i), (ii), and (iii); and (v) the tenth anniversary of the Grant Date.

SECTION 5. No Rights as a Stockholder. You shall not have any rights or privileges of a stockholder with respect to the Options subject to this Award Agreement unless and until Shares are actually issued and delivered to you or your legal representative (including through the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) upon exercise of vested Options.

SECTION 6. Non-Transferability of Options. Unless otherwise provided by the Committee in its discretion, Options may not be sold, assigned, alienated, transferred, pledged, attached or otherwise encumbered except as provided in Section 9(a) of the Plan. Any purported sale, assignment, alienation, transfer, pledge, attachment or other encumbrance of an Option in violation of the provisions of this Section 6 and Section 9(a) of the Plan shall be void.

SECTION 7. Withholding, Consents and Legends. (a) Withholding. The delivery of Shares pursuant to Section 3(b) of this Award Agreement is conditioned on satisfaction of any applicable withholding taxes in accordance with this Section 7(a) and Section

9(d) of the Plan. No later than the date as of which an amount first becomes includible in your gross income for Federal, state, local or foreign income tax or social security (and/or any similar charges) purposes with respect to the receipt or exercise of any Options, you shall pay to the Company, or make arrangements satisfactory to the Company regarding the payment of, any Federal, state, local and foreign taxes or social security (and/or any similar charges) that are required by applicable laws and regulations to be withheld with respect to such amount. In the event that there is withholding tax liability in connection with the receipt or exercise of an Option, the relevant entity may make any withholding arrangements that it considers necessary or desirable, including: (i) unless otherwise determined by the Committee, in its sole discretion, you may satisfy, in whole or in part, any withholding tax liability by having the Company withhold from the number of Shares you would be entitled to receive upon exercise of the Option a number of Shares having a Fair Market Value (which shall either have the meaning set forth in the Plan or shall have such other meaning as determined by the Company in accordance with applicable withholding requirements) equal to such withholding tax liability; (ii) making any deductions from any cash payment owed to you; and/or (iii) unless otherwise determined by the Committee, making a sale on your behalf of some or all of the Shares to which you are entitled under the Plan in order to meet the liability to any Federal, state, local or foreign taxes and/or social security (and/or similar charges) and any Exercise Price, any dealing or currency exchange costs and any other related costs. You agree to enter any tax elections as may be requested by any member of the XPO group of companies for particular tax and/or social security treatment, whether in respect of your Award or any Shares acquired by you on the exercise of your Award.

(b) Consents. Your rights in respect of the Options are conditioned on the receipt to the full satisfaction of the Committee of any required consents that the Committee may determine to be necessary or advisable (including your consent to the Company's supplying to any third-party recordkeeper of the Plan such personal information as the Committee deems advisable to administer the Plan).

(c) Legends. The Company may affix to certificates, or otherwise designate on the books and records of the Company or the duly authorized transfer agent of the Company, for Shares issued pursuant to this Award Agreement any legend that the Committee determines to be necessary or advisable (including to reflect any restrictions to which you may be subject under any applicable securities laws). The Company may advise the transfer agent to place a stop order against any legended Shares.

SECTION 8. Successors and Assigns of the Company. The terms and conditions of this Award Agreement shall be binding upon and shall inure to the benefit of the Company and its successors and assigns.

SECTION 9. Committee Discretion. The Committee shall have full and plenary discretion with respect to any actions to be taken or determinations to be made in connection with this Award Agreement, and its determinations shall be final, binding and conclusive. You acknowledge that you are not automatically entitled to the exercise of any discretion under the Plan in your favour and you do not have any claim or right of action in respect of any decision, omission, or discretion which may operate to your disadvantage.

SECTION 10. Dispute Resolution. (a) Jurisdiction and Venue. Any claim initiated by you arising out of or relating to this Agreement, or the breach thereof, shall be resolved by binding arbitration before a single arbitrator in the State of Delaware administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Except the extent that the Company seeks injunctive relief pursuant to an Employment Agreement (or other individual agreement between you and the Company), any claim initiated by the Company arising out of or relating to this Agreement, or the breach thereof, shall, at the election of the Company be resolved in accordance with this Section 10. You hereby irrevocably submit to the jurisdiction of any state or federal court located in the State of Delaware; provided, however, that nothing herein shall preclude the Company from bringing any suit, action or proceeding in any other court for the purposes of enforcing any judgment or award obtained by the Company. You waive, to the fullest extent permitted by applicable law, any objection which you now or hereafter have to personal jurisdiction or to the laying of venue of any such suit, action or proceeding brought in an applicable court described in this Section 10, and agree that you shall not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any court. You agree that, to the fullest extent permitted by applicable law, a final and non-appealable judgment in any suit, action or proceeding brought in any applicable court described in this Section 10 shall be conclusive and binding upon you and may be enforced in any other jurisdiction.

(b) Waiver of Jury Trial. You and the Company hereby waive, to the fullest extent permitted by applicable law, any right either of you may have to a trial by jury in respect to any litigation directly or indirectly arising out of, under or in connection with this Award Agreement or the Plan.

(c) Confidentiality. You hereby agree to keep confidential the existence of, and any information concerning, a dispute described in this Section 10, except that you may disclose information concerning such dispute to the court that is considering such dispute or to your legal counsel (provided that such counsel agrees not to disclose any such information other than as necessary to the prosecution or defense of the dispute).

SECTION 11. Employment. The grant of your Award does not form part of, and does not affect or change, your employment contract or your employment relationship with your employer. The grant of this Award granted is strictly discretionary and does not, in any way, form part of your normal remuneration. In particular, it will not be taken into account (except to the extent otherwise required by local law) in determining any other employment-related rights you may have, including without limitation rights in relation to severance, redundancy or end-of-service payments (whatever the reason for termination), bonuses, long-service awards, pension or retirement benefits. The decision to grant awards under the Plan is discretionary and (even if you are granted an award, or participate in the Plan on a regular or repeated basis) you have no automatic right or expectation in relation to: (i) participation in the Plan or similar compensation in future; (ii) the terms, conditions and amount of any Plan participation or similar compensation that the Company may decide to offer in future; or (iii) continued or future employment. The Company may at any time decide to cease offering awards under the Plan. In consideration for, and as a condition of your Award, you waive any and all rights to compensation or damages in

consequence of the termination of your employment for any reason whatsoever insofar as those rights arise or may arise from you ceasing to have rights under, or be entitled to receive payment in respect of, the Plan as a result of such termination, or from the loss (actual or potential) or diminution in value of such rights or entitlements. This waiver applies whether or not such termination amounts to wrongful or unfair dismissal.

SECTION 12. Notice. All notices, requests, demands and other communications required or permitted to be given under the terms of this Award Agreement shall be in writing and shall be deemed to have been duly given when delivered by hand or overnight courier or three business days after they have been mailed by U.S. certified or registered mail, return receipt requested, postage prepaid, addressed to the other party as set forth below:

If to the Company:	XPO Logistics, Inc. 5 American Lane Greenwich, CT 06831 Attention: Chief Human Resources Officer
If to you:	To your address as most recently supplied to the Company and set forth in the Company's records

The parties may change the address to which notices under this Award Agreement shall be sent by providing written notice to the other in the manner specified above.

SECTION 13. Governing Law. This Award Agreement shall be deemed to be made in the State of Delaware, and the validity, construction and effect of this Award Agreement in all respects shall be determined in accordance with the laws of the State of Delaware, without giving effect to the conflict of law principles thereof.

SECTION 14. Headings and Construction. Headings are given to the Sections and subsections of this Award Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Award Agreement or any provision thereof. Whenever the words "include", "includes" or "including" are used in this Award Agreement, they shall be deemed to be followed by the words "but not limited to". The term "or" is not exclusive.

SECTION 15. Amendment of this Award Agreement. The Committee may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate this Award Agreement prospectively or retroactively; provided, however, that any such waiver, amendment, alteration, suspension, discontinuance, cancelation or termination that would materially and adversely impair your rights under this Award Agreement shall not to that extent be effective without your consent (it being understood, notwithstanding the foregoing proviso, that this Award Agreement and the Options shall be subject to the provisions of Section 7(c) of the Plan).

SECTION 16. Counterparts. This Award Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto

and hereto were upon the same instrument. You and the Company hereby acknowledge and agree that signatures delivered by facsimile or electronic means (including by "pdf") shall be deemed effective for all purposes.

SECTION 17. Section 280G. Notwithstanding anything in this Award Agreement to the contrary and regardless of whether this Award Agreement has otherwise expired or terminated, unless otherwise provided in your Employment Agreement, in the event that any payments, distributions, benefits or entitlements of any type payable to you ("CIC Benefits") (i) constitute "parachute payments" within the meaning of Section 280G of the Code, and (ii) but for this paragraph would be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then your CIC Benefits shall be reduced to such lesser amount (the "Reduced Amount") that would result in no portion of such benefits being subject to the Excise Tax; provided that such amounts shall not be so reduced if the Company determines, based on the advice of Golden Parachute Tax Solutions LLC, or such other nationally recognized certified public accounting firm as may be designated by the Company (the "Accounting Firm"), that without such reduction you would be entitled to receive and retain, on a net after tax basis (including, without limitation, any excise taxes payable under Section 4999 of the Code), an amount that is greater than the amount, on a net after tax basis, that you would be entitled to retain upon receipt of the Reduced Amount. Unless the Company and you otherwise agree in writing, any determination required under this Section 16 shall be made in writing in good faith by the Accounting Firm. In the event of a reduction of benefits hereunder, benefits shall be reduced by first reducing or eliminating the portion of the CIC Benefits that are payable under this Award Agreement and then by reducing or eliminating the portion of the CIC Benefits that are payable in cash and then by reducing or eliminating the non-cash portion of the CIC Benefits, in each case, in reverse order beginning with payments or benefits which are to be paid the furthest in the future. For purposes of making the calculations required by this Section 16, the Accounting Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code, and other applicable legal authority. The Company and you shall furnish to the Accounting Firm such information and documents as the Accounting Firm may reasonably require in order to make a determination under this Section 16, and the Company shall bear the cost of all fees the Accounting Firm charges in connection with any calculations contemplated by this Section 16. In connection with making determinations under this Section 16, the Accounting Firm shall take into account the value of any reasonable compensation for services to be rendered by you before or after the Change of Control, including any non-competition provisions that may apply to you and the Company shall cooperate in the valuation of any such services, including any non-competition provisions.

SECTION 18. Lock-Up. Notwithstanding anything to the contrary in your Employment Agreement, the Plan or any Award Agreement under the Plan, any Shares issued to you upon exercise of the Options granted under this Award Agreement shall be subject to a lock-up on sales, offers, pledges, contracts to sell, grants of any option, right or warrant to purchase, or other transfers or dispositions, whether directly or indirectly, from the date hereof until the date that is twelve (12) months after the applicable Vesting Date (or, if earlier, upon your death or a Change of Control) and all laws, rules and regulations applicable to you; provided, however,

that such lock-up may be waived in the sole discretion of the Company's Chief Executive Officer or Chief Human Resources Officer; and provided, further, that if determined by the Board in its sole discretion, the provisions of this Section 18 shall not apply to Shares withheld to satisfy the applicable tax withholding in connection with the exercise of the Options.

SECTION 19. Currency Risk. You accept that if the Shares subject to your Award are traded in a currency which is not the currency of your jurisdiction, the value of the Shares may be affected by movements in the exchange rate. No member of the XPO group of companies is liable for any loss due to movements in the exchange rate or any charges imposed in relation to the conversion or transfer or money.

IN WITNESS WHEREOF, the parties have duly executed this Award Agreement as of the date first written above.

XPO LOGISTICS, INC.

By: _____

Name:
Title:

[NAME OF EMPLOYEE]

_____

FORM OF
GXO LOGISTICS, INC.
SEVERANCE PLAN

SECTION 1
PURPOSE OF THE PLAN

The Board of Directors (the "Board") of GXO Logistics, Inc. (the "Company") desires to provide financial assistance to select executives upon certain terminations of employment in accordance with the terms and conditions of the GXO Logistics, Inc. Severance Plan (this "Plan").

The Board also recognizes that the possibility of a Change in Control (as defined in Section 2.6) of the Company, and the uncertainty it could create, may result in the loss or distraction of executives of the Company to the detriment of the Company and its shareholders. The Board considers the avoidance of such loss and distraction to be essential to protecting and enhancing the best interests of the Company and its shareholders. The Board also believes that when a Change in Control is perceived as imminent, or is occurring, the Board should be able to receive and rely on disinterested service from executives regarding the best interests of the Company and its shareholders without concern that employees might be distracted or concerned by the personal uncertainties and risks created by the perception of an imminent or occurring Change in Control.

Therefore, in order to fulfill the above purposes, the Plan was adopted by the Board and shall become effective on the Effective Date (as defined in Section 2.13).

SECTION 2
DEFINITIONS

Certain capitalized terms used herein have the definitions given to such terms in the first place in which they are used. As used herein, the following capitalized words and phrases shall have the following respective meanings:

2.1 "Affiliate" means any entity controlled by, controlling or under common control with the Company.

2.2 "Annual Base Salary" means the annual base salary paid or payable, including any base salary that is subject to deferral, to the Participant by the Company or any of the Affiliates at the rate in effect immediately prior to the Date of Termination or, if the Date of Termination is during a Change in Control Period, the rate in effect (or required to be in effect before any diminution that is a basis of the Participant's termination for Good Reason) immediately prior to the Change in Control, or, if higher, immediately prior to the Date of Termination.

2.3 "Benefit Continuation Period" means (a) with respect to the CEO, a period of eighteen (18) months following the Date of Termination and (b) with respect to all other Participants, a period of twelve (12) months following the Date of Termination.

2.4 "Cause" shall means (a) the Participant's dereliction of duties or gross negligence or failure to perform his duties or refusal to follow any lawful directive of the officer to whom he reports; (b) the Participant's abuse of or dependency on alcohol or drugs (illicit or otherwise) that adversely affects his performance of duties for the Company or an Affiliate; (c) the Participant's commission of any fraud, embezzlement, theft or dishonesty or any deliberate misappropriation of money or other assets of the Company or an Affiliate; (d) the Participant's breach of any fiduciary duties of the Company or any Affiliate; (e) any act, or failure to act, by the Participant in bad faith to the detriment of the Company or an Affiliate; (f) the Participant's failure to cooperate in good faith with a governmental or internal investigation of the Company or an Affiliate or any of its directors, managers, officers or employees, if the Company requests the Participant's cooperation; (g) the Participant's failure to follow Company policies, including the Company's code of conduct and/or ethics policy, as may be in effect from time to time; (h) the Participant's conviction of, or plea of nolo contendere to, a felony or any serious crime; *provided* that in cases where cure is possible, the Participant shall first be provided with a 15-day cure period; or (i) other than during a Change in Control Period, any other matter which the Company or as relevant Affiliate reasonably considers justifies or would justify the Participant's summary dismissal including without limitation in accordance with the Participant's contract of employment or local law.

2.5 "CEO" means the Chief Executive Officer of the Company.

2.6 "Change in Control" shall mean any of the following:

(i) during any period, individuals who were directors of the Company on the first day of such period (the "Incumbent Directors") cease for any reason to constitute a majority of the Board; provided, however, that any individual becoming a director subsequent to the first day of such period whose election, or nomination by the Board for election by the Company's stockholders, was approved by a vote of at least a majority of the Incumbent Directors shall be considered as though such individual were an Incumbent Director, but excluding for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person (as defined below) other than the Board (including without limitation any settlement thereof);

(ii) the consummation of a merger, consolidation, statutory share exchange or similar form of corporate transaction (but not, for the avoidance of doubt, a sale of assets) involving the Company (each, a "Reorganization") if such Reorganization requires the approval of the Company's stockholders under the law of the Company's jurisdiction of organization (whether such approval is required for such Reorganization or for the issuance of securities of the Company in such Reorganization), unless, immediately following such Reorganization, (1) individuals and entities who were the "beneficial owners" (as such term is defined in Rule 13d-3 under the Exchange Act (or a successor rule thereto)) of the securities eligible to vote for the election of the Board ("Company Voting Securities") outstanding immediately prior to the consummation of such Reorganization continue to beneficially own, directly or indirectly, more than 50% of the

combined voting power of the then outstanding voting securities of the corporation or other entity resulting from such Reorganization (including a corporation that, as a result of such transaction, owns the Company either directly or through one or more Subsidiaries) (the "Continuing Company") in substantially the same proportion as the voting power of such Company Voting Securities among the holders thereof immediately prior to the Reorganization (excluding, for such purposes, any outstanding voting securities of the Continuing Company that such beneficial owners hold immediately following the consummation of the Reorganization as a result of their ownership prior to such consummation of voting securities of any corporation or other entity involved in or forming part of such Reorganization other than the Company), (2) no "person" (as such term is used in Section 13(d) of the Exchange Act) (each, a "Person") (excluding (x) any employee benefit plan (or related trust) sponsored or maintained by the Continuing Company or any corporation controlled by the Continuing Company and (y) any one or more Specified Stockholders) beneficially owns, directly or indirectly, 30% or more of the combined voting power of the then outstanding voting securities of the Continuing Company and (3) at least 50% of the members of the board of directors of the Continuing Company (or equivalent body) were Incumbent Directors at the time of the execution of the definitive agreement providing for such Reorganization or, in the absence of such an agreement, at the time at which approval of the Board was obtained for such Reorganization;

(iii) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company unless such liquidation or dissolution is part of a transaction or series of transactions described in paragraph (ii) above that does not otherwise constitute a Change of Control; or

(iv) any Person, corporation or other entity or "group" (as used in Section 14(d)(2) of the Exchange Act) (other than (A) the Company, (B) any trustee or other fiduciary holding securities under an employee benefit plan of the Company or an Affiliate, (C) any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of the voting power of the Company Voting Securities or (D) any one or more Specified Stockholders, including any group in which a Specified Stockholder is a member) becomes the beneficial owner, directly or indirectly, of securities of the Company representing 30% or more of the combined voting power of the Company Voting Securities; provided, however, that for purposes of this subparagraph (iv), the following acquisitions shall not constitute a Change of Control: (w) any acquisition directly from the Company, (x) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or an Affiliate, (y) any acquisition by an underwriter temporarily holding such Company Voting Securities pursuant to an offering of such securities or any acquisition by a pledgee of Company Voting Securities holding such securities as collateral or temporarily holding such securities upon foreclosure of the underlying obligation or (z) any acquisition pursuant to a Reorganization that does not constitute a Change in Control for purposes of subparagraph (ii) above.

2.7 "Change in Control Period" means the period commencing on, and including, the date of a Change in Control and ending on, and including, the second anniversary of the date of such Change in Control.

2.8 "Code" means the Internal Revenue Code of 1986, as amended from time to time.

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

2.10 "Company" means GXO Logistics, Inc. and any successor(s) thereto or, if applicable, the ultimate parent of any such successor.

2.11 "Date of Termination" means the date of receipt of a Notice of Termination from the Company or the Participant, as applicable, or any later date specified in the Notice of Termination (subject to the notice and cure periods in the definition of Good Reason). If the Participant's employment is terminated by reason of death, the Date of Termination shall be the date of death of the Participant. If the Participant's employment is terminated by reason of Disability, the Date of Termination shall be the date on which the Participant becomes eligible for benefits under the Company's (or as, relevant, any Affiliate's) long-term disability plan. Notwithstanding the foregoing, in no event shall the Date of Termination of any U.S. Taxpayer Participant occur until such U.S. Taxpayer Participant experiences a "separation from service" within the meaning of Section 409A of the Code, and the date on which such separation from service takes place shall be the "Date of Termination."

2.12 "Disability" shall have the meaning given to such term in the Company's (or as, relevant, any Affiliate's)long -term disability plan applicable to the Participant.

2.13 "Effective Date" means the date on which the Separation (as defined in Section 2.23) occurs.

2.14 "Good Reason" means the occurrence of any of the following events or circumstances during a Change in Control Period and without the Participant's prior written consent:

(a) A material reduction of the Participant's Annual Base Salary from that in effect immediately prior to the Change in Control (or if higher, that in effect at any time thereafter), other than pursuant to a general reduction in Annual Base Salary that applies on a uniform basis to all similarly situated executives of the Company or, as relevant, the Affiliate which employs the Participant;

(b) A material reduction in the Participant's target annual cash bonus opportunity from that in effect immediately prior to the Change in Control (or, if higher, that in effect at any time thereafter);

(c) A material, adverse change in the Participant's title, reporting relationship, authority, duties, or responsibilities from those in effect immediately prior to the Change in Control;

(d) The Company's requirement that the Participant be based at a location that is more than 50 miles from the location of the Participant's employment immediately prior to the Change of Control; or

(e) The failure of the Company to obtain an agreement from any successor to the Company to assume and agree to perform the obligations under this Plan with respect to the Participant.

In order to invoke a termination for Good Reason, the Participant shall provide written notice to the Company of the existence of one or more of the conditions described in clauses (a) through (e) within 90 days of the initial existence of such condition, describing in reasonable detail such condition, and the Company shall have 30 days following receipt of such written notice (the "Cure Period") during which it may remedy the condition. In the event that the Company fails to remedy the condition constituting Good Reason during the applicable Cure Period, the "separation from service" (within the meaning of Section 409A of the Code) of any U.S. Taxpayer Participant, or, for any Non-U.S. Participant, their termination of employment, must occur, if at all, within 30 days following the earlier of (i) the end of the Cure Period, or (ii) the date the Company provides written notice to the Participant that it does not intend to cure such condition. The Participant's mental or physical incapacity following the occurrence of an event described above in clauses (a) through (e) shall not affect the Participant's ability to terminate employment for Good Reason and the Participant's death following delivery of a Notice of Termination for Good Reason shall not affect the Participant's estate's entitlement to the severance payments and benefits provided hereunder upon a termination of employment for Good Reason.

2.15 "Multiple" means (a) for the CEO, two and one-half (2.5) and (b) for all other Participants, two (2).

2.16 "Non-U.S. Participant" means any Participant other than a U.S. Taxpayer Participant.

2.17 "Notice of Termination" means a written notice delivered to the other party that (a) indicates the specific termination provision in this Plan relied upon, (b) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Participant's employment under the provision so indicated, and (c) if the Date of Termination is other than the date of receipt of such notice, specifies the Date of Termination (which Date of Termination shall be: (i) for any U.S. Taxpayer Participant, not more than 30 days after the giving of such notice or 90 days in the case of a termination for Good Reason); or (ii) for any Non-U.S. Participant, no later than the expiry of their contractual notice period. Any termination by the Company for Cause or by the Participant for Good Reason shall be communicated by a Notice of Termination to the other party hereto given in accordance with Section 10.7 of this Plan. The failure by the Participant or the Company to set forth in the Notice of Termination any fact or circumstance that contributes to a showing of Good Reason or Cause shall not waive any right of the Participant or the Company, respectively, hereunder or preclude the Participant or the Company, respectively, from asserting such fact or circumstance in enforcing the Participant's or]the Company's respective rights hereunder. For the avoidance of doubt, any notice served under the Plan will not affect the Company's or any Affiliate's ability to

exercise any of its rights in relation to termination or notice under the relevant Participant's contract of employment.

2.18 "Participant" means (a) the CEO, (b) each other executive officer of the Company, and (c) any other executive employed by the Company or any Affiliate who is selected by the Committee for participation in the Plan and notified of the same in writing.

2.19 "Plan" means this GXO Logistics, Inc. Severance Plan.

2.20 "Qualifying CIC Termination" means any termination of a Participant's employment, during a Change in Control Period (a) by the Participant for Good Reason or (b) by the Company or as relevant any Affiliate other than for Cause, death or Disability.

2.21 "Qualifying Non-CIC Termination" means any termination of a Participant's employment (a) by the Company or as relevant any Affiliate other than for Cause, death or Disability and (b) that is not a Qualifying CIC Termination.

2.22 "Salary Continuation Period" means (a) with respect to the CEO, the period of eighteen (18) months immediately following the Date of Termination and (b) with respect to all other Participants, the period of twelve (12) months immediately following the Date of Termination.

2.23 "Target Annual Bonus" means the Participant's target annual cash bonus in effect immediately prior to the Date of Termination or if the Date of Termination is during a Change in Control Period, the Participant's target annual cash bonus in effect (or required to be in effect before any diminution that is a basis of the Participant's termination for Good Reason) immediately prior to the Change in Control, or, if higher, immediately prior to the Date of Termination.

2.24 "Separation" means the separation of the Company from XPO Logistics, Inc. pursuant to which the Company becomes a separate publicly traded company.

2.25 "Specified Stockholder" means Brad Jacobs, Jacobs Private Equity LLC and its Affiliates, or any other entity or organization controlled, directly or indirectly, by Brad Jacobs.

2.26 "Subsidiary" means any entity in which the Company, directly or indirectly, possesses 50% or more of the total combined voting power of all classes of its voting securities.

2.27 "U.S. Taxpayer Participant" means any Participant whose compensation income is subject to taxation in the United States of America.

SECTION 3
SEPARATION BENEFITS

3.1 Qualifying Non-CIC Termination. If a Participant experiences a Qualifying Non-CIC Termination, the Company shall pay or provide to the Participant the following payments and benefits at the time or times set forth below, subject to Section 9 and subject to (other than in the case of the Accrued Obligations and Other Benefits) the Participant's execution of a general release of claims and settlement agreement in the form delivered to the Participant by the

Company or as relevant Affiliate on or within 5 days after the Date of Termination (the "Release Agreement") and return of all property of the Company and its Affiliates including any laptops or other electronic devices (with the data intact) and such Release Agreement becoming effective and irrevocable in accordance with its terms no later than the sixtieth (60th) day following the Date of Termination:

(a) a lump sum payment in cash payable within 30 days following the Date of Termination, equal to the sum of (A) the Participant's accrued but unpaid Annual Base Salary through the Date of Termination, (B) any annual incentive payment earned by the Participant for a performance period that was completed prior to the Date of Termination where such payment remains due and outstanding, (C) any accrued and unused vacation pay or other paid time off, and (D) subject to any expenses policy in force from time to time, any business expenses incurred by the Participant that are unreimbursed as of the Date of Termination, in each case, to the extent not theretofore paid (the sum of the amounts described in clauses (A), (B), (C) and (D) shall be hereinafter referred to as the "Accrued Obligations"); *provided* that, for any U.S. Taxpayer Participant, notwithstanding the foregoing, in the case of clauses (A) and (B), if such U.S. Taxpayer Participant has made an irrevocable election under any deferred compensation arrangement subject to Section 409A of the Code to defer any portion of the Annual Base Salary or annual incentive payment described in clause (A) or (B) above, then for all purposes of this Section 3 (including, without limitation, Section 3.1(a) and 3.2(a)), such deferral election, and the terms of the applicable arrangement, shall apply to the same portion of the amount described in such clauses (A) or (B), and such portion shall not be considered as part of the "Accrued Obligations" but shall instead be an "Other Benefit" (as defined below);

(b) a lump sum payment payable in cash no later than 70 days following the Date of Termination equal to the product of (A) the Target Annual Bonus and (B) a fraction, the numerator of which is the number of days in the fiscal year in which the Date of Termination occurs from the first day of such fiscal year to and including the Date of Termination, and the denominator of which is the total number of days in such fiscal year, reduced by any annual bonus payment to which the Participant has been paid or is otherwise entitled, in each case, for the same period of service, and subject to any applicable deferral election on the same basis as set forth in the proviso to Section 3.1(a) (the "Prorated Bonus");

(c) continuation of Annual Base Salary for the Salary Continuation Period paid to the Participant ratably over the Salary Continuation Period in accordance with the Company's (or as relevant Affiliate's) regularly scheduled payroll dates; provided that any payments due within 70 days following the Date of Termination shall be paid on the first payroll date coincident with or immediately following the 70th day immediately following the Date of Termination;

(d) at the option of the Company, either (1) for the Benefit Continuation Period, healthcare benefit coverage to the Participant (and the Participant's dependents who were covered by healthcare benefit coverage (including medical, prescription, dental

and vision) pursuant to a plan sponsored by the Company or an Affiliate as of immediately prior to the Date of Termination, if any (the "eligible dependents")), with the requirement for the Participant (or the eligible dependents) to pay a monthly premium at the active employee rate for such healthcare benefit coverage as if the Participant had continued employment with the Company during the Benefit Continuation Period; provided that, for any U.S. Taxpayer Participant, the receipt of such heath care benefit shall be conditioned upon the Participant making a timely election to receive COBRA coverage provided to former employees under Section 4980B of the Code and continuing such coverage during the Benefit Continuation Period so long as it is available or (2) a cash lump sum payment equal to the amount of the employer contribution, based on the rates and coverage elections in effect at the Date of Termination, that would be been provided towards healthcare benefit coverage for the Participant and the Participant's eligible dependents during the Benefit Continuation Period had the Participant remained employed with the Company or as relevant Affiliate during such period (the "Healthcare Benefit"); and

(e) to the extent not theretofore paid or provided, any other amounts or benefits required to be paid or provided or which the Participant is eligible to receive under any plan, program, policy or practice or contract or agreement of the Company and the Affiliated Entities, including amounts credited to the Participant's account under any deferred compensation plan, payable pursuant to the terms of such plan, program, policy or practice (such other amounts and benefits shall be hereinafter referred to as the "Other Benefits").

3.2 Qualifying CIC Termination. If a Participant experiences a Qualifying CIC Termination, the Company shall pay or provide to the Participant the following payments and benefits at the time or times set forth below, subject to Section 9 and subject to (other than in the case of the Accrued Obligations and Other Benefits) the Participant's execution of a Release Agreement (provided that such Release Agreement shall not contain any new or additional restrictive covenants), and return of all property of the Company and its Affiliates including any laptops or other electronic devices (with the data intact) and such Release Agreement becoming effective and irrevocable in accordance with its terms no later than the seventieth (70^{th}) day following the Date of Termination:

(a) a lump sum payment in cash payable within 30 days following the Date of Termination equal to the Accrued Obligations;

(b) a lump sum payment in cash payable within 70 days of the Date of Termination equal to the Prorated Bonus;

(c) a lump sum payment in cash payable within 70 days of the Date of Termination equal to the product of (1) the Multiple and (2) the sum of (A) the Participant's Annual Base Salary and (B) the Target Annual Bonus;

(d) the Healthcare Benefits; and

(e) Other Benefits payable pursuant to the terms of such plan, program, policy or practice or contract or agreement.

For U.S. Taxpayer Participant, then notwithstanding the foregoing, with respect to any payment or benefit that constitutes nonqualified deferred compensation within the meaning of Section 409A of the Code, if the Change in Control does not constitute an event described in Section 409A(a)(2)(v) of the Code and the regulations thereunder, then solely to the extent necessary to avoid the application of additional taxes and penalties on such payment or benefit under Section 409A of the Code, such payment or benefit shall be paid or provided on the same schedule that would have applied to such payment or benefit in connection with a Qualifying Non-CIC Termination.

SECTION 4
GOLDEN PARACHUTE EXCISE TAX

4.1 The provisions of this Section 4 shall apply to U.S. Taxpayer Participants only.

4.2 If a Participant has a Qualifying CIC Termination, anything in this Plan to the contrary notwithstanding, in the event the Accounting Firm (as defined below) shall determine that receipt of all Payments (as defined below) would subject the Participant to the excise tax under Section 4999 of the Code, the Accounting Firm shall determine whether to reduce any of the Payments paid or payable pursuant to this Plan (the "Plan Payments") so that the Parachute Value (as defined below) of all Payments, in the aggregate, equals the Safe Harbor Amount (as defined below). The Plan Payments shall be so reduced only if the Accounting Firm determines that the Participant would have a greater Net After-Tax Receipt (as defined below) of aggregate Payments if the Plan Payments were so reduced. If the Accounting Firm determines that the Participant would not have a greater Net After-Tax Receipt of aggregate Payments if the Plan Payments were so reduced, the Participant shall receive all Plan Payments to which the Participant is entitled hereunder.

4.3 If the Accounting Firm determines that aggregate Plan Payments should be reduced so that the Parachute Value of all Payments, in the aggregate, equals the Safe Harbor Amount, the Company shall promptly give the Participant notice to that effect and a copy of the detailed calculation thereof. All determinations made by the Accounting Firm under this Section 4 shall be binding upon the Company and the Participant and shall be made as soon as reasonably practicable and in no event later than 15 days following the Date of Termination. For purposes of reducing the Plan Payments so that the Parachute Value of all Payments, in the aggregate, equals the Safe Harbor Amount, only amounts payable under this Plan (and no other Payments) shall be reduced. The reduction of the amounts payable hereunder, if applicable, shall be made by reducing the Plan Payments and benefits that have a Parachute Value in the following order: Section 3.2(b), Section 3.2(c), Section 3.2(e) and Section 3.2(d) in each case, beginning with payments or benefits that do not constitute non-qualified deferred compensation and reducing payments or benefits in reverse chronological order beginning with those that are to be paid or provided the farthest in time from the Date of Termination, based on the Accounting Firm's determination. All reasonable fees and expenses of the Accounting Firm shall be borne solely by the Company.

4.4 To the extent requested by the Participant, the Company shall cooperate with the Participant in good faith in valuing, and the Accounting Firm shall take into account the value of, services provided or to be provided by the Participant (including, without limitation, the Participant's agreeing to refrain from performing services pursuant to a covenant not to compete or similar covenant, before, on or after the date of a change in ownership or control of the Company (within the meaning of Q&A-2(b) of the final regulations under Section 280G of the Code), such that payments in respect of such services may be considered reasonable compensation within the meaning of Q&A-9 and Q&A-40 to Q&A-44 of the final regulations under Section 280G of the Code and/or exempt from the definition of the term "parachute payment" within the meaning of Q&A-2(a) of the final regulations under Section 280G of the Code in accordance with Q&A-5(a) of the final regulations under Section 280G of the Code.

4.5 The following terms shall have the following meanings for purposes of this Section 5:

(a) "Accounting Firm" shall mean a nationally recognized certified public accounting firm or other professional organization that is a certified public accounting firm recognized as an expert in determinations and calculations for purposes of Section 280G of the Code that is selected by the Company prior to a Change in Control for purposes of making the applicable determinations hereunder, which firm shall not, without the Participant's consent, be a firm serving as accountant or auditor for the individual, entity or group effecting the Change in Control.

(b) "Net After-Tax Receipt" shall mean the present value (as determined in accordance with Sections 280G(b)(2)(A)(ii) and 280G(d)(4) of the Code) of a Payment net of all taxes imposed on the Participant with respect thereto under Sections 1 and 4999 of the Code and under applicable state and local laws, determined by applying the highest marginal rate under Section 1 of the Code and under state and local laws which applied to the Participant's taxable income for the immediately preceding taxable year, or such other rate(s) as the Accounting Firm determines to be likely to apply to the Participant in the relevant tax year(s).

(c) "Parachute Value" of a Payment shall mean the present value as of the date of the Change in Control for purposes of Section 280G of the Code of the portion of such Payment that constitutes a "parachute payment" under Section 280G(b)(2) of the Code, as determined by the Accounting Firm for purposes of determining whether and to what extent the excise tax under Section 4999 of the Code will apply to such Payment.

(d) "Payment" shall mean any payment, benefit or distribution in the nature of compensation (within the meaning of Section 280G(b)(2) of the Code) to or for the benefit of the Participant, whether paid, payable or provided pursuant to this Plan or otherwise.

(e) "Safe Harbor Amount" shall mean the maximum Parachute Value of all Payments that the Participant can receive without any Payments being subject to the Excise Tax.

4.6 The provisions of this Section 4 shall survive the expiration of this Plan.

SECTION 5
NONDUPLICATION; LEGAL FEES; NON-EXCLUSIVITY OF RIGHTS

5.1 Offset for Other Employment or Work. Any compensation earned by a Participant from any other work, whether as an employee or an independent contractor, during the Salary Continuation Period or in the case of a Qualifying CIC Termination, during the period of time represented by the severance multiple (i.e., two and one half (2.5) equates to 30 months from the Date of Termination and two (2) equates to twenty four-months from the Date of Termination) (the "Severance Period") shall reduce on a dollar for dollar (or as relevant the local country currency) basis, the amount paid by the Company under Section 3.1 or 3.2, as applicable. To the extent that compensation under Section 3.1 or 3.2 is already received by the Participant from the Company in a lump sum payment or otherwise and there is no further compensation that may be reduced, the Participant shall immediately on demand repay the Company on an after-tax basis the amount that should have been reduced as determined in writing by the Company. The Participant shall notify the Company in writing within 7 days if such Participants earns any compensation during the Severance Period.

5.2 Nonduplication. The amount of any payment under Section 3.1(c) and 3.2(c) of this Plan will be offset and reduced (but not below zero) by the full amount and/or value of any severance benefits, compensation and benefits provided during any notice period, pay in lieu of notice, mandated termination indemnities, or similar benefits that the Participant may separately be entitled to receive from the Company or any Affiliate based on any employment agreement, confidential information protection agreement or other contractual obligation (whether individual or union/works council) or statutory scheme. If a U.S. Taxpayer Participant's employment is terminated because of a plant shut-down or mass layoff or other event to which the Worker Adjustment and Retraining Notification Act of 1988 or similar state law (collectively, "WARN") applies, then the amount of the severance payment under Section 3.1(c) and 3.2(c) of this Plan to which the Participant is entitled shall be reduced, dollar for dollar, by the amount of any pay provided to the Participant in lieu of the notice required by WARN, and the Benefits Continuation Period shall be reduced for any period of benefits continuation or pay in lieu thereof provided to Participant due to the application of WARN.

5.3 Legal Fees. Solely during the Change in Control Period, the Company agrees to pay as incurred (within 10 business days following the Company's receipt of an invoice from the Participant), to the full extent permitted by law, all legal fees and expenses that the Participant may reasonably incur as a result of any contest by the Company, the Participant or others of the validity or enforceability of, or liability under, any provision of this Plan or any guarantee of performance thereof (including as a result of any contest (regardless of the outcome) by the Participant about the amount of any payment pursuant to this Plan) (each, a "Contest"), plus, in each case, interest on any delayed payment to which the Participant is ultimately determined to be entitled at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code ("Interest") based on the rate in effect for the month in which such legal fees and expenses were incurred.

SECTION 6
AMENDMENT AND TERMINATION

The Plan may be terminated or amended in any respect by resolution adopted by the Committee; *provided* that, in connection with or in anticipation of a Change in Control, this Plan may not be terminated or amended in any manner that would adversely affect the rights of Participants in connection with a Qualifying CIC Termination; *provided, further*, that following a Change in Control, this Plan shall continue in full force and effect and shall not terminate, expire or be amended until after all Participants who become entitled to any payments or benefits hereunder in connection with a Qualifying CIC Termination shall have received such payments and benefits in full pursuant to Section 3.

SECTION 7
PLAN ADMINISTRATION

7.1 General. The Committee is responsible for the general administration and management of this Plan (the committee acting in such capacity, the "Plan Administrator") and shall have all powers and duties necessary to fulfill its responsibilities, including, but not limited to, the discretion to interpret and apply the provisions of this Plan and to determine all questions relating to eligibility for benefits under this Plan, to interpret or construe ambiguous, unclear, or implied (but omitted) terms in any fashion it deems to be appropriate, and to make any findings of fact needed in the administration of this Plan. Following a Change in Control, the validity of any such interpretation, construction, decision, or finding of fact shall be given *de novo* review if challenged in court, by arbitration, or in any other forum, and such *de novo* standard shall apply notwithstanding the grant of full discretion hereunder to the Plan Administrator or characterization of any such decision by the Plan Administrator as final or binding on any party.

7.2 Not Subject to ERISA. This Plan does not require an ongoing administrative scheme and, therefore, is intended to be a payroll practice which is not subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). However, if it is determined that this Plan is subject to ERISA, (i) it shall be considered to be an unfunded plan maintained by the Company primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees (a "top-hat plan"), and (ii) it shall be administered in a manner which complies with the provisions of ERISA that are applicable to top-hat plans.

7.3 Indemnification. To the extent permitted by law, the Company shall indemnify the Plan Administrator, whether the Committee or the Independent Committee, from all claims for liability, loss, or damage (including the payment of expenses in connection with defense against such claims) arising from any act or failure to act in connection with this Plan.

SECTION 8
SUCCESSORS; ASSIGNMENT

8.1 Successors. The Company shall require any corporation, entity, individual or other person who is the successor (whether direct or indirect by purchase, merger, consolidation, reorganization or otherwise) to all or substantially all the business and/or assets of the Company

to expressly assume and agree to perform, by a written agreement in form and in substance satisfactory to the Company, all of the obligations of the Company under this Plan. As used in this Plan, the term "Company" shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Plan by operation of law, written agreement or otherwise.

8.2 Assignment of Rights. It is a condition of this Plan, and all rights of each person eligible to receive benefits under this Plan shall be subject hereto, that no right or interest of any such person in this Plan shall be assignable or transferable in whole or in part, except by will or the laws of descent and distribution or other operation of law, including, but not by way of limitation, lawful execution, levy, garnishment, attachment, pledge, bankruptcy, alimony, child support or qualified domestic relations order.

SECTION 9
SECTION 409A OF THE CODE

9.1 The provisions of this Section 9 shall apply to U.S. Taxpayer Participants only.

9.2 General. The obligations under this Plan are intended to comply with the requirements of Section 409A of the Code or an exemption or exclusion therefrom and shall in all respects be administered in accordance with Section 409A of the Code. Any payments that qualify for the "short-term deferral" exception, the separation pay exception or another exception under Section 409A of the Code shall be paid under the applicable exception to the maximum extent possible. For purposes of nonqualified deferred compensation under Section 409A of the Code, each payment of compensation under this Plan shall be treated as a separate payment of compensation. All payments to be made upon a termination of employment under this Plan may only be made upon a "separation from service" under Section 409A of the Code to the extent necessary in order to avoid the imposition of penalty taxes on a Participant pursuant to Section 409A of the Code. In no event may a Participant, directly or indirectly, designate the calendar year of any payment under this Plan.

9.3 Reimbursements and In-Kind Benefits. Notwithstanding anything to the contrary in this Plan, all reimbursements and in-kind benefits provided under this Plan that are subject to Section 409A of the Code shall be made in accordance with the requirements of Section 409A of the Code, including without limitation, where applicable, the requirement that (i) in no event shall the Company's obligations to make such reimbursements or to provide such in-kind benefits apply later than the Participant's remaining lifetime (or if longer, through the 20th anniversary of the Effective Date; (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year; (iii) the reimbursement of an eligible fees and expenses shall be made no later than the last day of the calendar year following the year in which the applicable fees and expenses were incurred; *provided* that the Participant shall have submitted an invoice for such fees and expenses at least 10 days before the end of the calendar year next following the calendar year in which such fees and expenses were incurred; and (iv) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

9.4 Delay of Payments. Notwithstanding any other provision of this Plan to the contrary, if a Participant is considered a "specified employee" for purposes of Section 409A of the Code (as determined in accordance with the methodology established by the Company as in effect on the Date of Termination), any payment or benefit that constitutes nonqualified deferred compensation within the meaning of Section 409A of the Code that is otherwise due to be paid to such Participant under this Agreement during the six-month period immediately following such Participant's separation from service (as determined in accordance with Section 409A of the Code) on account of such Participant's separation from service shall be accumulated and paid to such Participant with Interest (based on the rate in effect for the month in which the Participant's separation from service occurs) on the first business day of the seventh month following the Participant's separation from service (the "Delayed Payment Date"), to the extent necessary to avoid penalty taxes or accelerated taxation pursuant to Section 409A of the Code. If such Participant dies during the postponement period, the amounts and entitlements delayed on account of Section 409A of the Code shall be paid to the personal representative of his or her estate on the first to occur of the Delayed Payment Date or 30 calendar days after the date of such Participant's death.

SECTION 10
MISCELLANEOUS

10.1 Controlling Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to any choice of law or conflicting provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the laws of any jurisdiction other than the State of Delaware to be applied. In furtherance of the foregoing, the internal laws of the State of Delaware will control the interpretation and construction of this Agreement, even if under such jurisdiction's choice of law or conflict of law analysis, the substantive law of some other jurisdiction would ordinarily apply.

10.2 Withholding. The Company may withhold from any amount payable or benefit provided under this Plan such federal, state, local, foreign and other taxes and/ or social security payments as are required to be withheld pursuant to any applicable law or regulation.

10.3 Gender and Plurals. Wherever used in this Plan document, words in the masculine gender shall include masculine or feminine gender, and, unless the context otherwise requires, words in the singular shall include the plural, and words in the plural shall include the singular.

10.4 Plan Controls. In the event of any inconsistency between this Plan document, the Service Agreement and any other communication regarding this Plan, this Plan document controls. The captions in this Plan are not part of the provisions hereof and shall have no force or effect.

10.5 Not an Employment Contract. Neither this Plan nor any action taken with respect to it shall confer upon any person the right to continued employment with the Company or any Affiliate.

10.6 Notices.

(a) Any notice required to be delivered to the Company by a Participant hereunder shall be properly delivered to the Company when personally delivered to, or actually received through the U.S. mail or electronic mail (e-mail) (so long as confirmation of receipt of e-mail is requested or received) by:

GXO Logistics, Inc.
[•]
[•]
Attention: General Counsel
E-mail: [•]

(b) Any notice required to be delivered to the Participant by the Company hereunder shall be properly delivered to the Participant when the Company delivers such notice by e-mail (so long as confirmation of receipt of e-mail is requested or received), personally or by placing said notice in the U.S. mail registered or certified mail, return receipt requested, postage prepaid to that person's last known address as reflected on the books and records of the Company.

10.7 Severability. If any provision of this Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of this Plan, and this Plan shall be construed and enforced as if such provision had not been included in this Plan.

XPO Logistics

14 May 2021

Private & Confidential

Re: Pension Top Up

Dear Maryclaire,

Welcome to the XPO family! For your reference, the company offers a pension arrangement in the UK, which is managed by Scottish Widows.

The maximum company contribution payable into the pension scheme is 7% of your basic annual salary.

However, in recognition of both your seniority within the business and market norm for senior executives, the company will provide a top up to your individual pension account of 4% of your basic annual salary.

To qualify to receive the full 11% from the company, your individual contribution must be a minimum of 8% of your basic salary.

The additional contribution will be processed as an individual supplement through payroll, and will be grossed up to offset/mitigate any tax impact which, in turn, needs to be paid into your pension plan in addition to your minimum contribution of 8%. Please see the example below:

EE Contribution	ER Top Up	Total EE Contribution	ER Contribution	Total
8%	4%	12%	7%	19%

This additional payment will be treated as a revision to your contractual entitlements.

To acknowledge acceptance of this enhancement, please sign and return one copy of this letter to the XPO House address noted below (to my attention).

If you have any queries in relation to this, please do not hesitate to contact me.

Yours sincerely,

Adam Parker
Vice President Human Resources UK & Ireland
Adam.Parker@xpo.com

Signed: /s/ Adam Parker Date: May 21, 2021

CREDIT AGREEMENT

DATED AS OF JUNE 23, 2021

AMONG

GXO LOGISTICS, INC.,
as the Borrower,

THE LENDERS FROM TIME TO TIME PARTIES HERETO,
and
CITIBANK, N.A.,
as Administrative Agent and an Issuing Lender

CITIBANK, N.A.,
BARCLAYS BANK PLC,
and
CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
as Joint Lead Arrangers and Joint Bookrunners

BARCLAYS BANK PLC,
and
CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
as Co-Syndication Agents

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CREDIT AGREEMENT

This Credit Agreement, dated as of June 23, 2021, is among GXO Logistics, Inc., a Delaware corporation (the "**Borrower**"), the Guarantors from time to time parties hereto, the institutions from time to time parties hereto as Lenders (whether by execution of this Agreement or an assignment pursuant to Section 12.01), and Citibank, N.A., as Administrative Agent and an Issuing Lender.

The Borrower has requested that the Lenders and the Administrative Agent enter into this Agreement to provide a revolving credit facility to the Borrower for the purposes set forth herein, and the Lenders and the Administrative Agent 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 1
DEFINITIONS

Section 1.01 *Certain Defined Terms*. As used in this Agreement:

"**Acquisition**" means any transaction or series of related transactions for the purpose of or resulting, directly or indirectly, in (a) the acquisition by the Borrower or any of its Subsidiaries of all or substantially all of the assets of a Person, or of any business or division of a Person, (b) the acquisition by the Borrower or any of its Subsidiaries of in excess of 50% of the capital stock, partnership interests, membership interests or equity of any Person (other than a Person that is a Subsidiary), or otherwise causing any Person to become a Subsidiary of the Borrower, (c) a merger or consolidation or any other combination by the Borrower or any of its Subsidiaries with another Person (other than a Person that is a Subsidiary) provided that the Borrower (or a Person that succeeds to the Borrower pursuant to Section 6.09 in connection with such transaction or series of related transactions) or a Subsidiary of the Borrower (or a Person that becomes a Subsidiary of the Borrower as a result of such transaction) is the surviving entity; provided that any Person that is a Subsidiary at the time of execution of the definitive agreement related to any such transaction or series of related transactions (or, in the case of a tender offer or similar transaction, at the time of filing of the definitive offer document) shall constitute a Subsidiary for purposes of this definition even if in connection with such transaction or series of related transactions, such Person becomes a direct or indirect holding company of the Borrower or (d) the acquisition of real property by the Borrower or any of its Subsidiaries that is expected to be used in whole or in part in the normal operations of the Borrower or its Subsidiaries.

"**Acquisition Debt**" means any Indebtedness for Borrowed Money of the Borrower or any of its Subsidiaries that has been issued for the purpose of financing, in whole or in part, a Material Acquisition and any related transactions or series of related transactions (including for the purpose of refinancing or replacing all or a portion of any pre-existing Indebtedness for Borrowed Money of the Borrower, any of its Subsidiaries or the Person(s) or assets to be acquired); *provided* that (a)(i) the release of the proceeds thereof to the Borrower and its Subsidiaries is contingent upon the consummation of such Material

Acquisition and, pending such release, such proceeds are held pursuant to an escrow or similar arrangement and (ii) if the definitive agreement (or, in the case of a tender offer or similar transaction, the definitive offer document) for such Material Acquisition is terminated prior to the consummation of such Material Acquisition or if such Material Acquisition is otherwise not consummated by the date specified in the definitive documentation relating to such Indebtedness for Borrowed Money, such proceeds shall be promptly applied to satisfy and discharge all obligations of the Borrower and its Subsidiaries in respect of such Indebtedness for Borrowed Money or (b)(i) such Indebtedness for Borrowed Money contains a "special mandatory redemption" provision (or other similar provision) or otherwise permits such Indebtedness for Borrowed Money to be redeemed or prepaid if such Material Acquisition is not consummated by the date specified in the definitive documentation relating to such Indebtedness for Borrowed Money, and (ii) if the definitive agreement (or, in the case of a tender offer or similar transaction, the definitive offer document) for such Material Acquisition is terminated in accordance with its terms prior to the consummation of such Material Acquisition or such Material Acquisition is otherwise not consummated by the date specified in the definitive documentation relating to such Indebtedness for Borrowed Money, such Indebtedness for Borrowed Money is so redeemed or prepaid within ninety (90) days of such termination or such specified date, as the case may be.

"**Actual Unused Commitments**" is defined in Section 2.05(a).

"**Additional L/C Currency**" means each of Malaysian Ringgits, Australian Dollars, Singaporean Dollars, Hong Kong Dollars or any other currency (other than Malaysian Ringgits, Australian Dollars, Singaporean Dollars and Hong Kong Dollars) which is approved in accordance with Section 1.05.

"**Administrative Agent**" means Citibank in its capacity as contractual representative of the Lenders pursuant to Article 10, and not in its individual capacity as a Lender, and any successor Administrative Agent appointed pursuant to Article 10.

"**Administrative Agent's Office**" means, with respect to any currency, the Administrative Agent's address and, as appropriate, account as set forth on Schedule 13.01 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 Borrower and the Lenders.

"**Advance**" means a Revolving Borrowing.

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

"**Affiliate**" of any Person means any other Person directly or indirectly controlling, controlled by or under common control with such Person. A Person shall be deemed to control another Person if the controlling Person is the "**beneficial owner**" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934) of ten percent (10%) or more of any class of voting securities (or other voting interests) 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 voting securities, by contract or otherwise.

"**Agent**" means any of the Administrative Agent, the Arrangers or the Co-Syndication Agents, as appropriate, and "**Agents**" means, collectively, the Administrative Agent, the Arrangers and the Co-Syndication Agents.

"**Agent Parties**" is defined in Section 13.01(c).

"**Aggregate Commitment**" means, at any time, the aggregate amount of the Commitments of all of the Lenders at such time, as may be adjusted from time to time pursuant to the terms hereof. The Aggregate Commitment as of the Effective Date is Eight Hundred Million and 00/100 Dollars ($800,000,000.00).

"**Aggregate Outstanding Credit Exposure**" means, at any time, the aggregate of the Outstanding Credit Exposure with respect to all of the Lenders at such time.

"**Agreement**" means this Credit Agreement, as it may be amended, restated, supplemented or otherwise modified and as in effect from time to time.

"**Agreement Accounting Principles**" means GAAP, applied in a manner consistent with that used in preparing the financial statements of the Borrower referred to in Section 5.04; *provided*, *however*, that notwithstanding anything contained in Section 9.07 to the contrary, if the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change in GAAP occurring after the Effective Date (or any change in GAAP that occurred on or prior to the Effective Date but was not reflected in the financial statements included in the Borrower Form 10) or in the application thereof on the operation of such provision, regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

"**Agreement Currency**" is defined in Section 15.06.

"**Alternate Base Rate**" means, with respect to Advances denominated in Dollars, for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the Prime Rate in effect for such day and (c) the one-month Eurocurrency Base Rate *plus* 1.0%. "**Prime Rate**" means the rate of interest in effect for such day as publicly announced from time to time by Citibank as its "prime rate." The "prime rate" is a rate set by Citibank based upon various factors including Citibank'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 rate announced by Citibank shall take effect at the opening of business on the day specified in the public announcement of such change. If the Alternate Base Rate shall be less than zero, such rate shall be deemed zero for all purposes of this Agreement.

"**Alternate Base Rate Advance**" means an Advance which, except as otherwise provided in Section 2.11, bears interest at the Alternate Base Rate.

"**Alternate Base Rate Loan**" means a Revolving Loan, or portion thereof, which, except as otherwise provided in Section 2.11, bears interest at the Alternate Base Rate. All Alternate Base Rate Loans shall be denominated in Dollars.

"**Anti-Corruption Laws**" means all laws, rules and regulations of any jurisdiction applicable to the Borrower or any of its Subsidiaries from time to time concerning or relating to bribery, money laundering or corruption, including the United States Foreign Corrupt Practices Act of 1977, as amended.

"**Applicable Margin**" means, with respect to Advances of any Type at any time, the percentage rate per annum which is applicable at such time with respect to Advances of such Type as set forth under the heading "Applicable Margin" in the Pricing Schedule.

"**Applicable Time**" means, with respect to any borrowings and payments in any Foreign Currency or Additional L/C Currency, the local time in the place of settlement for such Foreign Currency or Additional L/C Currency as shall be reasonably determined by the Administrative Agent or the applicable Issuing Lender, as the case may be, to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment. In advance of the initial borrowing of a Revolving Loan or issuance of a Letter of Credit, in each case, in any Foreign Currency or Additional L/C Currency, the Administrative Agent or the applicable Issuing Lender, as applicable, shall provide the Borrower and Lenders with written notice of the Applicable Time for any borrowings and payments in such Foreign Currency or Additional L/C Currency. In the event no such notice is delivered by the Administrative Agent, the Borrower and any Lender shall be required to make any borrowings and payments in accordance with the times specified herein for borrowings and payments in Dollars.

"**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 Citibank, N.A., Barclays Bank PLC, and Crédit Agricole, Corporate and Investment Bank, in their capacity as Joint Lead Arrangers.

"**Article**" means an Article of this Agreement unless another document is specifically referenced.

"**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 12.01), and accepted by the Administrative Agent, in substantially the form of Exhibit B or any other form approved by the Administrative Agent.

"**Australian Dollars**" means the lawful currency of the Commonwealth of Australia.

"**Authorized Officer**" means any of the President, the Chairman, the Chief Executive Officer, the Chief Financial Officer, the Chief Accounting Officer, any Vice President, the Treasurer, the Assistant Treasurer, the Controller or the Secretary of the Borrower and, solely for purposes of notices given pursuant to Article 2, any other officer or employee of the Borrower so designated by any of the foregoing officers in a notice to the Administrative Agent or any other officer or employee of the Borrower designated in or pursuant to an agreement between the Borrower and the Administrative Agent, in each case acting in accordance with the terms of the signing authority granted in the Secretary or Assistant Secretary's certificate delivered to the Administrative Agent pursuant to Section 4.02(h) (including any supplements thereto delivered to the Administrative Agent from time to time by way of an officers' certificate jointly executed by two Authorized Officers).

"**Available Tenor**" means, as of any date of determination and with respect to any then-current Benchmark for any currency, as applicable, (x) if any then-current Benchmark for such currency is a term rate, any tenor for such Benchmark that is or may be used for determining the length of an Interest Period or (y) otherwise, any payment period for interest calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date.

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

"**Bail-In Legislation**" means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law 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).

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

"**Benchmark**" means, initially (i) with respect to any amounts denominated in Dollars, LIBOR, (ii) with respect to any amounts denominated in Euro, EURIBOR, (iii) with respect to any amounts denominated in Canadian Dollars, CDOR; *provided* that if a replacement of an initial or subsequent Benchmark has occurred pursuant to Section 3.07,

then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. Any reference to "Benchmark" shall include, as applicable, the published component used in the calculation thereof.

"**Benchmark Replacement**" means, for any Available Tenor:

(1) For purposes of Section 3.07(b), the first alternative set forth below that can be determined by the Administrative Agent:

(a) the sum of: (i) Term SOFR and (ii) 0.11448% (11.448 basis points) for an Available Tenor of one-month's duration, 0.26161% (26.161 basis points) for an Available Tenor of three-months' duration, 0.42826% (42.826 basis points) for an Available Tenor of six-months' duration and 0.71513% (71.513 basis points) for an Available Tenor of twelve-months' duration; provided, that if any Available Tenor of LIBOR does not correspond to an Available Tenor of Term SOFR, the Benchmark Replacement for such Available Tenor of LIBOR shall be the closest corresponding Available Tenor (based on tenor) for Term SOFR and if such Available Tenor of LIBOR corresponds equally to two Available Tenors of Term SOFR, the corresponding tenor of Term SOFR with the shorter duration shall be applied, or

(b) the sum of: (i) Daily Simple SOFR and (ii) the spread adjustment selected or recommended by the Relevant Governmental Body for the replacement of the tenor of LIBOR with a SOFR-based rate having approximately the same length as the interest payment period specified in clause (b) of Section 3.07 (which spread adjustment, for the avoidance of doubt, shall be 0.26161% (26.161 basis points)); and;

(2) For purposes of clause (c) of Section 3.07, the sum of (a) the alternate benchmark rate and (b) an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by the Administrative Agent and the Borrower as the replacement for such Available Tenor of such Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for syndicated credit facilities at such time denominated in the applicable currency in the U.S. syndicated loan market;

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

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Alternate Base Rate," the definition of "Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or

continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, the formula for calculating any successor rates identified pursuant to the definition of "Benchmark Replacement", the formula, methodology or convention for applying the successor Floor to the successor Benchmark Replacement and other technical, administrative or operational matters) that the Administrative Agent decides in its reasonable discretion may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides in its reasonable discretion that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides in its reasonable discretion is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"**Benchmark Transition Event**" means, with respect to any then-current Benchmark other than LIBOR, the occurrence of one or more of the following events: a public statement or publication of information by or on behalf of the administrator of any then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, the central bank for the currency applicable to such Benchmark, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such administrator has ceased or will cease on a specified date to provide all Available Tenors of such Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark or (b) all Available Tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored.

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

"**Borrower**" is defined in the preamble hereto.

"**Borrower Form 10**" means the Borrower's Registration Statement on Form 10 (including the information statement and the other exhibits contemplated thereby, in each case, in the form and to the extent so filed), in the form most recently filed (whether or not publicly) with the SEC pursuant to the Securities Exchange Act of 1934, as it may be amended or supplemented from time to time after the original filing thereof and prior to the Effective Date.

"**Borrower Materials**" is defined in Section 6.01.

"**Borrowing Date**" means a date on which an Advance is made or a Letter of Credit is issued hereunder.

"**Borrowing Notice**" is defined in Section 2.08.

"**Business Day**" means a day (other than Saturday or Sunday) on which banks are generally open in New York, New York for the conduct of substantially all of their commercial lending activities and interbank wire transfers can be made on the Fedwire system (or any other equivalent wire system) and:

(a) if such day relates to any interest rate settings as to a Eurocurrency Loan denominated in Dollars, any fundings, disbursements, settlements and payments in Dollars in respect of any such Eurocurrency Loan, or any other dealings in Dollars to be carried out pursuant to this Agreement in respect of any such Eurocurrency Loan, means any such day that is also a London Banking Day;

(b) if such day relates to any interest rate settings as to a Eurocurrency Loan denominated in Euro, including EURIBOR, any fundings, disbursements, settlements and payments in Euros in respect of any such Eurocurrency Loan, or any other dealings in Euros to be carried out pursuant to this Agreement in respect of any such Eurocurrency Loan, means a TARGET Day;

(c) if such day relates to any interest rate settings as to a Eurocurrency Loan denominated in Canadian Dollars, including CDOR, any fundings, disbursements, settlements and payments in Canadian Dollars in respect of any such Eurocurrency Loan, or any other dealings in Canadian Dollars to be carried out pursuant to this Agreement in respect of any such Eurocurrency Loan, a day on which dealings in deposits in the relevant currency are conducted by and between banks may be carried on in Toronto, Canada;

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

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

"**Canadian Dollars**" and "**C$**" means dollars in the lawful currency of Canada.

"**Capitalized Lease**" of a Person means any lease of Property by such Person as lessee which would be capitalized on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles; provided that notwithstanding anything contained in the definition of Agreement Accounting Principles to the contrary, unless the Borrower otherwise elects by delivery of a notice to the Administrative Agent, all leases of any Person that are or would be characterized as operating leases in accordance with GAAP as in effect in the United States on January 31, 2018 (whether or not such operating leases

were in effect on such date) shall continue to be accounted for as operating leases (and not as Capitalized Leases) for purposes of this Agreement regardless of any change in GAAP following the date that would otherwise require such obligations to be recharacterized as Capitalized Leases.

"**Capitalized Lease Obligations**" of a Person means the amount of the obligations of such Person under Capitalized Leases which would be shown as a liability on a balance sheet of such Person prepared in accordance with Agreement Accounting Principles; provided that notwithstanding anything contained in the definition of Agreement Accounting Principles to the contrary, unless the Borrower otherwise elects by delivery of a notice delivered to the Administrative Agent, all obligations under any leases of any Person that are or would be characterized as operating lease obligations in accordance with GAAP as in effect in the United States on January 31, 2018 (whether or not such operating lease obligations were in effect on such date) shall continue to be accounted for as operating lease obligations (and not as Capitalized Lease Obligations) for purposes of this Agreement regardless of any change in GAAP following the date that would otherwise require such obligations to be recharacterized as Capitalized Lease Obligations.

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

"**CDOR**" is defined in the definition of "Eurocurrency Base Rate."

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

"**Change of Control**" means an event or series of events by which any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or

administrator of any such plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934), directly or indirectly, of more than 50.0% of the then-outstanding shares of capital stock or equivalent interests of the Borrower the holders of which are ordinarily, in the absence of contingencies, entitled to vote for members of the board of directors or equivalent governing body of the Borrower on a fully diluted basis, even though the right to so vote has been suspended by the happening of such a contingency (the "**Voting Stock**"). Notwithstanding the foregoing, (a) neither the Spinoff nor any transaction entered into on or prior to the Closing Date in connection therewith will be considered to be a Change of Control and (b) a transaction will not be considered to be a Change of Control if (x) the Borrower becomes a direct or indirect wholly owned Subsidiary of another Person and (y) the shares of the Voting Stock of the Borrower outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of such Person immediately after giving effect to such transaction.

"**Citibank**" means Citibank, N.A., in its individual capacity, and its successors.

"**Closing Date**" means the date on which all of the conditions specified in Section 4.02 shall first be satisfied (or waived).

"**Code**" means the Internal Revenue Code of 1986, as amended, reformed or otherwise modified from time to time.

"**Commitment**" means, for each Lender, the obligation of such Lender to (i) make Revolving Loans to the Borrower pursuant to Section 2.01(a) and (ii) purchase participations in L/C Obligations pursuant to Section 2.03, in an aggregate principal amount not to exceed the amount set forth on the Commitment Schedule (which schedule shall set forth each Lender's Commitment as of the Effective Date) or in an Assignment and Assumption executed pursuant to Section 12.01, as it may be modified as a result of any assignment that has become effective pursuant to Section 12.01 or as otherwise modified from time to time pursuant to the terms hereof.

"**Commitment Fee**" is defined in Section 2.05.

"**Commitment Fee Payment Date**" is defined in Section 2.05.

"**Commitment Schedule**" means the Schedule attached hereto and identified as such, identifying each Lender's Commitment and each Issuing Lender's L/C Commitment as of the Effective Date.

"**Communication**" is defined in Section 14.02.

"**Consenting Lender**" is defined in Section 2.23.

"**Consolidated Assets**" means, at any date of determination, the total amount, as shown on or reflected in the most recent consolidated balance sheet of the Borrower and its subsidiaries as at the end of the Borrower's fiscal quarter ending prior to such date, of all assets of the Borrower and its consolidated subsidiaries on a consolidated basis in

accordance with Agreement Accounting Principles (giving pro forma effect to any acquisition or disposition of Property of the Borrower or any of its subsidiaries involving the payment or receipt of consideration by the Borrower or any of its subsidiaries in excess of $400,000,000 that has occurred since the end of such fiscal quarter as if such acquisition or disposition had occurred on the last day of such fiscal quarter).

"**Consolidated EBITDA**" means, for any period, for the Borrower and its Subsidiaries on a consolidated basis, an amount equal to Consolidated Net Income for such period *plus*

(a) the following (without duplication) to the extent deducted in calculating such Consolidated Net Income for such period:

(i) Consolidated Interest Charges for such period;

(ii) the provision for federal, state, local and foreign income taxes payable by the Borrower and its Subsidiaries for such period, including, without limitation, any franchise taxes or other taxes based on income, profits or capital and all other taxes that are included in the provision for income tax line item on the consolidated income statement of the Borrower and its Subsidiaries for such period;

(iii) depreciation and amortization expense (excluding, for avoidance of doubt, amortization of deferred commissions, capitalized costs to acquire revenue contracts or substantially equivalent items) for such period;

(iv) any increases in deferred or unearned revenue or substantially equivalent items for such period (net of any increases in deferred costs (which deferred costs, for avoidance of doubt, do not include deferred commissions, capitalized costs to acquire revenue contracts or substantially equivalent items) for such period);

(v) all non-cash expenses, losses or charges for such period (other than any such non-cash expenses, losses or charges that represent an accrual or reserve for future cash expenses, losses or charges or that relate to the write-down of current assets), including, without limitation, non-cash stock based employee compensation expenses for such period and non-cash expenses, losses or charges for such period in connection with (A) "goodwill impairment losses" under FASB Statement 142, (B) unrealized losses resulting from mark-to-market accounting in respect of Rate Management Transactions and (C) unrealized losses on equity investments;

(vi) in connection with any Acquisition (except for an Acquisition of the type set forth in clause (d) of the definition thereof) or non-ordinary course disposition of Property, all non-recurring restructuring costs, facilities relocation costs, acquisition integration costs and fees, including cash severance payments, and non-recurring fees and expenses,

in each case paid during such period in connection with such Acquisition or non-ordinary course disposition of Property and within twelve (12) months of the completion of such Acquisition or non-ordinary course disposition of Property, as applicable; *provided* that the amount added back to Consolidated Net Income pursuant to this clause (vi) in respect of any such costs, fees, payments and expenses paid in cash in connection with all such Acquisitions and non-ordinary course dispositions shall not exceed 15% of Consolidated EBITDA (calculated before giving effect to this clause (vi) in the aggregate for any period of four fiscal quarters of the Borrower);

(vii) any extraordinary, unusual or non-recurring expenses, charges or losses;

(viii) transaction, integration and restructuring fees, costs and expenses incurred in connection with the Spinoff; provided that the amounts added back pursuant to this clause (viii) in respect of any such restructuring fees, costs and expenses incurred from and after January 1, 2021 may not exceed, with respect to any period of four consecutive fiscal quarters, $25,000,000 (it being understood and agreed no such limitation shall apply to any such fees, costs and expenses incurred prior to January 1, 2021);

minus

(b) the following (without duplication) to the extent included in calculating such Consolidated Net Income:

(i) any extraordinary gains (less all fees and expenses related thereto);

(ii) any decreases in deferred or unearned revenue or substantially equivalent items for such period (net of any decreases in deferred costs (which deferred costs, for avoidance of doubt, do not include deferred commissions, capitalized costs to acquire revenue contracts or substantially equivalent items) for such period); and

(iii) all non-cash income or gains for such period including, without limitation, unrealized gains resulting from mark-to-market accounting in respect of Rate Management Transactions and unrealized gains on equity investments.

In addition, in the event that the Borrower or any of its subsidiaries, during the relevant period, consummated an acquisition or disposition of Property involving the payment or receipt of consideration by the Borrower or any of its subsidiaries in excess of $400,000,000, Consolidated EBITDA will be determined giving pro forma effect to such acquisition or disposition as if such acquisition or disposition and any related incurrence or repayment of Indebtedness had occurred on the first day of the relevant period, but shall not take into account any cost savings projected to be realized as a result of such acquisition or disposition.

"**Consolidated Interest Charges**" means, for any period, for the Borrower and its Subsidiaries on a consolidated basis, the sum of, without duplication, (a) all interest, premium payments, amortization of debt discount, fees, charges and related expenses in connection with Indebtedness (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP *plus* (b) the portion of rent expense with respect to such period under Capitalized Leases that is treated as interest in accordance with GAAP.

"**Consolidated Leverage Ratio**" means, as of any date of determination, the ratio of (a) Indebtedness for Borrowed Money of the Borrower and its Subsidiaries on a consolidated basis as of such date to (b) Consolidated EBITDA for the most recently completed four fiscal quarters.

"**Consolidated Net Income**" means, for any period, for the Borrower and its Subsidiaries calculated on a consolidated basis, net income for that period, as determined in accordance with Agreement Accounting Principles.

"**Contingent Obligation**" means, for any Person, 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 that constitute Indebtedness (other than Indebtedness of the type described in clause (v) of the definition of such term), 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 the obligations of any such Person as general partner of a partnership with respect to the liabilities of the partnership.

"**Controlled Group**" means all members of a controlled group of corporations or other business entities and all trades or businesses (whether or not incorporated) under common control or treated as a single employer with the Borrower or any of its Subsidiaries, in each case, under Section 414 of the Code.

"**Conversion/Continuation Notice**" is defined in Section 2.09.

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

"**Co-Syndication Agents**" means Barclays Bank PLC and Crédit Agricole Corporate and Investment Bank, each in its capacity as a syndication agent for the Lenders, and not in its individual capacity as a Lender.

"**Daily Simple SOFR**" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; *provided*, that if the Administrative Agent decides that any such convention is not

administratively feasible, the Administrative Agent may establish another convention in its reasonable discretion.

"**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.

"**Declining Lender**" is defined in Section 2.23.

"**Default**" means an event described in Article 7.

"**Defaulting Lender**" means, subject to Section 2.21(g), any Lender that (a) has failed to (i) perform any of its funding obligations hereunder, including in respect of its Loans, within three (3) Business Days of the date required to be funded by it hereunder unless such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's good faith determination that one or more conditions precedent to funding has not been satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in such writing) or (ii) pay to the Administrative Agent, any Issuing Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit) within three (3) Business Days of the date when due, (b) has notified the Borrower, the Administrative Agent or any Issuing Lender in writing that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder, or generally under other agreements in which it commits to extend credit, unless such notification or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding cannot be satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in such writing or public statement), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Borrower to confirm in a manner satisfactory to the Administrative Agent or the Borrower, as applicable, that it will comply with its funding obligations, which request was made because of a reasonable concern by the Administrative Agent or the Borrower that such Lender may not be able to comply with its funding obligations hereunder; *provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent or the Borrower, or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or a custodian appointed for it, (iii) become the subject of a Bail-In Action or (iv) taken any action in furtherance of, or indicated its consent to, approval of or acquiescence in any such proceeding or appointment; *provided* that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority unless such ownership or equity results in or provides such Lender with immunity from the jurisdiction of courts within the

United States or any other nation or from the enforcement of judgments or writs of attachment on its assets or permits such Lender (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.21(g)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Borrower, each Issuing Lender and each other Lender promptly following such determination.

"**Designated Jurisdiction**" means any country or territory to the extent that such country or territory itself is, or its government is, the subject or target of any Sanction.

"**Disposition**" means any sale, transfer or other disposition, or series of related sales, transfers, or dispositions (including pursuant to any merger, amalgamation or consolidation or by means of a "plan of division" under the Delaware Limited Liability Company Act or any comparable transaction under any similar law), of all or substantially all of the assets of the Borrower and its Subsidiaries, taken as a whole.

"**Disqualified Stock**" means any capital stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is ninety-one (91) days after the Facility Termination Date.

"**Dollar**" and "**$**" means dollars in the lawful currency of the United States of America.

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

"**Early Opt-in Effective Date**" means, with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

"**Early Opt-in Election**" means if the then-current Benchmark is LIBOR, CDOR or EURIBOR, the occurrence of the following:

(1) (a) with respect to Dollars, a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding Dollar-denominated syndicated credit facilities in the U.S. syndicated loan market at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), or

(b) with respect to any Foreign Currency, a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding syndicated credit facilities which include such Foreign Currency at such time in the U.S. syndicated loan market contain (as a result of amendment or as originally executed) a new benchmark interest rate to replace the then current Benchmark with respect to such Foreign Currency as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

(2) in each case, the joint election by the Administrative Agent and the Borrower to trigger a fallback from LIBOR, CDOR or EURIBOR, as applicable, and the provision by the Administrative Agent of written notice of such election to the Lenders.

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

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

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

"**Effective Date**" means the date on which all of the conditions specified in Section 4.01 shall first be satisfied (or waived).

"**Eligible Assignee**" means any Person that meets the requirements to be an assignee under Section 12.01(b)(v), (vi) and (vii) (subject to such consents, if any, as may be required under Section 12.01(b)(iii)).

"**Environmental Laws**" means any and all federal, state, local and foreign statutes, laws, judicial decisions, regulations, ordinances, rules, judgments, orders, decrees, plans,

injunctions, permits, concessions, grants, franchises, licenses, agreements and other governmental restrictions relating to (a) the protection of the environment, (b) the effect of the environment on human health, (c) emissions, discharges or releases of pollutants, contaminants, hazardous substances or wastes into surface water, ground water or land, or (d) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, hazardous substances or wastes or the clean-up or other remediation thereof.

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

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended from time to time, including (unless the context otherwise requires) the rules or regulations promulgated thereunder.

"**Erroneous Payment**" is defined in Section 10.11(a).

"**Erroneous Payment Return Deficiency**" is defined in Section 10.11(d).

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

"**EURIBOR**" is defined in the definition of "Eurocurrency Base Rate."

"**Euro**" means the single currency of the European Union as constituted by the Treaty on European Union and as referred to in the legislative measures of the European Union for the introduction of, changeover to or operation of the Euros in one or more member states, being in part legislative measures to implement the European and Monetary Union as contemplated in the Treaty on European Union.

"**Eurocurrency Advance**" or "**Eurocurrency Loan**" means an Advance or Loan which, except as otherwise provided in Section 2.11, bears interest based on the applicable Eurocurrency Rate. Eurocurrency Advances and Eurocurrency Loans shall be denominated in Dollars or a Foreign Currency. All Revolving Loans denominated in a Foreign Currency must be Eurocurrency Loans.

"**Eurocurrency Base Rate**" means

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

(i) denominated in Dollars, the rate per annum equal to the London Interbank Offered Rate administered by the ICE Benchmark Administration (or the successor thereto if the ICE Benchmark Administration is no longer making a London Interbank Offered Rate available) ("**LIBOR**") as published on the applicable Reuters screen page as the London interbank offered rate for deposits in dollars (or such other comparable commercially available source providing such quotations as may be designated by the Administrative Agent from time to time in its reasonable discretion) at approximately 11:00 a.m., (London, England time) on the Rate Determination Date (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period;

(ii) denominated in Euros, the rate per annum equal to the Euro Interbank Offered Rate ("**EURIBOR**") determined by the European Money Market Institute (or any other Person that takes over the administration of such rate) as the rate at which interbank deposits in Euros are being offered by one prime bank to another within the Euros zone for such Interest Periods), as published on the applicable Reuters screen page (or such other comparable commercially available source providing such quotations as may be designated by the Administrative Agent from time to time in its reasonable discretion) at approximately 11:00 a.m. (Brussels, Belgium time) on the Rate Determination Date with a term equivalent to such Interest Period;

(iii) denominated in Canadian dollars, the rate per annum equal to the Canadian Dealer Offered Rate ("**CDOR**"), as published on the applicable Reuters screen page (or such other comparable commercially available source providing such quotations as may be designated by the Administrative Agent from time to time in its reasonable discretion) at approximately 11:00 a.m. (Toronto, Ontario time) on the Rate Determination Date with a term equivalent to such Interest Period; and

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

If the Eurocurrency Base Rate shall be less than zero, such rate shall be deemed zero for all purposes of this Agreement.

"**Eurocurrency Rate**" means, with respect to a Eurocurrency Advance for the relevant Interest Period, the quotient of (i) the Eurocurrency Base Rate applicable to such Interest Period *divided* by (ii) one *minus* the Reserve Requirement (expressed as a decimal) applicable to such Interest Period.

"**Exchange Rate**" for a currency means the rate determined by the Administrative Agent or an Issuing Lender, as applicable, for the purchase of such currency with another currency, as published on the applicable Reuters screen page (or such other source as may be agreed upon by the Administrative Agent or any Issuing Lender, as applicable, and the

Borrower) at or about 11:00 a.m. (New York time) on the date two Business Days prior to the date as of which the foreign exchange computation is made. In the event that such rate does not appear on the applicable Reuters screen page (or such other source as may be agreed upon by the Administrative Agent or any Issuing Lender, as applicable, and the Borrower), the "**Exchange Rate**" with respect to the purchase of such currency with another currency shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent or any Issuing Lender, as applicable, and the Borrower, or, in the absence of such agreement, such "**Exchange Rate**" shall instead be the rate determined by the Administrative Agent or an Issuing Lender, as applicable, to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office in respect of such currency at approximately 11:00 a.m. (local time) on the date two Business Days prior to the date as of which the foreign exchange computation is made; *provided* that if at the time of any such determination, no such spot rate can reasonably be quoted, the Administrative Agent or an Issuing Lender, as applicable, may use any reasonable method as it deems applicable to determine such rate, and such determination shall be conclusive absent manifest error.

"**Excluded Taxes**" means any of the following Taxes imposed on, with respect to, or required to be withheld or deduction from a payment a payment to, the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (a) Taxes imposed on or measured by its net income (however denominated), franchise Taxes, and branch profits or similar Taxes, in each case, imposed by the jurisdiction (or any political subdivision thereof) (i) under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Installation is located, or (ii) that are Other Connection Taxes, (b) any backup withholding Tax that is required by the Code to be withheld from amounts payable to a Lender that has failed to comply with Section 3.05(e)(ii), (c) in the case of a Lender, any U.S. federal withholding Tax that is required to be imposed on amounts payable to such Lender (other than an assignee pursuant to a request by the Borrower under Section 2.18) pursuant to the laws in force at the time such Lender becomes a party hereto (or designates a new Lending Installation), except to the extent that such Lender (or its assignor, if any) was entitled, at the time of designation of a new Lending Installation (or assignment), to receive additional amounts from the Borrower with respect to such withholding Tax pursuant to Section 3.05(a)(i) or (ii), (d) any withholding Tax that is attributable to such Lender's failure to comply with Section 3.05(e) and (e) any U.S. withholding Taxes imposed under FATCA.

"**Exhibit**" refers to an exhibit to this Agreement, unless another document is specifically referenced.

"**Existing Letter of Credit**" means each letter of credit listed on Schedule 2.03 issued prior to the Closing Date by a Person that is a Lender as of the Closing Date, which schedule shall be delivered to the Administrative Agent on or prior to the Closing Date (subject, for the avoidance of doubt, to the satisfaction (or waiver) of the conditions set forth in the first proviso to Section 2.03(a) as of the Closing Date).

"**Existing Stated Maturity Date**" is defined in Section 2.23.

"**Facility Termination Date**" means the earliest of (a) five years following the Closing Date, or any later date to which this date may be extended pursuant to Section 2.23, *provided* that, in each case, if such date is not a Business Day, such date shall be the immediately preceding Business Day (this clause (a), the "**Stated Maturity Date**"), (b) if the GXO Distribution Condition has not been satisfied on or prior to such date, December 9, 2021 (or, if agreed to by Lenders holding Commitments representing more than 75% of the Aggregate Commitments, January 8, 2022, or such later date as agreed to by Lenders holding 100% of the Aggregate Commitments) and (c) the date of termination in whole of the Aggregate Commitment pursuant to Section 2.05 or Section 8.01 hereof.

"**FATCA**" means Sections 1471-1474 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 promulgated thereunder or official interpretations thereof and any agreements entered into pursuant to Section 1471(b) of the Code, any intergovernmental agreements, treaty or convention entered into in connection with the implementation of the foregoing and any laws, rules and regulations adopted by a non-U.S. jurisdiction to effect any such intergovernmental agreement, treaty or convention.

"**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 on such day, 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 Citibank on such day on such transactions as determined by the Administrative Agent.

"**Fee Letters**" means (a) the Citi Fee Letter, dated as of May 24, 2021, between the Borrower and the Administrative Agent, (b) the Barclays Fee Letter, dated as of May 24, 2021, between the Borrower and Barclays Bank PLC and (c) the Crédit Agricole Fee Letter, dated as of May 24, 2021, between the Borrower and Crédit Agricole Corporate and Investment Bank.

"**Fitch**" means Fitch, Inc. (or any successor thereto).

"**Floor**" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the initial Benchmark for Dollars and for each Foreign Currency provided for hereunder.

"**Foreign Currency**" means Canadian Dollars, Euros or any other currency (other than Canadian Dollars and Euros) which is approved in accordance with Section 1.05.

"**Foreign Lender**" means any Lender that is not organized under the laws of the United States, any State thereof or the District of Columbia.

"**Foreign Pension Plan**" means any defined benefit plan as described in Section 3(35) of ERISA for which the Borrower, any Subsidiary or any member of the Controlled Group is a sponsor or administrator or to which the Borrower, any Subsidiary or any member of the Controlled Group has any liability, and which (a) is maintained or contributed to for the benefit of employees of the Borrower, any of its respective Subsidiaries or any member of its Controlled Group, (b) is not covered by ERISA pursuant to Section 4(b)(4) of ERISA, and (c) under applicable local law, is required to be funded through a trust or other funding vehicle.

"**Fronting Exposure**" means, at any time there is a Defaulting Lender, with respect to any Issuing Lender, such Defaulting Lender's Pro Rata Share of the outstanding L/C Obligations with respect to Letters of Credit issued by such Issuing Lender, other than such L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

"**Fund**" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"**GAAP**" means generally accepted accounting principles in the United States of America, as in effect from time to time, subject to the Agreement Accounting Principles.

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

"**Guarantors**" means after the Effective Date, any Subsidiary of the Borrower that becomes a Guarantor pursuant to Section 16.01; provided that upon the release or discharge of any Subsidiary from its Guarantee in accordance with the terms of this Agreement, such Person shall cease to be a Guarantor; provided, further, that as of the Effective Date, there shall be no Guarantors under this Agreement or any other Loan Document.

"**GXO Distribution Condition**" shall be satisfied if the distribution of all shares of common stock of the Borrower to the shareholders of XPO Logistics, Inc. (the "**Spinoff**") shall have been consummated in a manner substantially consistent in all material respects with the description thereof in the Borrower Form 10, except any failure or failures to be so consistent (i) to the extent relating to (A) any updates to the financial statements, other financial information, notes thereto and other information contained or to be contained therein in respect of subsequent periods in accordance with the rules and regulations of the SEC or otherwise relating to the passage of time, (B) information previously omitted, in whole or in part, in the Borrower Form 10 that is added in connection

with the completion of the disclosures contained in the final Borrower Form 10 or (C) information required to be included therein by applicable law or regulation or included therein in response to any comment issued by the SEC or (ii) that, in the aggregate, are not material and adverse to the interests of the Lenders (in their capacity as such) (except as otherwise agreed by the Required Lenders).

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

"**Hong Kong Dollars**" means the lawful currency of the Hong Kong Special Administrative Region of the People's Republic of China.

"**Increased Amount Date**" is defined in Section 2.22.

"**Incremental Revolving Credit Commitment**" is defined in Section 2.22.

"**Indebtedness**" of a Person means, without duplication, (a) the obligations of such Person (i) for borrowed money, (ii) under or with respect to notes payable which represent extensions of credit (whether or not representing obligations for borrowed money) to such Person, (iii) constituting reimbursement obligations with respect to letters of credit and banker's acceptances issued for the account of such Person, (iv) for the deferred purchase price of property or services (other than current accounts payable arising in the ordinary course of such Person's business payable on terms customary in the trade), (v) for its Contingent Obligations, (vi) for its Net Mark-to-Market Exposure under Rate Management Transactions, (vii) for its Capitalized Lease Obligations, (viii) [Reserved], (ix) [Reserved] and (x) with respect to Disqualified Stock, (b) the obligations of others, whether or not assumed, secured by Liens on property of such Person or payable out of the proceeds of, or production from, property or assets now or hereafter owned or acquired by such Person and (c) any other obligation or other financial accommodation which in accordance with Agreement Accounting Principles would be shown as a liability on the consolidated balance sheet of such Person.

"**Indebtedness for Borrowed Money**" of a Person means, without duplication, (a) the outstanding principal amount of indebtedness for borrowed money (whether or not evidenced by bonds, debentures, notes or similar instruments), (b) obligations for the deferred purchase price of property or services (other than (i) trade accounts payable, intercompany charges and expenses, deferred revenue and other accrued liabilities (including deferred payments in respect of services by employees), in each case incurred in the ordinary course of business and (ii) any earn-out obligation or other post-closing balance sheet adjustment prior to such time as it becomes a liability on the balance sheet of the Borrower in accordance with GAAP), (c) Capitalized Lease Obligations, (d) unpaid reimbursement obligations with respect to drawn letters of credit and banker's acceptances issued for the account of such Person (to the extent not already cash collateralized) and (e) obligations under direct or indirect guaranties in respect of, and obligations (contingent or

otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of any other Person of the kinds referred to in clause (a), (b), (c) or (d) above. Notwithstanding the foregoing, clause (c) shall not include any obligations of the Borrower or any Subsidiary classified as Capitalized Lease Obligations under GAAP or for other accounting purposes, but for which the Borrower and its Subsidiaries do not make and are not required to make any cash payment.

"**Indemnified Taxes**" means Taxes (other than Excluded Taxes) imposed on or with respect to any payment made by or on account of any obligation of the Borrower hereunder.

"**Indemnitee**" is defined in Section 9.06(b).

"**Information**" is defined in Section 9.10.

"**Interest Period**" means, with respect to a Eurocurrency Advance, a period of one week, one, two, three or six months or such other period agreed to by the Lenders and the Borrower, commencing on a Borrowing Date or on the date on which a Eurocurrency Advance is continued or an Alternate Base Rate Advance is converted into a Eurocurrency Advance; *provided* that Interest Periods of one week and two months for Eurocurrency Advances based on LIBOR shall not be available and Interest Periods of six months for Eurocurrency Advances based on CDOR shall not be available. Such Interest Period shall end on but exclude the day which corresponds numerically to such date one, two, three or six months or such other agreed upon period thereafter, or, in the case of an Interest Period of one week shall end on but exclude the day that is one week thereafter; *provided*, *however*, that if there is no such numerically corresponding day in such next, second, third or sixth succeeding month or such other succeeding period, such Interest Period shall end on the last Business Day of such next, second, third or sixth succeeding month or such other succeeding period. If an Interest Period would otherwise end on a day which is not a Business Day, such Interest Period shall end on the next succeeding Business Day; *provided*, *however*, that if said next succeeding Business Day falls in a new calendar month, such Interest Period shall end on the immediately preceding Business Day.

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

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

"**Issuing Lender**" means each of (a) Citibank, (b) Barclays Bank PLC, (c) Crédit Agricole Corporate and Investment Bank, (d) solely with respect to any Existing Letter of Credit, to the extent such person is not already an Issuing Lender, the Lender or Affiliate of a Lender that issued such Existing Letter of Credit and (e) any other Lender to the extent

it has agreed in its sole discretion to act as an "Issuing Lender" hereunder and that has been approved in writing by the Borrower and the Administrative Agent (such approval by the Administrative Agent not to be unreasonably withheld, conditioned or delayed) as an "Issuing Lender" hereunder, in each case in its capacity as issuer of any Letter of Credit.

"**Judgment Currency**" is defined in Section 15.06.

"**L/C Commitment**" means, as to (i) any Issuing Lender as of the Effective Date (other than pursuant to clause (d) of the definition thereof), the obligation of such Issuing Lender to issue Letters of Credit for the account of the Borrower or one or more of its Subsidiaries from time to time in an aggregate amount equal to the amount set forth opposite the name of each such Issuing Lender on the Commitment Schedule, (ii) any Issuing Lender in respect of any Existing Lender of Credit, the amount of such Existing Letter of Credit and (iii) for any Issuing Lender becoming an Issuing Lender after the Effective Date, such amount as is separately agreed to in a written agreement between the Borrower and such Issuing Lender (which such agreement shall be promptly delivered to the Administrative Agent upon execution), in each case, as such amount may be changed after the Effective Date in a written agreement between the Borrower and such Issuing Lender (which such agreement shall be promptly delivered to the Administrative Agent upon execution); *provided* that the L/C Commitment with respect to any Person that ceases to be an Issuing Lender for any reason pursuant to the terms hereof shall be $0 (subject to the Letters of Credit of such Person remaining outstanding in accordance with the provisions hereof).

"**L/C Obligations**" means at any time, an amount equal to the sum of (a) the aggregate undrawn and unexpired amount of the then outstanding Letters of Credit *plus* (b) the aggregate amount of drawings under Letters of Credit which have not then been reimbursed pursuant to Section 2.03(f). For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.03.

"**L/C Participants**" means, with respect to any Letter of Credit, the collective reference to all of the Lenders other than the applicable Issuing Lender.

"**L/C Sublimit**" means the lesser of (a) $100,000,000 and (b) the Aggregate Commitment.

"**Lenders**" means the lending institutions listed on the signature pages of this Agreement and their respective successors and assigns, as well as any Person that becomes a "Lender" hereunder pursuant to an Assignment and Assumption or Section 2.22.

"**Lending Installation**" means, with respect to a Lender or the Agents, the office, branch, subsidiary or affiliate of such Lender or Agent listed on the administrative information sheets provided to the Administrative Agent in connection herewith, or otherwise selected by such Lender or Agent pursuant to Section 2.16.

"Lender Joinder Agreement" means a joinder agreement in a form reasonably satisfactory to the Administrative Agent delivered in connection with Section 2.22.

"**Letter of Credit Application**" means an application, in the form specified by the applicable Issuing Lender from time to time, requesting such Issuing Lender to issue, extend or increase a Letter of Credit. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with, the Issuing Lender relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

"**Letters of Credit**" means the collective reference to letters of credit issued pursuant to Section 2.03, including each Existing Letter of Credit. Notwithstanding anything to the contrary contained herein, a letter of credit issued by any Issuing Lender (other than Citibank at any time it is also acting as Administrative Agent) pursuant to Section 2.03 shall not be a "Letter of Credit" for purposes of the Loan Documents until such time as the Administrative Agent has been notified in writing of the issuance thereof by the applicable Issuing Lender. A Letter of Credit may be denominated, at the option of the Borrower, in Dollars, any Foreign Currency, or, with respect to Letters of Credit issued by Citibank and any other Issuing Lender who so agrees, any Additional L/C Currency.

"**LIBOR**" is defined in the definition of "Eurocurrency Base Rate."

"**Lien**" means any lien (statutory or other), mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, the interest of a vendor or lessor under any conditional sale, Capitalized Lease or other title retention agreement).

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

"**Loan Documents**" means this Agreement, each Letter of Credit Application, any joinder document pursuant to which a Subsidiary of the Borrower joins this Agreement as a Guarantor, each Lender Joinder Agreement, any Notes issued pursuant to Section 2.13 (if requested) and each other document jointly designated as a "Loan Document" in writing by the Borrower and the Administrative Agent, as the same may be amended, restated or otherwise modified and in effect from time to time.

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

"**Major Subsidiary**" means any Subsidiary of the Borrower which has at any time total assets (after intercompany eliminations) exceeding 10% of Consolidated Assets.

"**Malaysian Ringgits**" means the lawful currency of Malaysia.

"**Material Acquisition**" means any Acquisition the total consideration for which is equal to or greater than $400,000,000.

"**Material Adverse Effect**" means a material adverse effect on (a) the financial condition, results of operations, business or Property of the Borrower and its Subsidiaries taken as a whole or (b) the rights of or remedies available to the Lenders or the Administrative Agent against the Borrower under the Loan Documents, taken as a whole.

"**Minimum Collateral Amount**" means, at any time, (a) with respect to Cash Collateral consisting of cash or deposit account balances, an amount equal to 100% of the Fronting Exposure of the Issuing Lenders with respect to Letters of Credit issued and outstanding at such time and (b) otherwise, an amount reasonably determined by the Administrative Agent and the Issuing Lenders in their sole discretion.

"**Multiemployer Plan**" means a multiemployer plan as defined in Section 3(37) of ERISA that is subject to Title IV of ERISA and to which the Borrower, any Subsidiary or any member of the Controlled Group makes contributions, is obligated to make contributions or has any liability.

"**Net Mark-to-Market Exposure**" of a Person means, as of any date of determination, the excess (if any) of all unrealized losses over all unrealized profits of such Person arising from Rate Management Transactions. "**Unrealized losses**" means the fair market value of the cost to such Person of replacing such Rate Management Transaction as of the date of determination (assuming the Rate Management Transaction were to be terminated as of that date), and "unrealized profits" means the fair market value of the gain to such Person of replacing such Rate Management Transaction as of the date of determination (assuming such Rate Management Transaction were to be terminated as of that date).

"**Note**" is defined in Section 2.13(e).

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

"**Obligations**" means all Loans, L/C Obligations, debts, liabilities, obligations, covenants and duties owing by the Borrower to any of the Agents, any Lender, any Issuing Lender, the Arrangers, any affiliate of the Agents or any Lender, any Issuing Lender, the Arrangers, or any indemnitee under the provisions of Section 9.06 or any other provisions of the Loan Documents, in each case of any kind or nature, present or future, arising under this Agreement or any other Loan Document, whether or not evidenced by any note, guaranty or other instrument, whether or not for the payment of money, whether arising by reason of an extension of credit, loan, foreign exchange risk, guaranty, indemnification, or in any other manner, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising and however acquired (including, for the avoidance of doubt, interest accruing after the maturity of the Loans and interest accruing after the filing of any petition in bankruptcy, or the commencement of any proceeding under any Debtor Relief Law, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding). The term includes, without limitation, all interest, charges, expenses, fees, attorneys' fees and disbursements,

paralegals' fees, and any other sum chargeable to the Borrower under this Agreement or any other Loan Document.

"**OFAC**" means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

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

"**Other Rate Early Opt-in Election**" means, an Early Opt-in Election has occurred under clause (1)(b) and (2) of the definition of "Early Opt-in Election" with respect to any Foreign Currency.

"**Other Taxes**" means all present or future stamp, documentary, intangible, recording or filing taxes or any similar taxes, charges or levies arising from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.18).

"**Outstanding Credit Exposure**" means, as to any Lender at any time, (a) the Dollar Equivalent of the aggregate principal amount of its outstanding Revolving Loans at such time and (b) the Dollar Equivalent of such Lender's Pro Rata Share of the aggregate L/C Obligations at such time.

"**Overnight Rate**" means, for any day, (a) with respect to any amount denominated in Dollars, the greater of (i) the Federal Funds Rate and (ii) an overnight rate determined by the Administrative Agent or any Issuing Lender, as the case may be, in accordance with banking industry rules on interbank compensation, and (b) with respect to any amount denominated in a Foreign Currency or Additional L/C Currency, the rate of interest per annum at which overnight deposits in the applicable Foreign Currency or Additional L/C Currency, in an amount approximately equal to the amount with respect to which such rate is being determined, would be offered for such day by a branch or Affiliate of the Administrative Agent in the applicable offshore interbank market for such currency to major banks in such interbank market.

"**Participant**" is defined in Section 12.01(d).

"**Participant Register**" is defined in Section 12.01(d).

"**Payment Date**" means the last Business Day of each March, June, September and December and the Facility Termination Date.

"**Payment Recipient**" is defined in Section 10.11(a).

"**PBGC**" means the Pension Benefit Guaranty Corporation, or any successor thereto.

"**Permitted Refinancing**" means, with respect to any Specified Indebtedness for Borrowed Money, any Specified Indebtedness for Borrowed Money issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund (collectively, to "Refinance"), the Specified Indebtedness for Borrowed Money being Refinanced (or previous refinancings thereof constituting a Permitted Refinancing); *provided* that the principal amount thereof does not exceed the sum of (a) the principal amount of the Specified Indebtedness for Borrowed Money being Refinanced, plus (b) prepayment premiums (including tender premiums) and penalties, accrued interest, defeasance costs, and fees, costs and expenses incurred in connection therewith.

"**Person**" means any natural person, corporation, firm, joint venture, partnership, limited liability company, association, enterprise, trust or other entity or organization, or any government or political subdivision or any agency, department or instrumentality thereof.

"**Plan**" means an employee benefit plan other than a Multiemployer Plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code as to which the Borrower, any Subsidiary or any member of the Controlled Group may have liability.

"**Platform**" is defined in Section 6.01.

"**Pricing Schedule**" means the Schedule identifying the Applicable Margin attached hereto identified as such.

"**Property**" of a Person means any and all property, whether real, personal, tangible, intangible, or mixed, of such Person, or other assets owned, leased or operated by such Person.

"**Pro Rata Share**" means, with respect to a Lender, a portion equal to a fraction the numerator of which is such Lender's Commitment at such time (in each case, as adjusted from time to time in accordance with the provisions of this Agreement) and the denominator of which is the Aggregate Commitment at such time, or, if the Aggregate Commitment has been terminated, a portion equal to a fraction the numerator of which is such Lender's Outstanding Credit Exposure at such time and the denominator of which is the sum of the Aggregate Outstanding Credit Exposure at such time.

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

"**Public Debt Rating**" means the public credit rating for the Borrower's senior unsecured, long-term debt without third-party credit enhancement by S&P and Fitch.

"**Public Lender**" is defined in Section 6.01.

"**Rate Determination Date**" means, with respect to any Interest Period, the date that is two (2) Business Days prior to the first day of such Interest Period (or such other day as is generally treated as the rate fixing day by market practice in such interbank market, as reasonably determined by the Administrative Agent; *provided*, that if the Administrative Agent decides that any such market practice is not administratively feasible for the Administrative Agent, such other day as otherwise reasonably determined by the Administrative Agent.

"**Rate Management Transaction**" (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "**Master Agreement**"), including any such obligations or liabilities under any Master Agreement. For the avoidance of doubt, the following shall not be deemed a "Rate Management Transaction": (i) any phantom stock or similar plan (including any stock option plan) providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or its Subsidiaries, (ii) any stock option or warrant agreement for the purchase of equity interests of the Borrower, (iii) the purchase of equity interests or Indebtedness (including securities convertible into equity interests) of the Borrower pursuant to delayed delivery contracts or (iv) any of the foregoing to the extent that it constitutes a derivative embedded in a convertible security issued by the Borrower.

"**Register**" is defined in Section 12.01(c).

"**Regulation D**" means Regulation D of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor thereto or other regulation or official interpretation of said Board of Governors.

"**Regulation U**" means Regulation U of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors.

"**Regulation X**" means Regulation X of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors.

"**Reimbursement Obligation**" means the obligation of the Borrower to reimburse any Issuing Lender pursuant to Section 2.03(f) for amounts drawn under Letters of Credit issued by such Issuing Lender.

"**Related Parties**" means, with respect to any Person, such Person's Affiliates, controlling Persons, successors and assigns, and the directors, officers, employees, agents and advisors of the foregoing.

"**Relevant Governmental Body**" means

(a) with respect to a Benchmark Replacement in respect of Dollars, the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto, and

(b) with respect to a Benchmark Replacement in respect of any Foreign Currency,

(i) the central bank for the currency in which such amounts are denominated hereunder or any central bank or other supervisor which is responsible for supervising either

(A) such Benchmark Replacement or

(B) the administrator of such Benchmark Replacement or

(ii) any working group or committee officially endorsed or convened by:

(A) the central bank for the currency in which such amounts are denominated,

(B) any central bank or other supervisor that is responsible for supervising either (x) such Benchmark Replacement or (y) the administrator of such Benchmark Replacement,

(C) a group of those central banks or other supervisors or

(D) the Financial Stability Board, or any part thereof or successor thereto.

"**Reportable Event**" means a reportable event, as defined in Section 4043 of ERISA and the regulations issued under such Section, with respect to a Plan, excluding, however, such events as to which the PBGC has by regulation or otherwise waived the requirement of Section 4043(a) of ERISA that it be notified within thirty (30) days of the occurrence of such event; *provided*, *however*, that a failure to meet the minimum funding standard of Section 412 of the Code or of Section 302 of ERISA shall be a Reportable

Event regardless of the issuance of any such waiver of the notice requirement in accordance with either Section 4043(a) of ERISA or Section 412(c) of the Code.

"**Request for Credit Extension**" means (a) with respect to a Revolving Borrowing, a Borrowing Notice and (b) with respect to the issuance of a Letter of Credit, a Letter of Credit Application.

"**Required Lenders**" means, on any date of determination, Lenders in the aggregate having greater than fifty percent (50%) of the Aggregate Commitment on such date or, if the Aggregate Commitment has been terminated, Lenders in the aggregate holding greater than fifty percent (50%) of the Aggregate Outstanding Credit Exposure on such date; *provided* that the Commitment of, and the portion of the Aggregate Outstanding Credit Exposure held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

"**Requisite Amount**" means $100,000,000.

"**Reserve Requirement**" means, with respect to an Interest Period, the maximum aggregate reserve requirement (including all basic, supplemental, marginal and other reserves) which is imposed under Regulation D on "Eurocurrency liabilities" (as defined in Regulation D).

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

"**Revaluation Date**" means (a) with respect to any Revolving Loan denominated in a Foreign Currency (i) the first day of each Interest Period applicable to such Revolving Loan, (ii) with an Interest Period longer than three months, at three-month intervals after the first day of such Interest Period and (iii) such additional dates as the Administrative Agent shall reasonably require and (b) with respect to any Letter of Credit issued in a Foreign Currency or Additional L/C Currency, each of the following: (i) the date of the issuance of such Letter of Credit (or amendment of a Letter of Credit that increases the face amount thereof), (ii) the first Business Day of every calendar quarter after the date of issuance thereof while such Letter of Credit is outstanding, (iii) such additional dates as the Administrative Agent shall reasonably require and (iv) the date of each drawing thereunder.

"**Revolving Borrowing**" means a borrowing hereunder (a) consisting of the aggregate amount of several Revolving Loans made by the Lenders on the same Borrowing Date or (b) converted or continued by the Lenders on the same date of conversion or continuation, consisting, in either case, of the aggregate amount of the several Revolving Loans of the same Type and in the same currency and, in the case of Eurocurrency Loans, for the same Interest Period.

"**Revolving Credit Facility**" means the revolving credit facility established pursuant to Article 2 (including any increase in such revolving credit facility established pursuant to Section 2.22).

"**Revolving Loan**" means, with respect to a Lender, such Lender's loan made pursuant to Section 2.01(a) (and any conversion or continuation thereof pursuant to Section 2.09).

"**S&P**" means S&P Global Ratings, a division of S&P Global Inc. (or any successor thereto).

"**Same Day Funds**" means (a) with respect to disbursements and payments in Dollars, immediately available funds, and (b) with respect to disbursements and payments in a Foreign Currency or Additional L/C Currency, same day or other funds as may be determined by the Administrative Agent or any Issuing Lender, as the case may be, to be customary in the place of disbursement or payment for the settlement of international banking transactions in the relevant Foreign Currency or Additional L/C Currency.

"**Sanction(s)**" means any economic or financial sanctions or trade embargoes imposed, administered or enforced by the United States Government (including, without limitation, OFAC or the U.S. Department of State), the United Nations Security Council, the European Union or Her Majesty's Treasury.

"**Schedule**" refers to a specific schedule to this Agreement, unless another document is specifically referenced.

"**SEC**" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"**Section**" means a numbered Section of this Agreement, unless another document is specifically referenced.

"**Singaporean Dollars**" means the lawful currency of the Republic of Singapore.

"**SOFR**" means a rate per annum equal to the secured overnight financing rate for such Business Day published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org (or any successor source for the secured overnight financing rate identified as such by the administrator of the secured overnight financing rate from time to time).

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"**Subject Related Parties**" means, with respect to any Person, such Person's (a) controlling Persons, controlled Affiliates or subsidiaries, (b) directors, officers or employees of such Person or of any of its subsidiaries, controlled Affiliates or controlling

Persons or (c) agents and advisors of such Person or of any of its subsidiaries, controlled Affiliates or controlling Persons.

"**Specified Indebtedness for Borrowed Money**" means (a) Indebtedness for Borrowed Money described under clause (a) of the definition of Indebtedness for Borrowed Money of any Major Subsidiary that is not a Guarantor and (b) guarantees by any Major Subsidiary that is not a Guarantor of any Indebtedness for Borrowed Money described under clause (a) of the definition thereof.

"**Spinoff**" is defined in the definition of "GXO Distribution Condition."

"**Stated Maturity Date**" is defined in the definition of "Facility Termination Date."

"**Subsidiary**" of a Person means (a) any corporation more than fifty percent (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 (b) any partnership, limited liability company, association, joint venture or similar business organization more than fifty percent (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 the Borrower.

"**Substantial Portion**" means, on any date of determination, with respect to the Property of the Borrower and its Subsidiaries, Property which represents more than fifteen percent (15%) of the Consolidated Assets of the Borrower and its Subsidiaries on such date.

"**TARGET Day**" means any day on which TARGET2 (or, if such payment system ceases to be operative, such other payment system, if any, reasonably determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euro.

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on November 19, 2007.

"**Taxes**" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"**Term SOFR**" means, for the applicable Corresponding Tenor, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"**Type**" means, with respect to any Advance, its nature as an Alternate Base Rate Advance or a Eurocurrency Advance.

"**UK Financial Institution**" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**Unadjusted Benchmark Replacement**" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"**Unfunded Liabilities**" means the amount (if any) by which the present value of all vested and unvested accrued benefits under all Plans exceeds the fair market value of all such Plan assets allocable to such benefits, all determined as of the then most recent valuation date for such Plans using PBGC actuarial assumptions for single-employer plan terminations.

"**Unmatured Default**" means an event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

"**U.S. Patriot Act**" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), as amended.

"**U.S. Tax Compliance Certificate**" is defined in Section 3.05(e)(ii)(B)(3).

"**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.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

Any accounting terms used in this Agreement which are not specifically defined herein shall have the meanings customarily given them in accordance with Agreement Accounting Principles.

Section 1.02 *Reserved*.

Section 1.03 *Letter of Credit Amounts*. Unless otherwise specified, all references herein to the amount of a Letter of Credit at any time shall be deemed to mean the Dollar Equivalent of the maximum face amount of such Letter of Credit after giving effect to all automatic increases, if any, thereof contemplated by such Letter of Credit or the Letter of Credit Application therefor (at the time specified therefor in such applicable Letter of Credit or Letter of Credit Application and as such amount may be reduced by (a) any permanent reduction of such Letter of Credit or (b) any amount which is drawn, reimbursed and no longer available under such Letter of Credit).

Section 1.04 *Exchange Rates, Basket Calculations.*

(a) The Administrative Agent or the applicable Issuing Lender, respectively, shall determine the Exchange Rate in respect of each Revaluation Date to be used for calculating the Dollar Equivalent amounts of Revolving Loans and L/C Obligations, respectively, denominated in Foreign Currencies or Additional L/C Currencies, as applicable. Such Exchange Rates shall become effective as of such Revaluation Date and shall be the Exchange Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements delivered by the Borrower hereunder, calculating the financial covenant and making calculations under the other covenants and Defaults hereunder, or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Dollar Equivalent amount as so determined by the Administrative Agent, or the applicable Issuing Lender, as applicable, based on the Exchange Rate in respect of the date of such determination as if such date were the Revaluation Date.

(b) Wherever in this Agreement in connection with an Advance, conversion, continuation or prepayment of a Eurocurrency Loan or the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in Dollars, but such Advance, Eurocurrency Loan or Letter of Credit is denominated in a Foreign Currency or Additional L/C Currency, such amount shall be the relevant Foreign Currency or Additional L/C Currency equivalent of such Dollar amount (rounded to the nearest unit of such Foreign Currency or Additional L/C Currency, with 0.5 of a unit being rounded upward), as determined by the Administrative Agent or the applicable Issuing Lender, as the case may be, on the basis of the Exchange Rate (determined in respect of the most recent Revaluation Date).

(c) For purposes of determining compliance with Section 6.10 and Section 6.11, no Unmatured Default or Default shall be deemed to have occurred solely as a result of changes in Exchange Rates occurring after the time any Specified Indebtedness for Borrowed Money or Lien, as applicable, is created or incurred.

(d) For purposes of determining compliance with Section 6.12, the amount of Indebtedness for Borrowed Money denominated in any currency other than Dollars will be converted into Dollars based on the relevant Exchange Rate(s) in effect as of the last day

of the fiscal quarter of the Borrower for which the Consolidated Leverage Ratio is calculated.

(e) The Administrative Agent shall provide written notice to the Borrower of each applicable Exchange Rate on, and the occurrence of, each Revaluation Date.

Section 1.05 *Additional Foreign Currencies.*

(a) The Borrower may from time to time request that Eurocurrency Loans be made and/or Letters of Credit be issued in a currency other than those specifically listed in the definitions of "Foreign Currency" and "Additional L/C Currency"; provided that such requested currency is a lawful currency (other than Dollars) that is readily transferable and readily convertible into Dollars in the London interbank market. Such request shall be subject to the approval of the Administrative Agent and the Lenders; or in the case of any such request with respect to the issuance of Letters of Credit, such request shall be subject to the approval of the Administrative Agent and applicable Issuing Lender.

(b) Any such request shall be made to the Administrative Agent not later than 11:00 a.m. (New York time), ten (10) Business Days prior to the date of the desired Advance or the issuance of the applicable Letter of Credit (or such shorter period as may be agreed by the Administrative Agent and, in the case of any such request pertaining to Letters of Credit, the applicable Issuing Lender, in its or their sole discretion). In the case of any such request pertaining to Eurocurrency Loans, the Administrative Agent shall promptly notify each Lender thereof; and in the case of any such request pertaining to Letters of Credit, the Administrative Agent shall promptly notify the applicable Issuing Lender thereof. Each Lender (in the case of any such request pertaining to Eurocurrency Loans) or the applicable Issuing Lender (in the case of a request pertaining to Letters of Credit) shall notify the Administrative Agent, not later than 11:00 a.m. (New York time), five (5) Business Days after receipt of such request (or such other time or date as may be agreed by the Administrative Agent in its sole discretion and notified to the Lenders) whether it consents, in its sole discretion, to the making of Eurocurrency Loans or the issuance of Letters of Credit, as the case may be, in such requested currency.

(c) Any failure by a Lender or an Issuing Lender, as the case may be, to respond to such request within the time period specified in the preceding sentence shall be deemed to be a refusal by such Lender or Issuing Lender, as the case may be, to permit Eurocurrency Loans to be made or Letters of Credit to be issued in such requested currency. If the Administrative Agent and all the Lenders consent to making Eurocurrency Loans in such requested currency, the Administrative Agent shall so notify the Borrower and such currency shall thereupon be deemed for all purposes to be a Foreign Currency hereunder for purposes of any Advance of Eurocurrency Loans; and if the Administrative Agent and the applicable Issuing Lender consent to the issuance of Letters of Credit in such requested currency, the Administrative Agent shall so notify the Borrower and such currency shall thereupon be deemed for all purposes to be a Foreign Currency (if also approved for purposes of any Advance of Eurocurrency Loans or if approved by all Issuing Lenders) or Additional L/C Currency (if not so approved), as applicable, hereunder for purposes of any Letter of Credit issuances by such Issuing Lender. If the Administrative Agent shall fail to

obtain consent to any request for an additional currency under this Section 1.05, the Administrative Agent shall promptly so notify the Borrower.

Section 1.06 *Change of Currency.*

(a) Each obligation of the Borrower under this Agreement to make a payment denominated in the national currency unit of any member state of the European Union that adopts the Euro in accordance with the legislation of the European Union relating to Economic and Monetary Union as its lawful currency after the date hereof shall be redenominated into Euros at the time of such adoption, provided that if and to the extent that such legislation or member state provides that any such obligation may be paid by debtors in either the Euro or such other currency, then the Borrower shall be permitted to repay such amount either in the Euro or such other currency. If, in relation to the currency of any such member state, the basis of accrual of interest expressed in this Agreement in respect of that currency shall be inconsistent with any convention or practice in the London interbank market for the basis of accrual of interest in respect of the Euro, such expressed basis shall be replaced by such convention or practice with effect from the date on which such member state adopts the Euro as its lawful currency; provided that if any borrowing in the currency of such member state is outstanding immediately prior to such date, such replacement shall take effect, with respect to such borrowing, at the end of the then-current Interest Period.

(b) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be reasonably necessary to reflect the adoption of the Euro by any member state of the European Union and any relevant market conventions or practices relating to the Euro.

(c) Each provision of this Agreement also shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be reasonably necessary to reflect a change in currency of any other country and any relevant market conventions or practices relating to the change in currency.

ARTICLE 2
THE CREDITS

Section 2.01 *Description of Facility; Commitment.*

(a) *Revolving Loans*. From and including the Closing Date and prior to the Facility Termination Date, upon the satisfaction of the conditions precedent set forth in Section 4.03, each Lender severally and not jointly agrees, on the terms and conditions set forth in this Agreement, to make Revolving Loans to the Borrower in (at the Borrower's election) Dollars or (other than in the case of Alternate Base Rate Loans) a Foreign Currency from time to time in amounts not to exceed in the aggregate at any one time outstanding its Pro Rata Share of the Aggregate Commitment; *provided* that after giving effect to such Revolving Loan, (i) the Aggregate Outstanding Credit Exposure shall not exceed the Aggregate Commitment at such time and (ii) the Outstanding Credit Exposure of such Lender shall not exceed such Lender's Commitment at such time. Subject to the

terms of this Agreement, the Borrower may borrow, repay and re-borrow Revolving Loans at any time prior to the Facility Termination Date. The Commitments to lend hereunder shall expire automatically on the Facility Termination Date. Each Revolving Borrowing made under this Section 2.01(a) shall consist of Revolving Loans made from the several Lenders in accordance with their respective Pro Rata Shares of the Aggregate Commitment.

(b) *[Reserved]*.

(c) *Defaulting Lenders*. Notwithstanding anything to the contrary contained in this Agreement, this Section 2.01 shall be subject to the terms and conditions of Section 2.21.

Section 2.02 *Facility Termination Date*. Any outstanding Loans and all other unpaid Obligations (other than contingent indemnity obligations) shall be paid in full by the Borrower on the Facility Termination Date. Notwithstanding the termination of this Agreement on the Facility Termination Date, until all of the Obligations (other than contingent indemnity obligations) shall have been fully paid and satisfied and all financing arrangements among the Borrower and the Lenders hereunder and under the other Loan Documents shall have been terminated, all of the rights and remedies under this Agreement and the other Loan Documents shall survive.

Section 2.03 *Letters of Credit.*

(a) *Availability*. From and including the Closing Date and subject to the terms and conditions hereof, each Issuing Lender, in reliance on the agreements of the Lenders set forth in Section 2.03(e), agrees to issue standby Letters of Credit in an aggregate amount not to exceed its L/C Commitment for the account of the Borrower or, subject to Section 2.03(k), any Subsidiary thereof. Letters of Credit may be issued on any Business Day from the Closing Date to but not including five (5) Business Days prior to the Facility Termination Date; *provided* that no Issuing Lender shall issue any Letter of Credit if, after giving effect to such issuance, (a) the Aggregate Outstanding Credit Exposure would exceed the Aggregate Commitment, (b) the L/C Obligations would exceed the L/C Sublimit or (c) the L/C Obligations attributable to Letters of Credit issued by such Issuing Lender would exceed such Issuing Lender's L/C Commitment. Each Letter of Credit shall (i) be denominated in (at the Borrower's election) Dollars, any Foreign Currency or (solely with respect to Citibank and any other Issuing Lender who agrees to issue Letters of Credit in the applicable currency) any Additional L/C Currency in a minimum amount of $100,000 (or such lesser amount as agreed to by the applicable Issuing Lender), (ii) expire on a date no more than twelve (12) months after the date of issuance or last renewal of such Letter of Credit (subject to automatic renewal for additional one (1) year periods pursuant to the terms of the Letter of Credit Application or other documentation reasonably acceptable to the applicable Issuing Lender), which date shall be no later than the fifth (5th) Business Day prior to the Facility Termination Date provided, further that a Letter of Credit may, upon the request of the Borrower and the consent of the applicable Issuing Lender, be issued or renewed for a period beyond the date that is five (5) Business Days prior to the Facility Termination Date (it being understood that the Lenders shall automatically be

released from their participation obligations with respect to any such Letter of Credit from and after the Facility Termination Date), and (iii) unless otherwise agreed by the applicable Issuing Lender and the Borrower, be subject to ISP 98 and, to the extent not inconsistent therewith, the laws of the State of New York. No Issuing Lender shall at any time be obligated to issue any Letter of Credit hereunder if (A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuing Lender from issuing such Letter of Credit, or any law applicable to such Issuing Lender or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Issuing Lender shall prohibit, or request that such Issuing Lender refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such Issuing Lender with respect to letters of credit generally or such Letter of Credit in particular any restriction or reserve or capital requirement (for which such Issuing Lender is not otherwise compensated) not in effect on the Effective Date, or any unreimbursed loss, cost or expense that was not applicable, in effect or known to such Issuing Lender as of the Effective Date and that such Issuing Lender in good faith deems material to it, (B) the issuance of the Letter of Credit would violate one or more policies of such Issuing Lender applicable to letters of credit generally, (C) the conditions set forth in Section 4.03 are not satisfied or (D) such Issuing Lender does not as of the issuance date of the requested Letter of Credit issue Letters of Credit in the requested Foreign Currency or Additional L/C Currency, if applicable. References herein to "issue" and derivations thereof with respect to Letters of Credit shall also include extensions, increases or modifications of any outstanding Letters of Credit, unless the context otherwise requires.

(b) *Defaulting Lenders*. Notwithstanding anything to the contrary contained in this Agreement, this Section 2.03 shall be subject to the terms and conditions of Section 2.20 and Section 2.21.

(c) *Procedures for Issuance of Letters of Credit*. The Borrower may from time to time request that any Issuing Lender issue a Letter of Credit by delivering to such Issuing Lender at its applicable office (with a copy to the Administrative Agent at the Administrative Agent's Office) an appropriately completed Letter of Credit Application therefor and such other certificates, documents and other papers and information as such Issuing Lender or the Administrative Agent may reasonably request. Upon receipt of any Letter of Credit Application and such other certificates, documents and other papers and information as such Issuing Lender or the Administrative Agent may reasonably request, the applicable Issuing Lender shall process such Letter of Credit Application in accordance with its customary procedures and shall, subject to this Section 2.03 and Section 4.03, promptly issue the Letter of Credit requested thereby (but in no event shall such Issuing Lender be required to issue any Letter of Credit earlier than three (3) Business Days after its receipt of the Letter of Credit Application therefor and such other certificates, documents and other papers and information as such Issuing Lender or the Administrative Agent may reasonably request) by issuing the original of such Letter of Credit to the beneficiary thereof or as otherwise may be agreed by such Issuing Lender and the Borrower. The applicable Issuing Lender shall promptly furnish to the Borrower and the Administrative Agent a copy of such Letter of Credit, and the Administrative Agent shall promptly notify each Lender of the issuance and, upon request by any Lender, furnish to

such Lender a copy of such Letter of Credit and the amount of such Lender's participation therein.

(d) *Commissions and Other Charges*.

(i) Letter of Credit Fee. Subject to Section 2.21, the Borrower shall pay to the Administrative Agent, for the account of the applicable Issuing Lender and the L/C Participants, a letter of credit commission with respect to each Letter of Credit in the amount equal to the daily amount available to be drawn under such Letter of Credit multiplied by the Applicable Margin with respect to Revolving Loans that are Eurocurrency Loans (determined, in each case, on a per annum basis). Such commission shall be payable quarterly in arrears on each Payment Date and after the Facility Termination Date on demand of the Administrative Agent. The Administrative Agent shall, promptly following its receipt thereof, distribute to the applicable Issuing Lender and the L/C Participants all commissions received pursuant to this Section 2.03 in accordance with their respective Pro Rata Share.

(ii) Issuance Fee. In addition to the foregoing commission, the Borrower shall pay directly to each Issuing Lender, for its own account, an issuance fee with respect to each Letter of Credit issued by such Issuing Lender in an amount agreed by such Issuing Lender and the Borrower (it being understood and agreed that no Issuing Lender shall be required to issue a Letter of Credit until such time as such Issuing Lender and the Borrower shall have agreed to such amount). Such issuance fee shall be payable quarterly in arrears on each Payment Date, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Facility Termination Date and thereafter on demand of the applicable Issuing Lender.

(iii) Other Fees, Costs, Charges and Expenses. In addition to the foregoing fees and commissions, the Borrower shall pay or reimburse each Issuing Lender for such normal and customary fees, costs, charges and expenses as are incurred or charged by such Issuing Lender in issuing, effecting payment under, amending or otherwise administering any Letter of Credit issued by it.

(e) *L/C Participations*.

(i) Each Issuing Lender irrevocably agrees to grant and hereby grants to each L/C Participant, and, to induce each Issuing Lender to issue Letters of Credit hereunder, each L/C Participant irrevocably agrees to accept and purchase and hereby accepts and purchases from each Issuing Lender, on the terms and conditions hereinafter stated, for such L/C Participant's own account and risk an undivided interest equal to such L/C Participant's Pro Rata Share in each Issuing Lender's obligations and rights under and in respect of each Letter of Credit issued by it hereunder and the amount of each draft paid by such Issuing Lender thereunder. Each L/C Participant unconditionally and irrevocably agrees with each Issuing Lender that, if a draft is paid under any Letter of Credit issued by such

Issuing Lender for which such Issuing Lender is not reimbursed in full by the Borrower through a Revolving Loan or otherwise in accordance with the terms of this Agreement, such L/C Participant shall pay to such Issuing Lender upon demand at such Issuing Lender's address for notices specified herein the Dollar Equivalent of the amount equal to such L/C Participant's Pro Rata Share of the amount of such draft, or any part thereof, which is not so reimbursed.

(ii) Upon becoming aware of any amount required to be paid by any L/C Participant to any Issuing Lender pursuant to Section 2.03(e)(i) in respect of any unreimbursed portion of any payment made by such Issuing Lender under any Letter of Credit issued by it, such Issuing Lender shall notify the Administrative Agent of such unreimbursed amount, and the Administrative Agent shall notify each L/C Participant (with a copy to the applicable Issuing Lender) of the amount and due date of such required payment and such L/C Participant shall pay to the Administrative Agent (which, in turn shall pay such Issuing Lender) the amount (expressed as the Dollar Equivalent thereof) specified on the applicable due date. If any such amount is paid to such Issuing Lender after the date such payment is due, such L/C Participant shall pay to such Issuing Lender on demand, in addition to such amount, the product of (i) such amount *times* (ii) the daily average Federal Funds Rate as determined by the Administrative Agent during the period from and including the date such payment is due to the date on which such payment is immediately available to such Issuing Lender *times* (iii) a fraction the numerator of which is the number of days that elapse during such period and the denominator of which is 360. A certificate of such Issuing Lender with respect to any amounts owing under this Section 2.03 shall be conclusive in the absence of manifest error. With respect to payment to such Issuing Lender of the unreimbursed amounts described in this Section 2.03, if the L/C Participants receive notice that any such payment is due (A) prior to 1:00 p.m. (New York time) on any Business Day, such payment shall be due that Business Day, and (B) after 1:00 p.m. (New York time) on any Business Day, such payment shall be due on the following Business Day.

(iii) Whenever, at any time after any Issuing Lender has made payment under any Letter of Credit issued by it and has received from any L/C Participant its Pro Rata Share of such payment in accordance with this Section 2.03, such Issuing Lender receives any payment related to such Letter of Credit (whether directly from the Borrower or otherwise), or any payment of interest on account thereof, such Issuing Lender will distribute to such L/C Participant its pro rata share thereof; *provided* that in the event that any such payment received by such Issuing Lender shall be required to be returned by such Issuing Lender, such L/C Participant shall return to such Issuing Lender the portion thereof previously distributed by such Issuing Lender to it.

(iv) Each L/C Participant's obligation to make the payments referred to in Section 2.03(e)(ii) and to purchase participating interests pursuant to Section 2.03(d)(i) shall be absolute and unconditional and shall not be affected by any circumstance, including (i) any setoff, counterclaim, recoupment, defense or other right that such Lender or the Borrower may have against the Issuing Lender, the

Borrower or any other Person for any reason whatsoever, (ii) the occurrence or continuance of an Unmatured Default or Default or the failure to satisfy any of the other conditions specified in Section 4.03, (iii) any adverse change in the condition (financial or otherwise) of the Borrower, (iv) any breach of this Agreement or any other Loan Document by the Borrower or any other Lender or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

(f) *Reimbursement Obligation of the Borrower*. In the event of any drawing under any Letter of Credit, the Borrower agrees to reimburse (either with the proceeds of a Revolving Loan as provided for in this Section 2.03 or with funds from other sources), in same day funds, the applicable Issuing Lender on the first Business Day after the date on which such Issuing Lender notifies the Borrower of the date and amount of a draft paid by it under any Letter of Credit for the amount of (i) such draft so paid and (ii) any amounts referred to in Section 2.03(d)(iii) incurred by such Issuing Lender in connection with such payment. In the case of a Letter of Credit denominated in a Foreign Currency or Additional L/C Currency, the Borrower shall reimburse the applicable Issuing Lender in such Foreign Currency or Additional L/C Currency, as applicable, unless (A) the applicable Issuing Lender (at its option) shall have specified in such notice that it will require reimbursement in Dollars, or (B) in the absence of any such requirement for reimbursement in Dollars, the Borrower shall have notified the applicable Issuing Lender promptly following receipt of the notice of drawing that the Borrower will reimburse the applicable Issuing Lender in Dollars. In the case of any such reimbursement in Dollars of a drawing under a Letter of Credit denominated in a Foreign Currency or Additional L/C Currency, the applicable Issuing Lender (through the Administrative Agent) shall notify the Borrower of the Dollar Equivalent of the amount of the drawing promptly following the determination thereof. Unless the Borrower shall promptly (and in any event not later than 11:00 a.m. (New York time) in the case of any Letter of Credit to be reimbursed in Dollars or the Applicable Time in the case of any Letter of Credit to be reimbursed in a Foreign Currency or Additional L/C Currency on the applicable repayment date) notify such Issuing Lender (and the Administrative Agent) that the Borrower intends to reimburse such Issuing Lender for such drawing from other sources or funds, the Borrower shall be deemed to have timely given a Borrowing Notice to the Administrative Agent requesting that the Lenders make a Revolving Loan as an Alternate Base Rate Loan on the applicable repayment date in the amount of (i) such draft so paid (or, in the case of a Letter of Credit denominated in a Foreign Currency or Additional L/C Currency, the Dollar Equivalent of the amount of such draft so paid) and (ii) any amounts referred to in Section 2.03(d)(iii) incurred by such Issuing Lender in connection with such payment, and the Lenders shall make a Revolving Loan as an Alternate Base Rate Loan in such amount on such first Business Day after the date of the notice from the applicable Issuing Lender (through the Administrative Agent) to the Borrower referred to in the first sentence of this Section 2.03(f), the proceeds of which shall be applied to reimburse such Issuing Lender for the amount of the related drawing and such fees and expenses. Each Lender acknowledges and agrees that its obligation to fund a Revolving Loan in accordance with this Section 2.03 to reimburse such Issuing Lender for any draft paid under a Letter of Credit issued by it is absolute and unconditional and shall not be affected by any circumstance whatsoever, including, without limitation, non-satisfaction of the conditions set forth in this Section 2.03 or Section 4.03.

If the Borrower has elected to pay the amount of such drawing with funds from other sources and shall fail to reimburse such Issuing Lender as provided above, the unreimbursed amount of such drawing shall bear interest at the rate which would be payable on any outstanding Alternate Base Rate Loans which were then overdue from the date such amounts become payable (whether at stated maturity, by acceleration or otherwise) until payment in full. In the event that (x) a drawing of a Letter of Credit denominated in a Foreign Currency or Additional L/C Currency is to be reimbursed in Dollars pursuant to clause (B) of the second sentence of this subclause (f) and (y) the Dollar amount paid by the Borrower, whether on or after the applicable repayment date, shall not be adequate on the date of that payment to purchase in accordance with normal banking procedures a sum denominated in the Foreign Currency or Additional L/C Currency equal to the drawing, the Borrower agrees, as a separate and independent obligation, to indemnify the applicable Issuing Lender for the loss resulting from its inability on that date to purchase the Foreign Currency or Additional L/C Currency in the full amount of the drawing.

(g) *Obligations Absolute*. The Borrower's obligations under this Section 2.03 (including, without limitation, the Reimbursement Obligation) shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any adverse change in the relevant exchange rates or in the availability of the relevant Foreign Currency or Additional L/C Currency to the Borrower or any Subsidiary or in the relevant markets generally, (ii) any lack of validity or enforceability of any Letter of Credit or this Agreement, (iii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iv) payment by the Issuing Lender under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (v) any setoff, counterclaim or defense to payment which the Borrower may have or have had against the applicable Issuing Lender or any beneficiary of a Letter of Credit. No Issuing Lender shall be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Letter of Credit issued by it, except for errors or omissions, interruptions or delays caused by such Issuing Lender's gross negligence or willful misconduct of the terms of this Agreement, as determined by a court of competent jurisdiction by final nonappealable judgment. The Borrower agrees that any action taken or omitted by any Issuing Lender under or in connection with any Letter of Credit issued by it or the related drafts or documents, if done in the absence of gross negligence or willful misconduct of its obligations under this Agreement, or such Issuing Lender's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit, in the case of any such willful failure to pay, as determined by a court of competent jurisdiction by a final and non-appealable judgment, shall be binding on the Borrower and shall not result in any liability of such Issuing Lender or any L/C Participant to the Borrower. The responsibility of any Issuing Lender to the Borrower in connection with any draft presented for payment under any Letter of Credit issued to it shall, in addition to any payment obligation expressly provided for in such Letter of Credit, be limited to determining that the documents (including each draft) delivered under such Letter of Credit

in connection with such presentment substantially conform to the requirements under such Letter of Credit.

(h) *Effect of Letter of Credit Application*. To the extent that any provision of any Letter of Credit Application related to any Letter of Credit is inconsistent with the provisions of this Section 2.03, the provisions of this Section 2.03 shall apply.

(i) *Resignation of Issuing Lenders*. (i) Any Lender may at any time resign from its role as an Issuing Lender hereunder upon not less than thirty (30) days prior notice to the Borrower and the Administrative Agent (or such shorter period of time as may be acceptable to the Borrower and the Administrative Agent); provided that (a) it shall have assigned all of its Commitments and Loans pursuant to Section 12.01(b) hereof at or prior to the time of such resignation and (b) another Lender acceptable to the Borrower shall have assumed the L/C Commitments of such resigning Issuing Lender (and, to the extent such assuming Lender was not an Issuing Lender hereunder, such assuming Lender shall have become an Issuing Lender hereunder).

(ii) Any resigning Issuing Lender shall retain all the rights, powers, privileges and duties of an Issuing Lender hereunder with respect to all Letters of Credit issued by it that are outstanding as of the effective date of its resignation as an Issuing Lender and all L/C Obligations with respect thereto (including, without limitation, the right to require the Lenders to take such actions as are required under Section 2.03(e)).

(j) *Reporting of Letter of Credit Information and L/C Commitment*. At any time that there is an Issuing Lender that is not also the financial institution acting as Administrative Agent, then (a) on the last Business Day of each calendar month, (b) on each date that a Letter of Credit is amended, terminated or otherwise expires, (c) on each date that a Letter of Credit is issued or the expiry date of a Letter of Credit is extended, and (d) upon the request of the Administrative Agent, each Issuing Lender (or, in the case of clauses (b), (c) or (d) of this Section 2.03(j), the applicable Issuing Lender) shall deliver to the Administrative Agent a report setting forth in form and detail reasonably satisfactory to the Administrative Agent information (including, without limitation, any reimbursement, Cash Collateral, or termination in respect of Letters of Credit issued by such Issuing Lender) with respect to each Letter of Credit issued by such Issuing Lender that is outstanding hereunder. In addition, each Issuing Lender shall provide notice to the Administrative Agent of its L/C Commitment, or any change thereto, promptly upon it becoming an Issuing Lender or making any change to its L/C Commitment (it being understood that any change to the L/C Commitment of any Issuing Lender shall only be made in accordance with the terms of the definition of "L/C Commitment"). No failure on the part of any Issuing Lender to provide such information pursuant to this Section 2.03(j) shall limit the obligations of the Borrower or any Lender hereunder with respect to its reimbursement and participation obligations hereunder.

(k) *Letters of Credit Issued for Subsidiaries*. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the Borrower shall be obligated to reimburse, or to cause the

applicable Subsidiary to reimburse, the applicable Issuing Lender hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of any of its Subsidiaries inures to the benefit of the Borrower and that the Borrower's business derives substantial benefits from the businesses of such Subsidiaries.

(l) *Existing Letters of Credit*. As of the Closing Date, each Existing Letter of Credit shall be deemed a Letter of Credit issued hereunder for all purposes under this Agreement without need for any further action by the Borrower or any other Person.

Section 2.04 *Types of Advances*. The Advances may consist of Alternate Base Rate Loans or Eurocurrency Loans, or a combination thereof, selected by the Borrower in accordance with Sections 2.08 and 2.09.

Section 2.05 *Fees; Reductions in Aggregate Commitment*.

(a) *Commitment Fee*. The Borrower agrees to pay to the Administrative Agent for the account of each Lender a commitment fee in Dollars (the "**Commitment Fee**") at a per annum rate equal to the percentage set forth under the heading "Commitment Fee" in the Pricing Schedule on the daily actual excess of such Lender's Commitment over such Lender's Outstanding Credit Exposure (such excess, such Lender's "**Actual Unused Commitments**") as adjusted pursuant to Section 2.05(c) from and including the date that is the earlier of (x) 90 days after the Effective Date and (y) the Closing Date, to and including the date on which this Agreement is terminated in full and all Obligations hereunder (other than contingent indemnity obligations) have been paid in full pursuant to Section 2.02, payable (i) on the Closing Date (if any Commitment Fee has accrued) and (ii) quarterly in arrears on each Payment Date thereafter; *provided* that no Commitment Fee shall accrue hereunder with respect to the Actual Unused Commitment of a Defaulting Lender so long as such Lender shall be a Defaulting Lender.

(b) *Fee Letter*. The Borrower shall pay to the Administrative Agent for its own account fees in Dollars in the amounts and at the times specified in the applicable Fee Letter. Such fees shall be fully earned when paid and shall be non-refundable for any reason whatsoever.

(c) *Reductions in Aggregate Commitment*. The Borrower may permanently reduce the Aggregate Commitment in whole, or in part ratably (except as provided in Section 2.18) among the Lenders, in integral multiples of $3,000,000 or any whole multiple of $1,000,000 in excess thereof, by giving the Administrative Agent notice of such reduction not later than 11:00 a.m. (New York time) on any Business Day, which notice shall specify the amount of any such reduction and which notice may be conditioned upon the occurrence of one or more events specified therein; *provided*, *however*, that the amount of the Aggregate Commitment may not be reduced below the Aggregate Outstanding Credit Exposure. All accrued Commitment Fees shall be payable on the effective date of any termination of all of the obligations of the Lenders to make Revolving Loans.

Section 2.06 *Minimum Amount of Each Advance*. Each Eurocurrency Advance shall be in the minimum amount of $5,000,000 (and in multiples of $1,000,000 if in excess thereof) and each Alternate Base Rate Advance shall be in the minimum amount of $3,000,000 (and in multiples of $1,000,000 if in excess thereof); *provided*, *however*, that any Eurocurrency Advance or Alternate Base Rate Advance may be in the amount of the unused Aggregate Commitment. The Borrower shall not request a Eurocurrency Advance if, after giving effect to the requested Eurocurrency Advance, more than ten (10) Interest Periods would be in effect (unless such limit has been waived by the Administrative Agent in its sole discretion).

Section 2.07 *Prepayments*, *Optional Prepayments*.

(a) The Borrower may from time to time pay, without penalty or premium, all of its outstanding Alternate Base Rate Advances, or, in a minimum aggregate amount of $3,000,000 or any integral multiple of $1,000,000 in excess thereof, any portion of its outstanding Alternate Base Rate Advances, upon prior notice to the Administrative Agent substantially in the form of Exhibit C, or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent) appropriately completed and signed by an Authorized Officer of the Borrower stating the proposed date and aggregate principal amount of the applicable prepayments at or before 11:00 a.m. (New York time) on the date of such payment. The Borrower may from time to time pay, subject to the payment of any funding indemnification amounts required by Section 3.04 but without penalty or premium, all of its outstanding Eurocurrency Advances, or, in a minimum aggregate amount of $5,000,000 or any integral multiple of $1,000,000 in excess thereof, any portion of its outstanding Eurocurrency Advances upon prior notice to the Administrative Agent substantially in the form of Exhibit C, or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent) appropriately completed and signed by an Authorized Officer of the Borrower stating the proposed date and aggregate principal amount of the applicable prepayments at or before 11:00 a.m. (New York time) at least three (3) Business Days' prior, in the case of any Eurocurrency Advances denominated in Dollars, and at least four (4) Business Days' prior, in the case of any Eurocurrency Advances denominated in a Foreign Currency, to the date of such payment (or, subject to the payment of any funding indemnification amounts required by Section 3.04, such other prior notice as the Administrative Agent may agree to). Subject to Section 2.21, each such prepayment of a Revolving Borrowing shall be applied ratably to the Revolving Loans of the Lenders included in such Revolving Borrowing in accordance with their respective Pro Rata Share. Any notice delivered pursuant to this Section 2.07 may be conditioned upon the occurrence of one or more events specified therein.

(b) If on any Revaluation Date, as a result of a fluctuation of the Exchange Rate, the Aggregate Outstanding Credit Exposure exceeds 105% of the Aggregate Commitment, the Borrower agrees to repay within five Business Days of receiving notice from the Administrative Agent thereof, by payment to the Administrative Agent for the account of the Lenders, extensions of credit in an amount equal to such excess with each such

repayment applied first, to the principal amount of outstanding Revolving Loans and second, with respect to any Letters of Credit then outstanding, as a payment of Cash Collateral into a Cash Collateral account opened by the Administrative Agent, for the benefit of the Lenders, in an amount equal to such excess, or take such other action to the extent necessary to eliminate any such excess.

Section 2.08 *Method of Selecting Types and Interest Periods for New Advances*. The Borrower shall select the Type of Advance and, in the case of each Eurocurrency Advance, the Interest Period applicable thereto from time to time. The Borrower shall give the Administrative Agent notice (which notice may be conditioned on the satisfaction or waiver (in accordance with Section 8.02) of the conditions set forth in Section 4.03) substantially in the form of Exhibit E or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), in each case appropriately completed and signed by an Authorized Officer of the Borrower (a "**Borrowing Notice**") not later than 11:00 a.m. (New York time) on the Borrowing Date of each Alternate Base Rate Advance and 11:00 a.m. (New York time) three (3) Business Days' before the Borrowing Date for each Eurocurrency Advance denominated in Dollars and four (4) Business Days' before the Borrowing Date for each Eurocurrency Advance denominated in a Foreign Currency. A Borrowing Notice shall specify:

(a) the Borrowing Date, which shall be a Business Day, of such Advance,

(b) the aggregate amount and currency of such Advance,

(c) the Type of Advance selected (which in the case of an Advance made in a Foreign Currency shall be a Eurocurrency Advance),

(d) in the case of each Eurocurrency Advance, the Interest Period applicable thereto, and

(e) the location and number of the Borrower's account to which proceeds of the Advance are to be disbursed.

If no Interest Period is specified with respect to any requested Eurocurrency Advance, the Borrower will be deemed to have selected an Interest Period of one month's duration.

If the Borrower fails to specify a currency in a Borrowing Notice requesting an Advance, then the Advance so requested shall be made in Dollars.

Section 2.09 *Conversion and Continuation of Outstanding Advances*. Alternate Base Rate Advances shall continue as Alternate Base Rate Advances unless and until such Alternate Base Rate Advances are converted into Eurocurrency Advances pursuant to this Section 2.09 or are repaid in accordance with Section 2.07. Each Eurocurrency Advance shall continue as a Eurocurrency Advance until the end of the then applicable Interest Period therefor, at which time (if denominated in Dollars) such Eurocurrency Advance shall be automatically converted into an Alternate Base Rate Advance or (if denominated

in a Foreign Currency) such Eurocurrency Advance shall be automatically continued as a Eurocurrency Advance in its original currency with an Interest Period of one month, in each case, unless (x) such Eurocurrency Advance is or was repaid in accordance with Section 2.07 or (y) the Borrower shall have given the Administrative Agent a Conversion/Continuation Notice (as defined below) requesting that, at the end of such Interest Period, such Eurocurrency Advance continue as a Eurocurrency Advance for the same or another Interest Period. Subject to the terms of Section 2.06, the Borrower may elect from time to time to convert all or any part of an Alternate Base Rate Advance into a Eurocurrency Advance. No Advance may be converted into or continued as an Advance denominated in a different currency, but instead must be repaid in the original currency of such Advance and reborrowed in the other currency. No Advance made in a Foreign Currency may be converted into an Alternate Base Rate Advance, but instead must be prepaid as a Eurocurrency Advance and reborrowed in Dollars. Notwithstanding anything to the contrary contained in this Section 2.09, when any Default has occurred and is continuing (I) no Dollar-denominated Advance may be converted or continued as a Eurocurrency Advance (except with the consent of the Required Lenders) and (II) no Eurocurrency Advance denominated in a Foreign Currency shall be continued other than as a Eurocurrency Loan in its original currency with an Interest Period of one month. The Borrower shall give the Administrative Agent notice substantially in the form of Exhibit F (a "**Conversion/Continuation Notice**") or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), in each case appropriately completed and signed by an Authorized Officer of the Borrower, of each conversion of an Alternate Base Rate Advance into a Eurocurrency Advance or continuation of a Eurocurrency Advance not later than 11:00 a.m. (New York time) at least three (3) Business Days prior to the date of the requested conversion or continuation, specifying:

(a) the requested date, which shall be a Business Day, of such conversion or continuation,

(b) the aggregate amount and Type of the Advance which is to be converted or continued as a Eurocurrency Advance; provided that no Advance made in a Foreign Currency may be converted into an Alternate Base Rate Advance, and

(c) the duration of the Interest Period applicable thereto.

Section 2.10 *Interest Rates*. Each Alternate Base Rate Advance shall bear interest on the outstanding principal amount thereof, for each day from and including the date such Advance is made or is converted from a Eurocurrency Advance into an Alternate Base Rate Advance, to but excluding the date it is paid or is converted into a Eurocurrency Advance pursuant to Section 2.09 hereof, at a rate per annum equal to the Alternate Base Rate *plus* the Applicable Margin for such day. Changes in the rate of interest on that portion of any Advance maintained as an Alternate Base Rate Advance will take effect simultaneously with each change in the Alternate Base Rate. Each Eurocurrency Advance shall bear interest on the outstanding principal amount thereof, for each day from and including the first day of the Interest Period applicable thereto to (but not including) the

last day of such Interest Period at the Eurocurrency Rate for the applicable period plus the Applicable Margin. No Interest Period may end after the Facility Termination Date.

Section 2.11 *Rates Applicable After Default*. During the continuance of a Default under Section 7.02 the Required Lenders may, at their option, by notice to the Borrower (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 8.02 requiring unanimous consent of the Lenders to changes in interest rates and which election and notice shall not be required after a Default or Unmatured Default under Section 7.05 or 7.06), declare that interest on the overdue amount of the Loans shall be payable at a rate (after as well as before the commencement of any proceeding under any Debtor Relief Laws) equal to 2% per annum in excess of the rate otherwise payable thereon (and, with respect to any other overdue amounts, shall bear interest at a rate equal to the Alternate Base Rate *plus* the Applicable Margin applicable to Alternate Base Rate Loans plus 2% per annum) commencing on the date of such Default and continuing until such Default is cured or waived.

Section 2.12 *Method of Payment*. Except as otherwise specified herein, all payments by the Borrower of principal, interest, fees and its other Obligations shall be made, (i) with respect to Revolving Loans denominated in Dollars, Letters of Credit denominated in Dollars and the Aggregate Commitments, in Dollars, and (ii) with respect to Revolving Loans denominated in any Foreign Currency and Letters of Credit denominated in Foreign Currency or Additional L/C Currency, in the applicable Foreign Currency or Additional L/C Currency in which such Revolving Loans or Letters of Credit are denominated; *provided*, that in the case of a Letter of Credit denominated in a Foreign Currency or Additional L/C Currency, reimbursements by the Borrower may be made in Dollars in accordance with Section 2.03(f). All payments of the Obligations hereunder shall be made, without setoff, deduction, or counterclaim, in immediately available funds to the Administrative Agent at the Administrative Agent's address specified pursuant to Article 13, or at any other Lending Installation of the Administrative Agent specified in writing by the Administrative Agent to the Borrower, by 1:00 p.m. (New York time), in the case of any payments made in Dollars, and not later than the Applicable Time, in the case of any payments made in a Foreign Currency or Additional L/C Currency, in each case, on the date when due and shall be applied ratably by the Administrative Agent among the Lenders entitled thereto. Each payment to the Administrative Agent of any Issuing Lender's fees or L/C Participants' commissions shall be made in like manner, but for the account of such Issuing Lender or the L/C Participants, as the case may be. Each payment delivered to the Administrative Agent for the account of any Lender shall be delivered promptly by the Administrative Agent to such Lender in the same type of funds that the Administrative Agent received at such Lender's address specified pursuant to Article 13 or at any Lending Installation specified in a notice received by the Administrative Agent from such Lender.

Section 2.13 *Noteless Agreement; Evidence of Indebtedness*.

(a) Each Lender and each Issuing Lender shall maintain in accordance with its usual practice an account or accounts evidencing the extensions of credit made by such Lender or Issuing Lender, as applicable, to the Borrower from time to time, including the

amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(b) The Administrative Agent shall also maintain accounts in which it will record (A) the date and the amount of each Loan made hereunder, the Type thereof and the Interest Period, if any, applicable thereto, (B) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder, (C) the effective date and amount of each Assignment and Assumption delivered to and accepted by it and the parties thereto pursuant to Section 12.01, (D) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each Lender's share thereof, and (E) all other appropriate debits and credits as provided in this Agreement, including, without limitation, all fees, charges, expenses and interest. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control absent manifest error.

(c) The entries maintained in the accounts maintained pursuant to clauses (a) and (b) above shall be *prima facie* evidence of the existence and amounts of the Obligations therein recorded; *provided*, *however*, that the failure of the Administrative Agent, any Issuing Lender or any Lender to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay its Obligations in accordance with their terms.

(d) In addition to the accounts and records referred to in clauses (a) and (b) above, each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

(e) Any Lender may request that the Loans made or to be made by it be evidenced by a promissory note in substantially the form of Exhibit D (each, a "**Note**"). In such event, the Borrower shall prepare, execute and deliver to such Lender such Note or Notes payable to such Lender (or its registered assigns). Thereafter, the Loans evidenced by each such Note and interest thereon shall at all times (including after any assignment pursuant to Section 12.01) be represented by one or more Notes payable to the payee named therein or any assignee pursuant to Section 12.01, except to the extent that any such Lender or assignee subsequently returns any such Note for cancellation and requests that such Loans once again be evidenced as described in clauses (a) and (b) above.

Section 2.14 *Interest Payment Dates; Interest and Fee Basis*. Interest accrued on each Alternate Base Rate Advance shall be payable in arrears on each Payment Date, commencing with the first such date to occur after the Closing Date, and on any date on which the Alternate Base Rate Advance is prepaid, whether due to acceleration or otherwise. Interest accrued on that portion of the outstanding principal amount of any Alternate Base Rate Advance converted into a Eurocurrency Advance on a day other than

a Payment Date shall be payable on the date of conversion. Interest accrued on each Eurocurrency Advance shall be payable on the last day of its applicable Interest Period, on any date on which the Eurocurrency Advance is prepaid, whether by acceleration or otherwise, and on the Facility Termination Date. Interest accrued on each Eurocurrency Advance having an Interest Period longer than three (3) months shall also be payable on the last day of each three-month interval during such Interest Period. Interest accrued pursuant to Section 2.11 shall be payable on demand. With respect to (a) interest on all Advances (other than Alternate Base Rate Loans where the interest is based on the Prime Rate and Eurocurrency Advances based on CDOR), Commitment Fees and other fees hereunder, such interest or fees shall be calculated for actual days elapsed on the basis of a 360-day year and (b) interest on Advances (1) which are Alternate Base Rate Loans where the interest is based on the Prime Rate and (2) Eurocurrency Advances based on CDOR, such interest shall be calculated for actual days elapsed on the basis of a 365/366 day year. Interest shall be payable for the day an Advance is made but not for the day of any payment on the amount paid if payment is received prior to (x) 1:00 p.m. (New York time), in the case of an Advance denominated in Dollars or (y) the Applicable Time, in the case of an Advance denominated in a Foreign Currency, in each case, at the place of payment. If any payment of principal of or interest on an Advance, any fees or any other amounts payable to any Agent or any Lender hereunder shall become due on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and, in the case of a principal payment, such extension of time shall be included in computing interest, fees and commissions in connection with such payment.

Section 2.15 *Notification of Advances, Interest Rates, Prepayments and Commitment Reductions; Availability of Revolving Loans*. Promptly after receipt thereof, the Administrative Agent will notify each Lender of the contents of each Aggregate Commitment reduction notice, Borrowing Notice, Conversion/Continuation Notice and prepayment notice received by it hereunder. The Administrative Agent will notify each Lender of the interest rate applicable to each Advance promptly upon determination of such interest rate and will give prompt notice of each change in the Alternate Base Rate. Not later than 1:00 p.m. (New York time), in the case of any Revolving Loan denominated in Dollars, and not later than the Applicable Time, in the case of any Revolving Loan denominated in a Foreign Currency on each Borrowing Date, each Lender shall make available its Revolving Loan or Revolving Loans in funds immediately available to the Administrative Agent's Office for the applicable currency. The Administrative Agent will make the funds so received from the Lenders available to the Borrower at the Administrative Agent's aforesaid address not later than 3:00 p.m. (New York time), in the case of any Revolving Loan denominated in Dollars, and not later than the Applicable Time, in the case of any Revolving Loan denominated in a Foreign Currency on each Borrowing Date.

Section 2.16 *Lending Installations*. Each Lender may book its Loans at any Lending Installation selected by such Lender and may change its Lending Installation from time to time. All terms of this Agreement shall apply to any such Lending Installation and the Loans and any Notes issued hereunder shall be deemed held by each Lender for the benefit of any such Lending Installation. Each Lender may, by written notice to the Administrative Agent and the Borrower in accordance with Article 13, designate

replacement or additional Lending Installations through which Loans will be made by it and for whose account Loan payments are to be made.

Section 2.17 *Payments Generally; Administrative Agent's Clawback.*

(a) *Funding by Lenders; Presumption by Administrative Agent*. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Advance of Eurocurrency Loans (or, in the case of any Advance of Alternate Base Rate Loans, prior to 12:00 noon (New York time) on the date of any such Advance) that such Lender will not make available to the Administrative Agent such Lender's share of such Advance, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.15 and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Advance available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the Overnight Rate and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Alternate Base Rate Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Advance to the Administrative Agent, then the amount so paid shall constitute such Lender's Revolving Loan included in such Advance. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(b) *Payments by Borrower; Presumptions by Administrative Agent*. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or any Issuing Lender hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the applicable Issuing Lender, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or the Issuing Lenders, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or Issuing Lender, in Same Day Funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the Overnight Rate.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) *Obligations of Lenders Several*. The obligations of the Lenders hereunder to make Revolving Loans, to issue or participate in Letters of Credit and to make payments pursuant to Section 9.06(c) are several and not joint. The failure of any Lender to make any Revolving Loan, to fund any such participation or to make any payment under Section 9.06(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Revolving Loan, to purchase its participation or to make its payment under Section 9.06(c).

Section 2.18 *Replacement of Lender*. If any Lender requests compensation under Section 3.01 or 3.02, or if any Lender gives notice to the Borrower pursuant to Section 3.03, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.05, or if any Lender is a Defaulting Lender or a Declining Lender, or if a Lender fails to consent to an amendment or waiver approved by the Required Lenders as to any matter for which such Lender's consent is needed, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 12.01), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that:

(a) The Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 12.01(b)(iv);

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and funded participations in Letter of Credit draws, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.04) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.01 or payments required to be made pursuant to Section 3.05, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable laws; and

(e) in the case of any such assignment resulting from a failure to consent to an amendment or waiver approved by the Required Lenders, such assignee shall have consented to the relevant amendment or waiver.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

Section 2.19 *Sharing of Payments by Lenders*. Except as otherwise specified herein, if any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it, resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans and accrued interest thereon greater than its Pro Rata Share to which it is entitled pursuant hereto, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them; *provided* that:

(a) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(b) the provisions of this Section 2.19 shall not be construed to apply to (x) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender or payments made on any Existing Stated Maturity Date pursuant to Section 2.23), (y) the application of Cash Collateral as provided in Section 2.20 or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in Letters of Credit to any assignee or participant, other than to the Borrower or any Subsidiary (as to which the provisions of this Section 2.19 shall apply).

The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

Section 2.20 *Cash Collateral*.

(a) *Cash Collateralization.* If there shall exist a Defaulting Lender, within one (1) Business Day following the written request of the Administrative Agent or any Issuing Lender (with a copy to the Administrative Agent), the Borrower shall Cash Collateralize the Fronting Exposure of the Issuing Lenders with respect to such Defaulting Lender (determined after giving effect to Section 2.21 and any Cash Collateral provided by such Defaulting Lender) in an amount not less than the Minimum Collateral Amount.

(b) *Grant of Security Interest*. The Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to the Administrative Agent, for the benefit of the Issuing Lenders, and agrees to maintain, a first priority security interest in all such Cash Collateral as security for the Defaulting Lender's obligation to fund participations in respect of L/C Obligations, to be applied pursuant to clause (c) below. If at any time the Administrative Agent determines that Cash Collateral is subject to any right

or claim of any Person other than the Administrative Agent and the Issuing Lenders as herein provided, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Borrower will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency (after giving effect to any Cash Collateral provided by the Defaulting Lender).

(c) *Application*. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under this Section 2.20 or 8.01 in respect of Letters of Credit shall be applied to the satisfaction of the Defaulting Lender's obligation to fund participations in respect of L/C Obligations (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(d) *Termination of Requirement*. Cash Collateral (or the appropriate portion thereof) provided to reduce the Fronting Exposure of any Issuing Lender shall no longer be required to be held as Cash Collateral pursuant to this Section 2.20 following (i) the elimination of the applicable Fronting Exposure (including by the termination of Defaulting Lender status of the applicable Lender), or (ii) the determination by the Administrative Agent and the Issuing Lenders that there exists excess Cash Collateral; *provided* that, subject to Section 2.21, the Person providing Cash Collateral and the Issuing Lenders may agree that Cash Collateral shall be held to support future anticipated Fronting Exposure or other obligations.

Section 2.21 *Defaulting Lenders*.

(a) *Adjustments*. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(b) *Waivers and Amendments*. That Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in Section 8.02 and the definition of Required Lender.

(c) *Reallocation of Payments*. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of that Defaulting Lender under this Agreement or the other Loan Documents (whether voluntary or mandatory, at maturity, pursuant to Section 8.01 or otherwise, and including any amounts made available to the Administrative Agent by that Defaulting Lender pursuant to Section 11.01) shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by that Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to any Issuing Lender hereunder; *third*, to Cash Collateralize the Fronting Exposure of the Issuing Lenders with respect to such Defaulting Lender in accordance with Section 2.20 with a corresponding release of any Cash Collateral provided by the Borrower and/or a reversal of any reallocations made among the Lenders with

respect to such Fronting Exposure pursuant to Section 2.21(e); *fourth*, as the Borrower may request (so long as no Default or Unmatured Default exists), to the funding of any Loan or funded participation in respect of which that Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released in order to (A) satisfy obligations of that Defaulting Lender's potential future funding obligations with respect to Loans and funded participations under this Agreement and (B) Cash Collateralize the Issuing Lenders' future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.20; *sixth*, to the payment of any amounts owing to the Lenders or the Issuing Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender or any Issuing Lender against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default or Unmatured Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or funded participations in Letters of Credit in respect of which that Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.03 were satisfied or waived, such payment shall be applied first to pay the Loans of, and funded participations in Letters of Credit owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or funded participations in Letters of Credit owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations are held by the Lenders pro rata in accordance with the Aggregate Commitment under the Revolving Credit Facility without giving effect to Section 2.22(d). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.21 shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(d) *Certain Fees*. The Defaulting Lender shall not be entitled to receive any Commitment Fee pursuant to Section 2.05(a) for any period during which that Lender is a Defaulting Lender. Each Defaulting Lender shall be entitled to receive letter of credit commissions pursuant to Section 2.03 for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Pro Rata Share of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.20. With respect to any letter of credit commission not required to be paid to any Defaulting Lender, the Borrower shall (1) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations that has been reallocated to such Non-Defaulting Lender pursuant to clause (e) below, (2) pay to each applicable Issuing Lender the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Issuing Lender's Fronting Exposure to such Defaulting Lender, and (3) not be required to pay the remaining amount of any such fee.

(e) *Reallocation of Participations to Reduce Fronting Exposure*. All or any part of such Defaulting Lender's participation in L/C Obligations shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Pro Rata Share (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that such reallocation does not cause the aggregate Outstanding Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. Subject to Section 15.07, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(f) *Cash Collateral*. If the reallocation described in clause (e) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any right or remedy available to it hereunder or under law, Cash Collateralize the Issuing Lenders' Fronting Exposure in accordance with the procedures set forth in Section 2.20.

(g) *Defaulting Lender Cure*. If the Borrower, the Administrative Agent and the Issuing Lenders agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase that portion of outstanding Revolving Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Revolving Loans and funded and unfunded participations in Letters of Credit to be held on a pro rata basis by the Lenders in accordance with their Pro Rata Shares whereupon that Lender will cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and *provided further*, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(h) *New Letters of Credit*. So long as any Lender is a Defaulting Lender, no Issuing Lender shall be required to issue, extend, increase, reinstate or renew any Letter of Credit unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

Section 2.22 *Incremental Loans*. At any time after the Closing Date and prior to the Facility Termination Date, the Borrower may by written notice to the Administrative Agent elect to request the establishment of one or more increases in the Aggregate Commitment (any such increase, an "**Incremental Revolving Credit Commitment**") to make revolving credit loans under the Revolving Credit Facility (any such increase, an "**Incremental Revolving Credit Increase**"); *provided* that (1) the total aggregate principal amount for all such increases during the term of this Agreement shall not exceed $200,000,000 and (2) the total aggregate amount for each Incremental Revolving Credit Increase shall not be less than $15,000,000 or, if less, the remaining amount permitted pursuant to the foregoing clause (1). Each such notice shall specify the date (each, an "**Increased Amount Date**") on which the Borrower proposes that any Incremental

Revolving Credit Increase shall be effective. The Borrower may invite any Lender, any Affiliate of any Lender and/or any Approved Fund, and/or any other Person reasonably satisfactory to the Administrative Agent to provide an Incremental Revolving Credit Commitment (any such Person, an "**Incremental Lender**"). Any Incremental Revolving Credit Commitments shall become effective as of such Increased Amount Date; *provided* that:

(a) no Unmatured Default or Default shall exist on such Increased Amount Date;

(b) each of the representations and warranties contained in Article 5 shall be true and correct in all material respects, except to the extent any such representation and warranty is qualified by materiality or reference to Material Adverse Effect, in which case, such representation and warranty shall be true and correct in all respects, on such Increased Amount Date with the same effect as if made on and as of such date (except for any such representation and warranty that by its terms is made only as of an earlier date, which representation and warranty shall be true and correct in all material respects (except to the extent any such representation and warranty is qualified by materiality or reference to Material Adverse Effect, in which case, such representation and warranty shall be true and correct in all respects) as of such earlier date);

(c) in the case of each Incremental Revolving Credit Increase:

(i) the outstanding Revolving Loans and L/C Obligations will be reallocated by the Administrative Agent on the applicable Increased Amount Date among the Lenders (including the Incremental Lenders providing such Incremental Revolving Credit Increase) in accordance with their revised Pro Rata Share (and the Lenders (including the Incremental Lenders providing such Incremental Revolving Credit Increase) agree to make all payments and adjustments necessary to effect such reallocation and the Borrower shall pay any and all costs required pursuant to Section 3.04 in connection with such reallocation as if such reallocation were a repayment); and

(ii) such Incremental Revolving Credit Commitments shall be effected pursuant to one or more Lender Joinder Agreements executed and delivered by the Borrower, the Administrative Agent and the applicable Incremental Lenders (which Lender Joinder Agreement(s) may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of this Section 2.22);

(d) No existing Lender shall be obligated to participate in any Incremental Revolving Credit Increase, and each Lender's decision to provide (or not provide) an Incremental Revolving Credit Commitment in any instance shall be made in such Lender's sole and absolute discretion in each case.

(e) On any Increased Amount Date on which any Incremental Revolving Credit Increase becomes effective, subject to the foregoing terms and conditions, each

Incremental Lender with an Incremental Revolving Credit Commitment shall become a Lender hereunder.

Section 2.23 *Extension*. On not more than two occasions following the Closing Date during the term of this Agreement, and no more than once in any 12-month period, the Borrower may, by written notice to the Administrative Agent (which shall promptly deliver a copy to each of the Lenders) not less than 30 days and not more than 60 days prior to the proposed effective date of an extension (such date of effectiveness, an "**Extension Date**"), request that the Lenders extend the Stated Maturity Date and the Commitments for a period of one year from the Stated Maturity Date then in effect hereunder (the then "**Existing Stated Maturity Date**"). Each Lender shall, by notice to the Borrower and the Administrative Agent, given no later than 15 days (or such other date specified by the Borrower in such written notice delivered pursuant to the immediately preceding sentence or any supplement thereto) after such written notice is delivered to the Administrative Agent, advise the Borrower whether or not it agrees to the requested extension (each Lender agreeing to a requested extension, a "**Consenting Lender**" and each Lender declining to agree to a requested extension, a "**Declining Lender**"). Any Lender that has not so advised the Borrower and the Administrative Agent by the applicable deadline shall be deemed to have declined to agree to such extension and shall be a Declining Lender (unless such Lender subsequently agrees to such requested extension and the Borrower elects in its sole discretion to treat such Lender as a Consenting Lender). If Lenders constituting the Required Lenders shall have agreed to any such extension request, then the Stated Maturity Date shall, as to the Consenting Lenders and any Lender replacing a Declining Lender, be extended on the Extension Date to the date that is one year after the then Existing Stated Maturity Date. The decision to agree or withhold agreement to any Stated Maturity Date extension request shall be at the sole discretion of each Lender. The Commitment of any Declining Lender shall terminate on the Existing Stated Maturity Date applicable to such Declining Lender. The principal amount of any outstanding Loans made by Declining Lenders, together with any accrued interest thereon and any accrued fees and other amounts payable to or for the accounts of such Declining Lenders hereunder, shall be due and payable on the Existing Stated Maturity Date applicable to such Declining Lenders, and on the Existing Stated Maturity Date applicable to such Declining Lenders, the Borrower shall also make such other prepayments of Loans as shall be required in order that, after giving effect to the termination of the Commitments of, and all payments to, Declining Lenders pursuant to this sentence, the sum of the Aggregate Outstanding Credit Exposure shall not exceed the Aggregate Commitments. Notwithstanding the foregoing provisions of this paragraph, the Borrower shall have the right, pursuant to and in accordance with the requirements of Section 12.01, at any time prior to any Existing Stated Maturity Date, to cause a Declining Lender to assign its interests, rights and obligations hereunder to a Lender or (subject to the consent of the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed), solely to the extent such consent would be required for an assignment pursuant to Section 12.01) other Eligible Assignee that agrees to a request for the extension of the Existing Stated Maturity Date, and any such assignee shall for all purposes constitute a Consenting Lender. Notwithstanding the foregoing, no extension of the Stated Maturity Date pursuant to this paragraph shall become effective unless (i) on the applicable Extension Date, no Unmatured Default or Default has occurred and is continuing, (ii) each of the representations and warranties set

forth in Article 5 of this Agreement is true and correct in all material respects (except to the extent such representations and warranties are qualified with "materiality" or "Material Adverse Effect" or similar terms, in which case such representations and warranties are true and correct in all respects) as of such Extension Date, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects (except to the extent such representations and warranties are qualified with "materiality" or "Material Adverse Effect" or similar terms, in which case such representations and warranties shall have been true and correct in all respects) on and as of such earlier date, (iii) the remaining maturity of the Commitments, after giving effect to such extension, does not exceed five years from the applicable Extension Date and (iv) the Administrative Agent shall have received an officer's certificate, signed by an Authorized Officer of the Borrower, certifying that the foregoing conditions (i) and (ii) are satisfied as of the applicable Extension Date.

ARTICLE 3
YIELD PROTECTION; TAXES

Section 3.01 *Yield Protection*. If, on or after the date of this Agreement, any Change in Law:

(i) imposes, modifies or deems applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Eurocurrency Rate) or any Issuing Lender;

(ii) subjects any Lender or Issuing Lender to any Tax of any kind whatsoever (except for Indemnified Taxes or Other Taxes covered by Section 3.05 and Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) imposes on any Lender or any Issuing Lender the London interbank market any other condition, cost or expense affecting this Agreement or Eurocurrency Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, continuing, converting to or maintaining any Eurocurrency Loans (or, in the case of a Change in Law with respect to Taxes, any Loan) or of maintaining its obligation to make any such Loan, or to increase the cost to such Lender or Issuing Lender of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or Issuing Lender hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or Issuing Lender, the Borrower shall pay to such Lender or Issuing Lender, as the case may be, such additional amount or

amounts as will compensate such Lender or Issuing Lender, as the case may be, for such additional costs incurred or reduction suffered. Notwithstanding the foregoing, no Lender or Issuing Lender shall be entitled to seek compensation under this Section 3.01 unless such Lender or Issuing Lender is generally seeking compensation from other borrowers that are similarly situated to and of similar creditworthiness with respect to its similarly affected commitments, loans and/or participations under agreements with such borrowers having provisions similar to this Section 3.01.

Section 3.02 *Changes in Capital Adequacy Regulations; Certificates for Reimbursement; Delay in Requests.*

(a) *Changes in Capital Adequacy*. If any Lender or Issuing Lender determines that any Change in Law after the date of this Agreement affecting such Lender or Issuing Lender or any Lending Installation of such Lender or Issuing Lender or such Lender's or Issuing Lender's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or Issuing Lender's capital or on the capital of such Lender's or Issuing Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by such Issuing Lender to a level below that which such Lender or Issuing Lender or such Lender's or Issuing Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or Issuing Lender's policies and the policies of such Lender's or Issuing Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or Issuing Lender, as the case may be, such additional amount or amounts as will compensate such Lender or Issuing Lender such Lender's or Issuing Lender's holding company for any such reduction suffered. Notwithstanding the foregoing, no Lender or Issuing Lender shall be entitled to seek compensation under this Section 3.02 unless such Lender or Issuing Lender is generally seeking compensation from other borrowers that are similarly situated to and of similar creditworthiness with respect to its similarly affected commitments, loans and/or participations under agreements with such borrowers having provisions similar to this Section 3.02.

(b) *Certificates for Reimbursement*. A certificate of a Lender or an Issuing Lender setting forth the amount or amounts necessary to compensate such Lender, such Issuing Lender or their respective holding companies, as the case may be, as specified in Section 3.01 or subsection (a) of this Section 3.02 and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay to such Lender or Issuing Lender, as the case may be, the amount shown as due on any such certificate within fifteen (15) days after receipt thereof.

(c) *Delay in Requests*. Failure or delay on the part of any Lender or Issuing Lender to demand compensation pursuant to the foregoing provisions of this Section 3.02 or Section 3.01 shall not constitute a waiver of such Lender's or Issuing Lender's right to demand such compensation, provided that the Borrower shall not be required to compensate a Lender or Issuing Lender, as the case may be, pursuant to the foregoing provisions of this Section 3.02 or Section 3.01 for any increased costs incurred or

reductions suffered more than nine months prior to the date that such Lender or Issuing Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or Issuing Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

(d) *Additional Reserve Requirements*. The Borrower shall pay to each Lender, as long as such Lender shall be required to comply with any reserve ratio requirement or analogous requirement of any central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Loans denominated in a Foreign Currency, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Commitment or Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which shall be due and payable on each date on which interest is payable on such Loan, provided the Borrower shall have received at least thirty (30) days' prior notice (with a copy to the Administrative Agent) of such additional costs from such Lender. Such Lender shall deliver a certificate to the Borrower setting forth in reasonable detail a calculation of such actual costs incurred by such Lender and shall certify that it is generally charging such costs to similarly situated customers of similar creditworthiness of the applicable Lender under agreements having provisions similar to this Section 3.02(d) If a Lender fails to give notice thirty (30) days prior to the relevant interest payment date, such additional costs shall be due and payable thirty (30) days from receipt of such notice. For the avoidance of doubt, any amounts paid under this Section 3.02(d) shall be without duplication of eurocurrency adjustments in the definition of "Eurocurrency Rate".

Section 3.03 *Illegality*. If any Lender determines that any law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for the Administrative Agent or any Lender or its applicable Lending Installation to make, maintain or fund Eurocurrency Loans, or to determine or charge interest rates based upon the Eurocurrency Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars or any Foreign Currency in the London interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, any obligation of such Lender to make or continue Eurocurrency Loans or to convert Alternate Base Rate Loans to Eurocurrency Loans shall be suspended until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable and such Revolving Loans are denominated in Dollars, convert all Eurocurrency Loans of such Lender to Alternate Base Rate Loans, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurocurrency Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurocurrency Loans. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

Section 3.04 *Compensation for Losses*. Upon demand of any Lender or, with respect to clause (c) below, any Issuing Lender, the Borrower shall promptly compensate such Lender or such Issuing Lender for and hold such Lender or such Issuing Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than an Alternate Base Rate Loan on a day other than the last day of the Interest Period for such Loan or other than upon at least three (3) Business Days' prior notice to the Administrative Agent (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise, but excluding any prepayment or conversion required pursuant to Section 3.03);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than an Alternate Base Rate Loan on the date or in the amount notified by the Borrower; or

(c) any failure by the Borrower to make payment of any Revolving Loan or drawing under any Letter of Credit (or interest due thereon) denominated in a Foreign Currency or Additional L/C Currency on its scheduled due date or any payment thereof in a different currency; or

(d) any assignment of a Eurocurrency Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 2.18;

including any foreign exchange losses and loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained or from the performance of any foreign exchange contract. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrower to the Lenders under this Section 3.04, each Lender shall be deemed to have funded each Eurocurrency Loan made by it at the Eurocurrency Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for such currency and for a comparable amount and for a comparable period, whether or not such Eurocurrency Loan was in fact so funded.

Section 3.05 *Taxes*.

(a) *Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes*.

(i) Any and all payments by or on account of any obligation of the Borrower hereunder or under any other Loan Document shall to the extent permitted by applicable laws be made free and clear of and without reduction or withholding for any Taxes. If, however, applicable laws require the Borrower or the Administrative Agent to withhold or deduct any such Tax, such Tax shall be withheld or deducted in accordance with such laws as determined by the Borrower

or the Administrative Agent, as the case may be, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the Borrower or the Administrative Agent shall be required by applicable law to withhold or deduct any Taxes from any payment under any Loan Document, then (A) the Borrower or the Administrative Agent, as applicable, shall withhold or make such deductions as are determined by the Borrower or the Administrative Agent, as applicable, to be required based upon the information and documentation it, or the applicable taxing authority, has received pursuant to subsection (e) below (for the avoidance of doubt, in the case of any such information and documentation received by an applicable taxing authority, solely to the extent the Borrower or the Administrative Agent has been provided with a copy of such information and documentation or otherwise has actual knowledge of such information and documentation and, in each case, is entitled to rely thereon), (B) the Borrower or the Administrative Agent, as applicable, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with applicable law, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the Borrower shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.05) the Administrative Agent or any Lender or Issuing Lender receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) *Payment of Other Taxes*. Without limiting the provisions of subsection (a) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable laws.

(c) *Indemnification*.

(i) Without limiting the provisions of subsection (a) or (b) above, the Borrower shall indemnify the Administrative Agent, each Lender and each Issuing Lender and shall make payment in respect thereof within thirty (30) days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 3.05) withheld or deducted by the Borrower or the Administrative Agent or paid by the Administrative Agent or such Lender or Issuing Lender, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability delivered to the Borrower by a Lender or Issuing Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or Issuing Lender, shall be conclusive absent manifest error.

(ii) Without limiting the provisions of subsection (a) or (b) above, each Lender and Issuing Lender shall, and does hereby, indemnify (x) the Borrower and

the Administrative Agent, and shall make payment in respect thereof within thirty (30) days after demand therefor, against any and all Taxes and any and all related losses, claims, liabilities, penalties, interest and expenses (including the fees, charges and disbursements of any counsel for the Borrower or the Administrative Agent) incurred by or asserted against the Borrower or the Administrative Agent by any Governmental Authority as a result of (1) the failure by such Lender to deliver, or as a result of the inaccuracy, inadequacy or deficiency of, any documentation required to be delivered by such Lender or Issuing Lender to the Borrower or the Administrative Agent pursuant to subsection (e) or (2) the failure of such Lender or Issuing Lender to comply with the provisions of Section 12.01(d) relating to the maintenance of a Participant Register and (y) the Administrative Agent against any Indemnified Taxes or Other Taxes attributable to such Lender or Issuing Lender (but only to the extent the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes or Other Taxes and without limiting the obligation of the Borrower to do so) or Excluded Taxes attributable to such Lender or Issuing Lender, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent or the Borrower shall be conclusive absent manifest error. Each Lender and Issuing Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii). The agreements in this clause (ii) shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all other Obligations.

(d) *Evidence of Payments*. Upon request by the Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by the Borrower or the Administrative Agent to a Governmental Authority as provided in this Section 3.05, the Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by law to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the - Administrative Agent, as the case may be.

(e) *Status of Lenders and Issuing Lenders; Tax Documentation*.

(i) Each Lender and Issuing Lender shall deliver to the Borrower, the Administrative Agent or the applicable taxing authority, at the time or times prescribed by applicable laws or when reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable laws or by the taxing authorities of any jurisdiction and such other reasonably requested information (A) to secure any applicable exemption from, or reduction in the rate of, deduction or withholding imposed by any jurisdiction in respect of any payments to be made by the Borrower to such

Lender or Issuing Lender, and (B) as will permit the Borrower or the Administrative Agent, as the case may be, to determine (1) whether or not payments made hereunder or under any other Loan Document are subject to Taxes, (2) if applicable, the required rate of withholding or deduction, and (3) such Lender's or Issuing Lender's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to such Lender or Issuing Lender by the Borrower pursuant to this Agreement or otherwise to establish such Lender's or Issuing Lender's status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, if the Borrower (or, if the Borrower is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes) is a "United States person" within the meaning of Section 7701(a)(30) of the Code,

(A) any Lender or Issuing Lender (or, if such Lender or Issuing Lender is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes) that is a "United States person" within the meaning of Section 7701(a)(30) of the Code shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender or Issuing Lender becomes an Issuing Lender under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent) executed originals of Internal Revenue Service Form W-9 or such other documentation or information prescribed by applicable laws or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent, as the case may be, to determine whether or not such Lender or Issuing Lender is subject to backup withholding or information reporting requirements;

(B) each Foreign Lender or non-U.S. Issuing Lender (or, if such Foreign Lender or Issuing Lender is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes) that is entitled under the Code or any applicable treaty to an exemption from or reduction of withholding tax with respect to payments hereunder or under any other Loan Document shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender or Issuing Lender becomes a Lender or Issuing Lender under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent, but only if such Foreign Lender or Issuing Lender (or, if such Foreign Lender or Issuing Lender is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its

owner for U.S. federal income tax purposes) is legally entitled to do so), whichever of the following is applicable:

(1) executed originals of Internal Revenue Service Form W-8BEN or W-BEN-E, as applicable, claiming eligibility for benefits of an income tax treaty to which the United States is a party,

(2) in the case of a Foreign Lender claiming that its extension of credit will generate U.S. effectively connected income, executed originals of Internal Revenue Service Form W-8ECI,

(3) in the case of a Foreign Lender or non-U.S. Issuing Lender (or, if such Foreign Lender or Issuing Lender is disregarded as an entity separate from its owner for U.S. federal income tax purposes, the Person treated as its owner for U.S. federal income tax purposes) claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit H-1 to the effect that such Foreign Lender or Issuing Lender (or such other Person) is not (A) a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "**U.S. Tax Compliance Certificate**") and (y) executed originals of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable,

(4) executed originals of Internal Revenue Service Form W-8IMY and all required supporting documentation, including IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit H-2 or Exhibit H-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Lender or Issuing Lender is a partnership and one or more direct or indirect partners of such Lender or Issuing Lender are claiming the portfolio interest exemption, such Lender or Issuing Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit H-4 on behalf of each such direct and indirect partner, or

(5) executed originals of any other form prescribed by applicable laws as a basis for claiming exemption from or a reduction in U.S. federal withholding tax together with such supplementary documentation as may be prescribed by applicable

laws to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

(C) each Lender and Issuing Lender shall deliver to the Administrative Agent and the Borrower such documentation reasonably requested by the Administrative Agent or the Borrower sufficient for the Administrative Agent and the Borrower to comply with their obligations under FATCA and to determine whether payments to such Lender or Issuing Lender are subject to withholding tax under FATCA. Solely for purposes of this subclause (C), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender and Issuing Lender shall promptly (A) notify the Borrower and the Administrative Agent of any change in circumstances which would modify or render invalid any claimed exemption or reduction, and (B) take such steps as shall not be materially disadvantageous to it, in the reasonable judgment of such Lender or Issuing Lender and as may be reasonably necessary (including the redesignation of its Lending Installation) to avoid any requirement of applicable laws of any jurisdiction that the Borrower or the Administrative Agent make any withholding or deduction for taxes from amounts payable to such Lender or Issuing Lender.

(f) *Treatment of Certain Refunds*. Unless required by applicable laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender or Issuing Lender, or have any obligation to pay to any Lender or Issuing Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender or Issuing Lender. If the Administrative Agent or any Lender or Issuing Lender determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 3.05, it shall pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 3.05 with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses incurred by the Administrative Agent or such Lender, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Borrower, upon the request of the Administrative Agent or such Lender, as the case may be, agrees to repay the amount paid over to the Borrower (plus any penalties, interest (to the extent accrued from the date such refund is paid over to the Borrower) or other charges imposed by the relevant Governmental Authority), to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (f), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (f) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts giving rise to such refund had never been paid. This subsection shall not be construed to require the

Administrative Agent or any Lender or Issuing Lender to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the Borrower or any other Person.

Section 3.06 *Mitigation Obligations*. If any Lender requests compensation under Section 3.01 or Section 3.02, or the Borrower is required to pay any additional amount to any Lender or Issuing Lender or any Governmental Authority for the account of any Lender or Issuing Lender pursuant to Section 3.05, or if any Lender gives a notice pursuant to Section 3.03, then such Lender or Issuing Lender shall use reasonable efforts to designate a different Lending Installation for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender or Issuing Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01, 3.02 or 3.05, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.03, as applicable, and (ii) in each case, would not subject such Lender or Issuing Lender, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or Issuing Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender or Issuing Lender in connection with any such designation or assignment.

Section 3.07 *Inability to Determine Rates; Replacing LIBOR; Replacing Other and Future Benchmarks*.

(a) *Inability to Determine Rates.* Subject to 3.07(b) and (c), if (x) the Required Lenders determine that for any reason in connection with any request for a Eurocurrency Loan or a conversion to or continuation thereof that (i) deposits (whether in Dollars or a Foreign Currency) are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period of such Eurocurrency Loan or (ii) adequate and reasonable means do not exist for determining the Eurocurrency Base Rate for any requested Interest Period with respect to a proposed Eurocurrency Loan (whether denominated in Dollars or a Foreign Currency), or (y) the Required Lenders determine that Eurocurrency Base Rate for any requested Interest Period with respect to a proposed Eurocurrency Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan (which determination shall be made by notice to the Administrative Agent), the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, the obligation of the Lenders to convert Alternate Base Rate Loans to, or to continue, make or maintain Eurocurrency Loans in the affected currency shall be suspended until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for an Advance of, conversion to or continuation of Eurocurrency Loans of the affected currency or, failing that, will be deemed to have converted such request into a request for Alternate Base Rate Loans in the amount specified therein.

(b) *Replacing LIBOR*. On March 5, 2021 the Financial Conduct Authority ("**FCA**"), the regulatory supervisor of LIBOR's administrator ("**IBA**"), announced in a public statement the future cessation or loss of representativeness of overnight/Spot Next, 1-month, 3-month, 6-month and 12-month LIBOR tenor settings. On the earlier of (i) the

date that all Available Tenors of LIBOR have either permanently or indefinitely ceased to be provided by IBA or have been announced by the FCA pursuant to public statement or publication of information to be no longer representative and (ii) the Early Opt-in Effective Date, if the then-current Benchmark is LIBOR, the Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings without any amendment to, or further action or consent of any other party to this Agreement or any other Loan Document. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a quarterly basis.

(c) *Replacing Other and Future Benchmarks*. Upon (i) the occurrence of a Benchmark Transition Event, the Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder and under any Loan Document in respect of any such Benchmark setting at or after 5:00 p.m. on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders or (ii) an Early Opt-in Effective Date with respect to an Other Rate Early Opt-in Election, the Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings without any amendment to, or further action or consent of any other party to this Agreement or any other Loan Document.

At any time that the administrator of the then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the regulatory supervisor for the administrator or the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, (a) the Borrower may revoke any request for a borrowing of, conversion to or continuation of Loans to be made, converted or continued that would bear interest by reference to such Benchmark until the Borrower's receipt of notice from the Administrative Agent that a Benchmark Replacement has replaced such Benchmark, and, failing that, (i) with respect to amounts denominated in Dollars, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Alternate Base Rate Loans and (ii) with respect to amounts denominated in any currency other than Dollars, such request shall be deemed ineffective and (b) the obligation of the Lenders to make or maintain Loans referencing such Benchmark in the affected currency shall be suspended (to the extent of the affected amounts or Interest Periods (as applicable)).

During the period referenced in the foregoing sentence, the component (if any) of the Alternate Base Rate based upon the Benchmark will not be used in any determination of the Alternate Base Rate.

(d) *Benchmark Replacement Conforming Changes*. In connection with the implementation and administration of any Benchmark Replacement, the Administrative

Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

(e) *Notices; Standards for Decisions and Determinations*. The Administrative Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Benchmark Replacement Conforming Changes. For the avoidance of doubt, any notice required to be delivered by the Administrative Agent as set forth in this Section 3.07 may be provided, at the option of the Administrative Agent (in its sole discretion), in one or more notices and may be delivered together with, or as part of any amendment which implements any Benchmark Replacement or Benchmark Replacement Conforming Changes. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 3.07, 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 3.07.

(f) *Unavailability of Tenor of Benchmark*. At any time (including in connection with the implementation of any Benchmark Replacement), (i) if any then-current Benchmark is a term rate (including Term SOFR, LIBOR, CDOR or EURIBOR), then the Administrative Agent may remove any tenor of such Benchmark that is unavailable or non-representative for Benchmark (including Benchmark Replacement) settings and (ii) the Administrative Agent may reinstate any such previously removed tenor for Benchmark (including Benchmark Replacement) settings.

(g) *Disclaimer*. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to (i) the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of "Eurocurrency Rate" or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation any Benchmark Replacement implemented hereunder), (ii) the composition or characteristics of any such Benchmark Replacement, including whether it is similar to, or produces the same value or economic equivalence to LIBOR, CDOR or EURIBOR or any other then-current Benchmark or have the same volume or liquidity as did LIBOR, CDOR or EURIBOR or any other then-current Benchmark, (iii) any actions or use of its discretion or other decisions or determinations made with respect to any matters covered by this Section 3.07(b) through (g) including, without limitation, whether or not a Benchmark Transition Event has occurred, the removal or lack thereof of unavailable or non-representative tenors, the implementation or lack thereof of any Benchmark Replacement Conforming Changes, the delivery or non-delivery of any notices required by clause (e) above or otherwise in accordance herewith, and (iv) the effect of any of the foregoing provisions of this Section 3.07(b) through (g).

Section 3.08 *Survival*. All of the Borrower's obligations under this Article 3 shall survive termination of the Aggregate Commitments, repayment of all other Obligations hereunder and resignation of the Administrative Agent.

ARTICLE 4
CONDITIONS PRECEDENT

Section 4.01 *Effectiveness*. The occurrence of the Effective Date is subject to the satisfaction (or waiver) of only the following conditions precedent:

(a) the Administrative Agent (or its counsel) shall have received from (I) all Lenders hereunder as of the Effective Date, (II) the Administrative Agent, (III) each Issuing Lender and (IV) the Borrower either (i) a counterpart of this Agreement signed on behalf of such party or (ii) customary written evidence reasonably satisfactory to the Administrative Agent (which may include telecopy or electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement;

(b) the Borrower shall have paid all fees, costs and expenses due and payable to the Administrative Agent, for itself and on behalf of the Lenders, or its counsel on the Effective Date and (in the case of expenses) for which the Borrower has received an invoice at least three (3) Business Days prior to the Effective Date;

(c) at least three (3) days prior to the Effective Date, the Borrower shall have provided the documentation and other information about the Borrower to the Administrative Agent that is required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the U.S. Patriot Act and the Beneficial Ownership Regulation, to the extent such information was reasonably requested by the Arrangers or a Lender in writing at least ten (10) Business Days prior to the Effective Date; and

(d) the Borrower shall have received a Public Debt Rating of BBB- or better from S&P and a Public Debt Rating of BBB- or better from Fitch.

The occurrence of the Effective Date shall be confirmed by a written notice from the Administrative Agent to the Borrower on the Effective Date, and shall be conclusive evidence of the occurrence thereof. Without limiting the generality of the provisions of Section 8.02, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Effective Date specifying its objection thereto.

Section 4.02 *Closing*. The occurrence of the Closing Date is subject to the satisfaction (or waiver) of only the following conditions precedent:

(a) the Effective Date shall have occurred;

(b) the GXO Distribution Condition shall have been satisfied;

(c) the Borrower shall have delivered to the Administrative Agent an officer's certificate, substantially in the form attached hereto as Exhibit G, dated as of the Closing Date, signed by an Authorized Officer of the Borrower, certifying that (x) on the Closing Date, no Default or Unmatured Default has occurred and is continuing and (y) the representations and warranties contained in Article 5 are true and correct in all material respects (except to the extent such representations and warranties are qualified by "materiality" or "Material Adverse Effect" or similar terms, in which case such representations and warranties are true and correct in all respects) as of the Closing Date, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects (except to the extent such representations and warranties are qualified with "materiality" or "Material Adverse Effect" or similar terms, in which case such representations and warranties shall have been true and correct in all respects) on and as of such earlier date;

(d) the Borrower shall have delivered to the Administrative Agent a favorable written opinion (addressed to the Administrative Agent and the Lenders and dated the Closing Date) of Wachtell, Lipton, Rosen & Katz reasonably acceptable to the Administrative Agent;

(e) each Note requested from the Borrower in writing at least five (5) Business Days prior to the Closing Date by any Lender pursuant to Section 2.13 shall have been executed by the Borrower; and

(f) the Borrower shall have paid all fees, costs and expenses due and payable to the Administrative Agent, for itself and on behalf of the Lenders, or its counsel on the Closing Date and (in the case of expenses) for which the Borrower has received an invoice at least three (3) Business Days prior to the Closing Date (*provided* that such invoice may reflect an estimate and/or only costs processed to date and shall not thereafter preclude a final settling of accounts between the Borrower and the Administrative Agent, including with respect to fees, costs or expenses incurred prior to the Closing Date);

(g) the Borrower shall have delivered to the Administrative Agent copies of the certificate of incorporation of the Borrower, together with all amendments thereto, and a certificate of good standing for the Borrower, each certified by the appropriate governmental officer in its jurisdiction of incorporation (or, to the extent such certificate of incorporation is not certified by the appropriate governmental officer in its jurisdiction of incorporation, the Borrower shall have delivered to the Administrative Agent a certification that such certificate of incorporation has been filed with the appropriate government office in its jurisdiction of incorporation to become effective on the date the Spinoff is consummated);

(h) the Borrower shall have delivered to the Administrative Agent copies, certified by the Secretary or Assistant Secretary of the Borrower, of the Borrower's by-laws and of its Board of Directors' resolutions and of resolutions or actions of any other body authorizing the execution of the Loan Documents to which it is a party and a certification that there have been no changes to its certificate of incorporation provided pursuant to Section 4.02(g);

The occurrence of the Closing Date shall be confirmed by a written notice from the Administrative Agent to the Borrower on the Closing Date, and shall be conclusive evidence of the occurrence thereof.

Section 4.03 *Each Request for Credit Extension*. The Lenders shall not be required to honor any Request for Credit Extension, unless on the applicable Borrowing Date:

(a) no Unmatured Default or Default has occurred and is continuing or would result from such Request for Credit Extension;

(b) each of the representations and warranties set forth in Article 5 (other than the representations and warranties set forth in Sections 5.05, 5.06 and 5.07) are true and correct in all material respects (except to the extent such representations and warranties are qualified with "materiality" or "Material Adverse Effect" or similar terms, in which case such representations and warranties are true and correct in all respects) as of such Borrowing Date, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation or warranty shall have been true and correct in all material respects (except to the extent such representations and warranties are qualified with "materiality" or "Material Adverse Effect" or similar terms, in which case such representations and warranties shall have been true and correct in all respects) on and as of such earlier date; and

(c) the Borrower shall have delivered a Request for Credit Extension.

Each Request for Credit Extension shall constitute a representation and warranty by the Borrower that the applicable conditions contained in this Section 4.03 have been satisfied as of the applicable Borrowing Date.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants as follows to each Lender and the Agents as of the Closing Date and thereafter on each date as required by Section 4.03:

Section 5.01 *Existence and Standing*. The Borrower (a) is a corporation, partnership, limited liability company or other entity duly and properly incorporated or organized, as the case may be, validly existing and (to the extent such concept applies to such entity) in good standing under the laws of its jurisdiction of incorporation or organization and (b) has all requisite authority to conduct its business in each jurisdiction

in which its business is conducted, except to the extent that the failure to have such authority would not reasonably be expected to have a Material Adverse Effect.

Section 5.02 *Authorization and Validity*. The Borrower has the power and authority and legal right to execute and deliver the Loan Documents and to perform its obligations thereunder. The execution and delivery by the Borrower of the Loan Documents and the performance of its obligations thereunder have been duly authorized by proper proceedings, and the Loan Documents constitute legal, valid and binding obligations of the Borrower enforceable against it in accordance with their terms, except as may be limited by bankruptcy, insolvency or similar laws relating to or affecting creditors' rights generally and by general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 5.03 *No Conflict; Government Consent*.

(a) Neither the execution and delivery by the Borrower of the Loan Documents, nor the consummation of the transactions therein contemplated, nor compliance with the provisions thereof will violate (i) any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the Borrower, (ii) the Borrower's bylaws, articles or certificate of incorporation, partnership agreement, certificate of partnership, operating agreement or other management agreement, articles or certificate of organization or other similar formation, organizational or governing documents, instruments and agreements, as the case may be, or (iii) the provisions of any indenture, instrument or agreement to which the Borrower is a party or is subject, or by which it, or its Property, is bound, except in the case of clauses (i) and (iii) where such violation would not reasonably be expected to have a Material Adverse Effect.

(b) No order, consent, adjudication, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, or other action in respect of any governmental or public body or authority, or any subdivision thereof, which has not been obtained by the Borrower, is required to be obtained by the Borrower in connection with the execution and delivery of the Loan Documents, the borrowings under the Loan Documents, the payment and performance by the Borrower of its Obligations or the legality, validity, binding effect or enforceability of the Loan Documents.

Section 5.04 *Financial Statements*. The December 31, 2020 audited consolidated financial statements of the Borrower and the March 31, 2021 unaudited consolidated financial statements of the Borrower, and, if applicable, the unaudited consolidated financial statements of the Borrower as of the last day of any subsequent fiscal quarter (other than the fourth fiscal quarter of any fiscal year), in each case delivered prior to the Effective Date to the Arrangers and the Lenders, copies of which are included in the Borrower Form 10, (a) were prepared in accordance with GAAP (except as otherwise expressly noted therein), (b) fairly present in all material respects the consolidated financial condition and operations of the Borrower and its Subsidiaries at such date and the consolidated results of their operations and cash flows for the period then ended (subject, in the case of unaudited quarterly reports, to the absence of footnotes and to normal year-end audit adjustments) and (c) show all material indebtedness and other liabilities, direct

or contingent, of the Borrower and its Subsidiaries as of the date thereof that are required under Agreement Accounting Principles to be reflected thereon.

Section 5.05 *Material Adverse Effect*. As of the Effective Date, except as disclosed in the Borrower Form 10 (excluding any disclosures set forth in any risk factor section and in any section relating to forward-looking or safe harbor statements), since December 31, 2020, there has been no material adverse effect on the financial condition, results of operations, business or Property of the Borrower and its Subsidiaries taken as a whole.

Section 5.06 *Solvency.* As of the Closing Date, immediately after giving effect to the Spinoff, (i) the Borrower and its Subsidiaries on a consolidated basis are able to pay their debts and other liabilities, contingent obligations and other commitments as they mature in their ordinary course; (ii) the Borrower and its Subsidiaries do not intend to, and do not believe that they will, incur debts or liabilities beyond their ability to pay as such debts and liabilities mature in their ordinary course; (iii) the Borrower and its Subsidiaries on a consolidated basis are not engaged in a business or a transaction, and are not about to engage in a business or a transaction, for which their property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which they are engaged; (iv) the fair value of the property and assets of the Borrower and its Subsidiaries on a consolidated basis is greater than the total amount of liabilities, including, without limitation, contingent liabilities, of the Borrower and its Subsidiaries on a consolidated basis; and (v) the present fair salable value of the property and assets of the Borrower and its Subsidiaries on a consolidated basis is not less than the amount that will be required to pay the probable liability of the Borrower and its Subsidiaries on a consolidated basis on their debts as they become absolute and matured. In computing the amount of contingent liabilities for purposes of this Section 5.06, it is intended that such liabilities will be computed at the amount which, in light of all the facts and circumstances existing as of the date hereof, represents the amount that can reasonably be expected to become an actual or matured liability, and all in accordance with GAAP.

Section 5.07 *Litigation*. As of the Effective Date, there is no litigation, arbitration, governmental investigation, proceeding or inquiry pending or, to the knowledge of any of their officers, threatened against or affecting the Borrower or any of its Subsidiaries which has not been disclosed in the Borrower Form 10 (a) that would reasonably be expected to have a Material Adverse Effect or (b) which seeks to prevent, enjoin or delay the making of any Loan or otherwise calls into question the validity of any Loan Document and as to which there is a reasonable possibility of an adverse decision.

Section 5.08 *Disclosure*. All written information other than financial projections and other forward-looking information and information of a general economic or industry nature (as used in this Section 5.08, the "Information") provided on or prior to the Effective Date by the Borrower or on behalf of the Borrower by its representatives to the Agents or the Lenders in connection with the negotiation of this Agreement does not, when taken as a whole, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, when taken as a whole, not materially

misleading when taken as a whole and in light of the circumstances under which such statements were made (giving effect to any supplements then or theretofore furnished).

Section 5.09 *Regulation U*. The Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose, whether immediate, incidental or ultimate of buying or carrying margin stock (within the meaning of Regulation U or Regulation X); and after applying the proceeds of each Advance, margin stock (as defined in Regulation U) constitutes not more than twenty-five percent (25%) of the value of those assets of the Borrower which are subject to any limitation on sale or pledge, or any other restriction hereunder.

Section 5.10 *Investment Company Act*. The Borrower is not an "investment company", a company "controlled by" an "investment company" or a company required to register as an "investment company," each as defined in the Investment Company Act of 1940, as amended.

Section 5.11 *OFAC, FCPA*. Neither the Borrower nor any of its Subsidiaries, nor, to the knowledge of the Borrower, any director or officer thereof, is an individual or entity that is (a) the subject or target of any Sanctions or in violation of applicable Anti-Corruption Laws, (b) 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 the United States federal government (including, without limitation, OFAC), the European Union or Her Majesty's Treasury or (c) located, organized or resident in a Designated Jurisdiction.

Section 5.12 *Taxes*. Each of Borrower and its Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which reserves have been provided in accordance with GAAP or (b) to the extent that the failure to do so would not reasonably be expected to result in a Material Adverse Effect.

Section 5.13 *Affected Financial Institution*. The Borrower is not an Affected Financial Institution.

ARTICLE 6
COVENANTS

From the Closing Date, so long as any Lender shall have any Commitment hereunder, or any Loan or other Obligation hereunder (other than any contingent indemnification obligations for which no claim has been made) shall remain unpaid or unsatisfied or (except to the extent agreed by the Issuing Lender that has issued such Letter of Credit or to the extent such Letter of Credit has been Cash Collateralized) any Letter of Credit shall remain outstanding:

Section 6.01 *Financial Reporting*. The Borrower will maintain, for itself and each Subsidiary, a system of accounting established and administered in accordance with

GAAP, and furnish to the Administrative Agent for the Administrative Agent's distribution to the Lenders:

(a) As soon as available, but in any event on or prior to the 90th day after the close of each of its fiscal years (commencing with the first fiscal year of the Borrower ending after the Closing Date), a consolidated balance sheet as of the end of such period, related statements of operations, comprehensive income (loss), changes in equity and cash flows prepared in accordance with GAAP on a consolidated basis for itself and its Subsidiaries, together with an audit report certified by independent certified public accountants of recognized standing, whose opinion shall not be qualified as to the scope of the audit or as to the status of the Borrower and its consolidated Subsidiaries as a going concern.

(b) As soon as available, but in any event on or prior to the 45th day after the close of the first three quarterly periods of each of its fiscal years (commencing with the first such fiscal quarter of the Borrower ending after the Closing Date), for itself and its Subsidiaries, a consolidated (or, at the Borrower's option and to the extent filed (or to be filed) with the SEC in its quarterly report on Form 10-Q, condensed consolidated) unaudited balance sheet as at the close of each such period and consolidated unaudited statements of operations, comprehensive income (loss) and cash flows for the period from the beginning of such fiscal year to the end of such quarter, all certified by its chief financial officer, chief accounting officer or treasurer.

(c) Together with the financial statements required under Sections 6.01(a) and (b), a compliance certificate in substantially the form of Exhibit A signed by its chief financial officer, chief accounting officer or treasurer showing the calculations necessary to determine compliance with the financial covenant set forth in Section 6.12 and stating that no Default or Unmatured Default exists, or if any Default or Unmatured Default exists, stating the nature and status thereof, it being understood and agreed that in the event the Borrower delivers a notice to the Administrative Agent pursuant to the proviso to the definition of "Agreement Accounting Principles", "Capitalized Leases" and/or "Capitalized Lease Obligations", the Borrower shall deliver an additional calculation of compliance with the financial covenant set forth in Section 6.12 demonstrating that notwithstanding GAAP in effect at such time, the Borrower has complied with Section 6.12 under GAAP (i) as in effect and applied immediately before such change in GAAP (in the case of such a notice under "Agreement Accounting Principles") or (ii) as it relates to operating leases, as in effect on January 31, 2018 (in the case of such a notice under "Capitalized Leases" or "Capitalized Lease Obligations"), which shall satisfy the Borrower's obligation to furnish a calculation of compliance in this Section 6.01(c); *provided* that in no event shall the Borrower be required to furnish the Administrative Agent with more than one version of financial statements pursuant to Section 6.01(a) or Section 6.01(b) prepared in accordance with different versions of GAAP as a result of any such notice.

(d) Promptly upon the filing thereof, copies of all registration statements or other regular reports not otherwise provided pursuant to this Section 6.01 which the Borrower or any of its Subsidiaries files with the SEC.

(e) Such other information with respect to the business, condition or operations, financial or otherwise, and Properties of the Borrower and its Subsidiaries as the Administrative Agent, including at the request of any Lender, may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.01(a), (b) or (d) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto on the Borrower's website or such other website with respect to which the Borrower may from time to time notify the Administrative Agent and to which the Lenders have access; or (ii) on which such documents are posted on the Borrower's behalf by the Administrative Agent on DebtDomain, SyndTrak or another relevant website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent) or filed electronically through EDGAR and available on the Internet at www.sec.gov. The Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery.

The Borrower hereby acknowledges that (a) the Administrative Agent and/or the Arrangers will make available to the Lenders materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "**Borrower Materials**") by posting the Borrower Materials on DebtDomain, SyndTrak or another similar electronic system (the "**Platform**") and (b) certain of the Lenders (each a "**Public Lender**") may have personnel who do not wish to receive material non-public information with respect to the Borrower or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Borrower hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent, the Arrangers and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Borrower or its securities for purposes of United States Federal and state securities laws (*provided*, *however*, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 9.10); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information;" and (z) the Administrative Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform that is not designated "Public Side Information."

Section 6.02 *Use of Proceeds*. The Borrower will, and will cause each of its Subsidiaries to, use the proceeds of the Advances for general corporate purposes (which may include, without limitation, financing the consideration for and fees, costs and expenses related to any Acquisition). The Borrower shall use the proceeds of the Advances in compliance with all applicable legal and regulatory requirements and any such use shall

not result in a violation of any such requirements, including, without limitation, Regulation U and Regulation X, the Securities Act of 1933 and the Securities Exchange Act of 1934 and the regulations promulgated thereunder.

Section 6.03 *Notice of Default*. The Borrower will give prompt notice in writing to the Lenders of the occurrence of any Default or Unmatured Default.

Section 6.04 *Conduct of Business*. The Borrower will, and will cause each of its Subsidiaries to, except as otherwise permitted by Section 6.09, do all things necessary to remain duly incorporated or organized, validly existing and (to the extent such concept applies to such entity) in good standing as a corporation, partnership, limited liability company or other entity in its jurisdiction of incorporation or organization, as the case may be, and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted, except in each case (other than valid existence of the Borrower) where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

Section 6.05 *Compliance with Laws*. The Borrower will, and will cause each of its Major Subsidiaries to, comply in all material respects with all applicable laws, rules, regulations and orders (such compliance to include, without limitation, compliance with ERISA and Environmental Laws and paying before the same become delinquent all Taxes, assessments and governmental charges imposed upon it or upon its property except to the extent contested in good faith), except to the extent such noncompliance would not have a Material Adverse Effect.

Section 6.06 *Inspection; Keeping of Books and Records*. Subject to applicable law and third party confidentiality agreements entered into by the Borrower or any Subsidiary in the ordinary course of business, the Borrower will, and will cause each Subsidiary to, permit the Administrative Agent, during the continuance of a Default or Unmatured Default, by its representatives and agents, to inspect any of the Property, books and financial records of the Borrower and each Subsidiary, to examine and make copies of the books of accounts and other financial records of the Borrower and each Subsidiary, and to discuss the affairs, finances and accounts of the Borrower and each Subsidiary with their respective officers at such reasonable times and intervals as the Administrative Agent may designate but in all events upon reasonable prior notice to the Borrower. The Borrower shall keep and maintain, and cause each of its Subsidiaries to keep and maintain, in all material respects, proper books of record and account in which entries in conformity with GAAP shall be made of all dealings and transactions in relation to their respective businesses and activities.

Section 6.07 *OFAC, FCPA*. The Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries and their respective directors, employees and agents with Anti-Corruption Laws and applicable Sanctions.

Section 6.08 *Maintenance of Material Property and Insurance*. The Borrower will, and will cause each of the Major Subsidiaries to, (a) keep and maintain all property

material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect, and (b) maintain, with reputable insurance companies, insurance, or maintain a self-insurance program, in such amounts and against such risks as are in accordance with normal industry practice, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

Section 6.09 *Merger*.

(a) The Borrower will not (x) merge into or consolidate with any other Person, (y) effect a Disposition to any other Person (other than the Borrower or its Subsidiaries) or (z) liquidate or dissolve, unless (i) the Person formed by such consolidation or into which the Borrower is merged or to whom such Disposition is made shall be a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia and shall expressly assume pursuant to an instrument executed and delivered to the Administrative Agent, and in form and substance reasonably satisfactory to the Administrative Agent, the Borrower's obligations for the due and punctual payment of the Obligations and the performance of every covenant of this Agreement on the part of the Borrower to be performed; and (ii) immediately after giving effect to such transaction, no Default or Unmatured Default shall have occurred and be continuing.

(b) Upon any consolidation by the Borrower with, merger by the Borrower into or Disposition by the Borrower to any other Person (other than the Borrower or its Subsidiaries), the successor Person formed by such consolidation, into which the Borrower is merged or to whom such Disposition is made shall succeed to, and be substituted for, and may exercise every right and power of, the Borrower under this Agreement with the same effect as if such successor Person had been named as the Borrower herein.

(c) For the avoidance of doubt, the only merger or consolidation as to which Section 6.09(a)(x) shall apply shall be a merger or consolidation in which the Borrower is not the surviving Person.

Section 6.10 *Non-Guarantor Subsidiary Indebtedness.* The Borrower will not permit any Major Subsidiary which is not a Guarantor to create, incur, assume or suffer to exist any Specified Indebtedness for Borrowed Money, except:

(a) Specified Indebtedness for Borrowed Money pursuant to any Loan Document.

(b) (i) Specified Indebtedness for Borrowed Money existing on the Effective Date and, to the extent any such Specified Indebtedness for Borrowed Money exceeds $25,000,000 in principal amount, set forth on Schedule 6.10 and (ii) any Permitted Refinancing of any Specified Indebtedness for Borrowed Money specified in clause (i).

(c) Specified Indebtedness for Borrowed Money owed to the Borrower or any other Subsidiary.

(d) (i) Specified Indebtedness for Borrowed Money of a Person existing at the time such Person is acquired by or merged into or consolidated with the Borrower or any Subsidiary, at the time such Person first becomes a Subsidiary or at the time of a sale, lease or other disposition of all or substantially all of the Properties or assets of a Person to the Borrower or any Subsidiary; provided, that, such Specified Indebtedness for Borrowed Money was not incurred in anticipation of such acquisition, consolidation, sale, lease or other disposition; and (ii) any Permitted Refinancing of any Specified Indebtedness for Borrowed Money specified in clause (i).

(e) (i) other Specified Indebtedness for Borrowed Money; provided, that at the time of creation, incurrence or assumption of any such Specified Indebtedness for Borrowed Money, the sum (without duplication) of (A) the aggregate outstanding principal amount of Specified Indebtedness for Borrowed Money created, incurred or assumed pursuant to this clause (e) and (B) the aggregate outstanding principal amount of Indebtedness for Borrowed Money that is secured by a Lien pursuant to Section 6.11(i), does not exceed 10% of Consolidated Assets at such time and (ii) any Permitted Refinancing of any Specified Indebtedness for Borrowed Money specified in clause (i).

(f) (i) Specified Indebtedness for Borrowed Money incurred to finance the payment of all or any part of the cost of acquisition, construction, development or improvement of any fixed or capital assets; provided, that, the commitment of the creditor to provide such Indebtedness for Borrowed Money shall have been obtained not later than 12 months after the completion of the acquisition, construction, development or improvement of such assets; and (ii) any Permitted Refinancing of any Specified Indebtedness for Borrowed Money specified in clause (i).

(g) guaranties of any Specified Indebtedness for Borrowed Money of any non-Guarantor Subsidiary that is otherwise permitted under this Section 6.10.

Section 6.11 *Liens*. The Borrower will not, and will not permit any Major Subsidiary to, create or suffer to exist any Lien in or on any of its Property, in each case to secure or provide for the payment of any Indebtedness for Borrowed Money, except:

(a) Precautionary Liens provided by the Borrower or any Major Subsidiary in connection with the sale, assignment, transfer or other disposition of assets by the Borrower or any Major Subsidiary which transaction is determined by the Board of Directors of the Borrower or such Major Subsidiary to constitute a “sale” under accounting principles generally accepted in the United States.

(b) Liens existing on the Closing Date securing Indebtedness for Borrowed Money.

(c) Usual and customary deposits in favor of lessors and similar deposits in the ordinary course of business.

(d) Liens existing on Property of any Person acquired by the Borrower or any Major Subsidiary (which may include Property previously leased by the Borrower or any of its Subsidiaries and leasehold interests on such Property, provided that the lease

terminates prior to or upon the acquisition), other than any such Lien or security interest created in contemplation of such acquisition (and the replacement, extension or renewal thereof upon or in the same Property).

(e) Liens on Property of a Person existing at the time such Person is merged into or consolidated with the Borrower or any Subsidiary, at the time such Person first becomes a Subsidiary or at the time of a sale, lease or other disposition of all or substantially all of the Properties or assets of a Person to the Borrower or any Subsidiary, provided that such Lien was not incurred in anticipation of the merger, consolidation, sale, lease or other disposition.

(f) Liens in favor of the Borrower or any of its Subsidiaries.

(g) Liens on fixed or capital assets (including real property) to secure the payment of all or any part of the cost of acquisition, construction, development or improvement of such assets, or to secure Indebtedness for Borrowed Money incurred to provide funds for any such purpose; provided, that, (i) the commitment of the creditor to extend the credit secured by any such Lien shall have been obtained not later than 12 months after the completion of the acquisition, construction, development or improvement of such assets, (ii) at the time of creation thereof, the aggregate outstanding principal amount of any such Indebtedness for Borrowed Money secured by such Lien does not exceed the greater of (x) $200,000,000 and (y) 3% of Consolidated Assets at such time, and (iii) such Lien shall not apply to any other Property of the Borrower or any Subsidiary, except for accessions and improvements to such fixed or capital assets covered by such Lien and the proceeds and products thereof.

(h) Liens on cash and securities (and deposit and securities accounts) securing reimbursement obligations in respect of letters of credit and banker's acceptances issued for the account of the Borrower or any of its Subsidiaries in the ordinary course of business.

(i) Liens securing Indebtedness for Borrowed Money; provided, that, at the time of incurrence of any such Indebtedness for Borrowed Money, the sum (without duplication) of (A) the aggregate outstanding principal amount of Indebtedness for Borrowed Money secured pursuant to this clause (i) and (B) the aggregate outstanding principal amount of Specified Indebtedness for Borrowed Money created, incurred or assumed pursuant to Section 6.10(e), does not exceed 10% of Consolidated Assets at such time.

(j) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Liens (or Indebtedness for Borrowed Money secured by Liens) referred to in clauses (a) through (i) and (k), inclusive, provided that such extension, renewal or replacement Lien shall be limited to all or a part of the same Property that secured the Lien extended, renewed or replaced (plus improvements on and accessions to such Property), and (ii) the Indebtedness for Borrowed Money secured by such Lien at such time is not increased (other than by an amount equal to any related financing costs (including, but not limited to, the accrued interest and premium, if any, on the Indebtedness for Borrowed Money being refinanced)).

(k) Liens created in substitution of any Liens permitted by clauses (a) through (j), inclusive, provided that, (i) based on a good faith determination of a senior officer of the Borrower, the property encumbered by such substitute or replacement Lien is substantially similar in nature to the property encumbered by the otherwise permitted Lien that is being replaced, and (ii) the Indebtedness for Borrowed Money secured by such Lien at such time is not increased (other than by an amount equal to any related financing costs (including, but not limited to, the accrued interest and premium, if any, on the Indebtedness for Borrowed Money being refinanced)).

If a Subsidiary incurs a Lien in or on any of its Property to secure or provide for the payment of any Indebtedness for Borrowed Money at the time that it is not a Major Subsidiary, the incurrence and existence of such Lien shall not be prohibited or restricted by, and shall not reduce availability under any clause of, this Section 6.11 upon such Subsidiary subsequently becoming a Major Subsidiary unless such Lien was incurred in contemplation of such Subsidiary becoming a Major Subsidiary.

Section 6.12 *Financial Covenant*.

(a) As of the last day of each fiscal quarter of the Borrower commencing on the last day of the first full fiscal quarter ending after the Closing Date, the Consolidated Leverage Ratio shall not be greater than 3.50:1.00; *provided* that at the election of the Borrower, exercised by written notice delivered by the Borrower to the Administrative Agent at any time prior to the date that is thirty (30) days following consummation of any Material Acquisition by the Borrower or any Subsidiary, such maximum Consolidated Leverage Ratio shall be increased to 4.25 to 1.00; *provided*, *further*, that such increase (x) shall not be effective prior to the consummation of such Material Acquisition, (y) shall only apply for a period of four full fiscal quarters after the consummation of such Material Acquisition and (z) the Consolidated Leverage Ratio of the Borrower shall not exceed 3.50 to 1.00 for more than five consecutive fiscal quarters.

(b) At any time after the definitive agreement for any Material Acquisition shall have been executed (or, in the case of a Material Acquisition in the form of a tender offer or similar transaction, after the offer shall have been launched) and prior to the consummation of such Material Acquisition (or termination of the definitive documentation in respect thereof (or such later date as such indebtedness ceases to constitute Acquisition Debt as set forth in the definition of "Acquisition Debt")), any Acquisition Debt (and the proceeds of such Acquisition Debt) shall be excluded from the definition of Consolidated Leverage Ratio.

Section 6.13 *OFAC, FCPA.* Neither the Borrower nor any of its Subsidiaries will directly, or to the Borrower's knowledge, indirectly, use the proceeds of any Advance or Letter of Credit (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (b) 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 or target of Sanctions in each case of this clause (b) in violation of applicable Sanctions or (c)

in any other manner that will result in a violation of Sanctions applicable to any party hereto.

ARTICLE 7
DEFAULTS

The occurrence of any one or more of the following events following the Closing Date (or, with respect to the event set forth in Section 7.12 below, following the Effective Date and prior to the Closing Date) shall constitute a Default:

Section 7.01 *Breach of Representations or Warranties*. Any representation or warranty made by the Borrower to the Lenders or the Administrative Agent under this Agreement, or any certificate or information delivered in connection with this Agreement, shall be false in any material respect when made or deemed made.

Section 7.02 *Failure to Make Payments When Due*. Nonpayment of (a) principal of any Loan when due or the Borrower's obligation under Section 2.03(f) when due to reimburse an Issuing Lender the amount of each draft under a Letter of Credit paid by such Issuing Lender, or (b) interest upon any Loan, any Commitment Fee or other payment Obligations under any of the Loan Documents within five (5) Business Days after such interest, fee or other Obligation becomes due.

Section 7.03 *Breach of Covenants*. The breach by the Borrower of (a) any of the terms or provisions of Section 6.03, 6.09, 6.10, 6.11 or 6.12 or (b) any of the other terms or provisions of this Agreement which is not remedied within thirty (30) days after the Borrower knows of the occurrence thereof.

Section 7.04 *Cross Default*.

(a) The Borrower or any Major Subsidiary shall fail to pay any principal of or premium or interest on any Indebtedness for Borrowed Money which is outstanding in a principal amount of at least the Requisite Amount in the aggregate (but excluding indebtedness arising hereunder) of the Borrower or such Major Subsidiary (as the case may be) when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness for Borrowed Money unless adequate provision for any such payment has been made in form and substance satisfactory to the Required Lenders.

(b) Any Indebtedness for Borrowed Money of the Borrower or any Major Subsidiary which is outstanding in a principal amount of at least the Requisite Amount in the aggregate shall be declared to be due and payable, or required to be prepaid (other than by a scheduled required prepayment), redeemed, purchased or defeased, or an offer to prepay, redeem, purchase or defease such Indebtedness for Borrowed Money shall be required to be made, in each case prior to the stated maturity thereof as a result of a breach by the Borrower or such Major Subsidiary (as the case may be) of the agreement or instrument relating to such Indebtedness for Borrowed Money and such failure shall

continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness for Borrowed Money unless adequate provision for the payment of such Indebtedness for Borrowed Money has been made in form and substance satisfactory to the Required Lenders.

(c) The Borrower or any of its Major Subsidiaries shall admit in writing its inability to pay its debts generally as they become due.

Section 7.05 *Voluntary Bankruptcy; Appointment of Receiver; Etc*. The Borrower or any of its Major Subsidiaries shall (a) have an order for relief entered with respect to it under the Federal bankruptcy laws as now or hereafter in effect, (b) make an assignment for the benefit of creditors, (c) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any Substantial Portion of its Property, (d) institute any proceeding seeking an order for relief under the Federal bankruptcy laws as now or hereafter in effect or seeking to adjudicate it bankrupt or insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (e) take any corporate or partnership action to authorize or effect any of the foregoing actions set forth in this Section 7.05, or (f) fail to contest in good faith any appointment or proceeding described in Section 7.06.

Section 7.06 *Involuntary Bankruptcy; Appointment of Receiver; Etc*. Without the application, approval or consent of the Borrower or any of its Major Subsidiaries, a receiver, trustee, custodian, examiner, liquidator or similar official shall be appointed for the Borrower or any of its Major Subsidiaries or any Substantial Portion of its Property, or a proceeding described in Section 7.05(d) shall be instituted against the Borrower or any of its Major Subsidiaries, and such appointment continues undischarged, or such proceeding continues undismissed or unstayed, in each case, for a period of sixty (60) consecutive days.

Section 7.07 *Judgments*. The Borrower or any of its Major Subsidiaries shall fail within sixty (60) days to pay, bond or otherwise discharge one or more judgments or orders for the payment of money (except to the extent covered by independent third party insurance and as to which the insurer has not disclaimed coverage) in excess of Requisite Amount (or the equivalent thereof in currencies other than Dollars) in the aggregate, which judgment(s), in any such case, is/are not stayed on appeal or otherwise being appropriately contested in good faith.

Section 7.08 *Unfunded Liabilities*. (i) The aggregate Unfunded Liabilities of all Plans would reasonably be expected to result in a Material Adverse Effect pursuant to clause (a) of the definition thereof; (ii) the present value of the unfunded liabilities to provide the accrued benefits under all Foreign Pension Plans in the aggregate would reasonably be expected to result in a Material Adverse Effect pursuant to clause (a) of the definition thereof; or (iii) any Reportable Event shall occur in connection with any Plan

and such Reportable Event would reasonably be expected to result in a Material Adverse Effect pursuant to clause (a) of the definition thereof.

Section 7.09 *Change of Control.* A Change of Control shall have occurred.

Section 7.10 *Other ERISA Liabilities*. The Borrower, any Subsidiary, or any other member of the Controlled Group shall have been notified by the sponsor of a Multiemployer Plan that it has incurred withdrawal liability or become obligated to make contributions to a Multiemployer Plan in an amount which, when aggregated with all other amounts required to be paid to Multiemployer Plans by the Borrower, any Subsidiary, or any other member of the Controlled Group as withdrawal liability or contributions (determined as of the date of such notification), would reasonably be expected to result in a Material Adverse Effect pursuant to clause (a) of the definition thereof.

Section 7.11 *Invalidity of Loan Documents*. Any material provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations (other than contingent indemnification obligations that survive the termination of this Agreement), ceases to be in full force and effect; or the Borrower contests in any manner the validity or enforceability of any Loan Document; or the Borrower denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan Document for any reason other than as expressly permitted hereunder or thereunder.

Section 7.12 *Pre-Closing Change of Control*. Prior to the Closing Date, the Borrower shall cease to be a direct or indirect wholly-owned Subsidiary of XPO Logistics, Inc. (other than as a result of the satisfaction of the GXO Distribution Condition).

ARTICLE 8
ACCELERATION, WAIVERS, AMENDMENTS AND REMEDIES

Section 8.01 *Acceleration, Etc*. If any Default described in Section 7.05 or 7.06 occurs, the obligations of the Lenders to make Loans and the obligations of the Issuing Lenders to issue Letters of Credit hereunder shall automatically terminate and the Obligations of the Borrower shall immediately become due and payable, and the obligation of the Borrower to Cash Collateralize the L/C Obligations as required in clause (ii) below shall automatically become effective, in each case without any election or action on the part of the Administrative Agent or any Lender or Issuing Lender. If any other Default occurs, the Required Lenders (or the Administrative Agent with the consent of the Required Lenders) may (i) terminate or suspend (in whole or in part) the obligations of the Lenders to make Loans and the Issuing Lenders to issue Letters of Credit hereunder and declare the Obligations of the Borrower to be due and payable (in whole or in part), whereupon such Obligations shall become immediately due and payable, without presentment, demand, protest or notice of any kind, all of which the Borrower hereby expressly waives and (ii) require that the Borrower Cash Collateralize the L/C Obligations in an amount equal to 100% of the outstanding L/C Obligations. Promptly upon any

acceleration of the Obligations, the Administrative Agent will provide the Borrower with notice of such acceleration.

If, within thirty (30) days after acceleration of the maturity of the Obligations of the Borrower or termination of the obligations of the Lenders to make Loans and the obligations of the Issuing Lenders to issue Letters of Credit hereunder as a result of any Default (other than any Default as described in Section 7.05 or 7.06) and before any judgment or decree for the payment of the Obligations due shall have been obtained or entered, the Required Lenders (in their sole discretion) shall so direct, the Administrative Agent shall, by notice to the Borrower, rescind and annul such acceleration and/or termination.

Section 8.02 *Amendments*. Subject to the provisions of this Article 8, Section 2.22 and Section 3.07 and except as otherwise expressly set forth herein, the Required Lenders (or the Administrative Agent with the consent in writing of the Required Lenders) and the Borrower may enter into (with notice to the Administrative Agent, if the Administrative Agent is not acting with the consent in writing of the Required Lenders) agreements supplemental hereto for the purpose of adding or modifying any provisions to the Loan Documents or changing in any manner the rights of the Lenders or the Borrower hereunder or thereunder or waiving any Default hereunder or thereunder; *provided*, *however*, that no such supplemental agreement shall:

(a) Extend the final maturity of any Loan of any Lender (other than as expressly permitted by the terms of Section 2.23) or forgive all or any portion of the principal amount thereof payable to any Lender or of any unpaid obligations of the Borrower under Section 2.03(f) to reimburse an Issuing Lender the amount of each draft under a Letter of Credit paid by such Issuing Lender, or reduce the rate, reduce the amount or extend the scheduled time of payment of interest or fees thereon (other than a waiver of the application of the default rate of interest pursuant to Section 2.11 hereof) payable to any Lender, without the consent of each Lender or Issuing Lender affected thereby.

(b) Reduce the percentage specified in the definition of Required Lenders or any other percentage of Lenders specified to be the applicable percentage in this Agreement to act on specified matters or amend Section 2.19 or the definition of "Pro Rata Share", without the consent of all Lenders affected thereby. For the sake of clarity, the addition of a term loan or an increased or additional revolving credit facility or an extension of the maturity of a portion of the revolving credit facility (including, without limitation, pursuant to Section 2.23) and similar modifications shall be permitted with the consent of the Required Lenders and the Lenders agreeing to participate in the new facility or to increase the amount of their commitment or extend the maturity of their Loans.

(c) Extend the Facility Termination Date as it applies to any Lender or otherwise extend the term or increase the amount of the Commitment of any Lender hereunder (other than as expressly permitted by the terms of Section 2.23, Section 2.22, and the definition of "Facility Termination Date") without the consent of each Lender affected thereby.

(d) Permit the Borrower to assign its rights or obligations under this Agreement except as provided in Section 6.09 without the consent of all Lenders.

(e) Amend this Section 8.02 without the consent of all Lenders.

(f) Amend the definition of "Foreign Currency" or Section 1.05 without the consent of all Lenders.

Notwithstanding the foregoing, (w) no amendment of any provision of this Agreement relating to any Agent shall be effective without the written consent of such Agent; (x) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; (y) any provision of this Agreement or any other Loan Document may be amended by an agreement in writing entered into by the Borrower and the Administrative Agent to cure any ambiguity, omission, defect or inconsistency (including, without limitation, amendments, supplements or waivers to any of documents executed by the Borrower or any Subsidiary in connection with this Agreement if such amendment, supplement or waiver is delivered in order to cause such related documents to be consistent with this Agreement and the other Loan Documents); and (z) no amendment, waiver or consent shall affect the rights or duties of any Issuing Lender under this Agreement or any Loan Document relating to any Letter of Credit issued or to be issued by it without the prior written consent of such Issuing Lender.

Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (it being specifically understood and agreed that any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (A) the Commitment of such Lender may not be increased without the consent of such Lender and (B) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender.

Section 8.03 *Preservation of Rights*. No delay or omission of the Lenders or any Issuing Lender or Agents to exercise any right under the Loan Documents shall impair such right or be construed to be a waiver of any Default or an acquiescence therein, and the making of a Loan or issuance of any Letter of Credit notwithstanding the existence of a Default or Unmatured Default or the inability of the Borrower to satisfy the conditions precedent to such Loan or issuance of Letter of Credit shall not constitute any waiver or acquiescence. Any single or partial exercise of any such right shall not preclude other or further exercise thereof or the exercise of any other right, and no waiver, amendment or other variation of the terms, conditions or provisions of the Loan Documents whatsoever shall be valid unless in writing signed by, or by the Administrative Agent with the consent of, the requisite number of Lenders required pursuant to Section 8.02, and then only to the extent in such writing specifically set forth. All remedies contained in the Loan Documents

or by law afforded shall be cumulative and all shall be available to the Agents and the Lenders until all of the Obligations have been paid in full.

ARTICLE 9
GENERAL PROVISIONS

Section 9.01 *Survival of Representations*. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent, each Lender and each Issuing Lender regardless of any investigation made by the Administrative Agent, any Lender and any Issuing Lender or on their behalf and notwithstanding that the Administrative Agent, any Lender or any Issuing Lender may have had notice or knowledge of any Default at the time of any Advance, and shall continue in full force and effect as long as any Loan, (except as may be Cash Collateralized or as otherwise agreed by the applicable Issuing Lender) L/C Obligation or any other Obligation hereunder (other than any contingent indemnification obligations for which no claim has been made) shall remain unpaid or unsatisfied.

Section 9.02 *Governmental Regulation*. Anything contained in this Agreement to the contrary notwithstanding, no Lender shall be obligated to extend credit to the Borrower in violation of any limitation or prohibition provided by any applicable statute or regulation.

Section 9.03 *Headings*. Section headings in the Loan Documents are for convenience of reference only, and shall not govern the interpretation of any of the provisions of the Loan Documents.

Section 9.04 *Entire Agreement*. The Loan Documents, together with the Fee Letters, embody the entire agreement and understanding among the Borrower, the Agents, the Lenders party thereto and supersede all prior agreements and understandings among the Borrower, the Agents and the Lenders, as applicable, relating to the subject matter thereof.

Section 9.05 *Several Obligations; Benefits of this Agreement*. The respective obligations of the Lenders and the Issuing Lenders hereunder are several and not joint and no Lender or Issuing Lender shall be the partner or agent of any other (except to the extent to which the Agents are authorized to act as such). The failure of any Lender or Issuing Lender to perform any of its obligations hereunder shall not relieve any other Lender or Issuing Lender from any of its obligations hereunder. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 12.01(d) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement; provided, however, that the parties hereto expressly agree that each Arranger shall enjoy the benefits of the provisions of Sections 9.06, 9.09 and 10.07 to the extent specifically set forth therein and shall have the

right to enforce such provisions on its own behalf and in its own name to the same extent as if it were a party to this Agreement.

Section 9.06 *Expenses; Indemnification*.

(a) *Costs and Expenses*. The Borrower shall reimburse from time to time on demand (i) all reasonable and documented out-of-pocket fees and expenses incurred by, without duplication, the Administrative Agent, the Arrangers and their respective Affiliates (in the case of fees, disbursements and other charges of counsel, limited to the reasonable and documented fees, disbursements and other charges of one counsel to the Administrative Agent and the Arrangers and the Lenders (taken together) and, if reasonably necessary, of one local counsel in any relevant jurisdiction) incurred in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof and (ii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, the Issuing Lenders and the Lenders (in the case of fees, disbursements and charges of counsel, limited to the reasonable and documented fees, disbursements and other charges of one counsel to such parties, taken together (and, if reasonably necessary, of one local counsel in any relevant jurisdiction and, solely in the case of an actual or potential conflict of interest, of one additional counsel (and, if reasonably necessary, one additional local counsel in any relevant jurisdiction) for all affected parties, taken together)) in connection with the enforcement or protection of their rights (A) in connection with this Agreement and the other Loan Documents, including their rights under this Section 9.06, or (B) in connection with the Loans or Letters of Credit made or issued hereunder, including all such reasonable and documented out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or the Borrower's obligations in respect of Letters of Credit.

(b) *Indemnification by the Borrower*. The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), each Arranger, each Lender, each Issuing Lender and each of their respective Affiliates, controlling Persons, successors and assigns and their respective officers, directors, employees, agents and advisors (each such Person being called an "**Indemnitee**") against, and hold each Indemnitee harmless from (and will reimburse each Indemnitee as the same are incurred for), any and all losses, claims, damages, liabilities and expenses (in the case of fees, disbursements and charges of counsel, limited to the reasonable and documented fees, disbursements and other charges of one counsel to all Indemnitees, taken together (and, if reasonably necessary, of one local counsel in any relevant jurisdiction and, solely in the case of an actual or potential conflict of interest, of one additional counsel (and, if reasonably necessary, one additional local counsel in any relevant jurisdiction) for all affected Indemnitees, taken together)) that may be incurred by or awarded against any Indemnitee, in each case arising out of or in connection with (i) the Revolving Credit Facility, (ii) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its

Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.05), (iii) any Loan or Letter of Credit or the use or proposed use of the proceeds, (iv) any actual or alleged presence or release of Hazardous Materials on, at, to or from any property currently or formerly owned, leased or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries or (v) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower, and regardless of whether any Indemnitee is a party thereto; *provided* that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (x) the bad faith, gross negligence or willful misconduct of such Indemnitee or its Subject Related Parties, (y) a material breach by such Indemnitee or any of its Subject Related Parties of such Indemnitee's obligations hereunder or under any other Loan Document or (z) a dispute solely among two or more Indemnitees not arising from any act or omission of the Borrower or its Subsidiaries hereunder (other than claims against an Indemnitee in its capacity or as a result of fulfilling its role as an Agent, Arranger or similar role under any of the Loan Documents). This Section 9.06(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim. In the case of an investigation, litigation or proceeding to which the indemnity in this Section 9.06(b) applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by the Borrower, its equityholders or creditors or any other third party or an Indemnitee, whether or not an Indemnitee is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated.

(c) *Reimbursement by Lenders*. To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under subsection (a) of this Section 9.06 or the Borrower for any reason fails to indefeasibly pay or cause to be paid any amount required under subsection (b) of this Section 9.06, in each case, to be paid to the Administrative Agent (or any sub-agent thereof), any Arranger, any Issuing Lender or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), such Arranger, such Issuing Lender or such Related Party, as the case may be, such Lender's Pro Rata Share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, *provided* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), such Arranger or such Issuing Lender in its capacity as such or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), such Arranger or such Issuing Lender in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.17(c).

(d) *Waiver of Consequential Damages, Limitation of Liability*. To the fullest extent permitted by applicable law, each party hereto agrees that it shall not assert, and hereby waives, any claim against any other party hereto, on any theory of liability, for

special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof (it being agreed that the Borrower's indemnity and contribution obligations set forth in this Section 9.06 shall apply in respect of any special, indirect, consequential or punitive damages that may be awarded against any Indemnitee in connection with a claim by a third party unaffiliated with the Indemnitee). None of the Administrative Agent (and any sub-agent thereof), each Arranger, each Lender, each Issuing Lender and each of their respective Affiliates, controlling Persons, successors and assigns and their respective officers, directors, employees, agents and advisors (each such Person being called a "**Protected Party**") shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Protected Party through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence, bad faith or willful misconduct of such Protected Party or its Subject Related Parties or a material breach of such Protected Party's or its Subject Related Parties' obligations hereunder or under any other Loan Document, in each case, as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) *Payments*. All amounts due under this Section 9.06 shall be payable not later than ten (10) Business Days after written demand therefor.

(f) *Survival*. The agreements in this Section 9.06 shall survive the resignation of the Administrative Agent, the replacement of any Lender, the termination of the Aggregate Commitment and the repayment, satisfaction or discharge of all the other Obligations.

Section 9.07 *Accounting*. Except as provided to the contrary herein, all accounting terms used herein shall be interpreted and all accounting determinations hereunder shall be made in accordance with the Agreement Accounting Principles.

Section 9.08 *Severability of Provisions*. Any provision in any Loan Document that 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 in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of all Loan Documents are declared to be severable. Without limiting the foregoing provisions of this Section 9.08, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

Section 9.09 *Nonliability of Lenders*. The relationship between the Borrower on the one hand and the Lenders and the Agents on the other hand shall be solely that of borrower and lender. None of the Agents, the Arrangers or any Lender shall have any

fiduciary responsibilities to the Borrower. None of the Agents, the Arrangers or any Lender undertakes any responsibility to the Borrower to review or inform the Borrower of any matter in connection with any phase of the Borrower's business or operations.

Section 9.10 *Confidentiality*. Each of the Administrative Agent, each other Agent, the Issuing Lenders and the Lenders agrees to use all Information received by them solely for the purposes of providing the services that are the subject of this Agreement and to maintain the confidentiality of the Information, except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, trustees, advisors and agents (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority (including any self-regulatory authority), in which case such Administrative Agent, other Agent, Issuing Lender or Lender, as applicable, agrees to the extent reasonably practicable and not prohibited by applicable law, rule, regulation or order, to inform the Borrower promptly of the disclosure thereof, (c) to the extent required by applicable laws, rules or regulations or by any subpoena or order or similar legal process (in which case such Administrative Agent, other Agent, Issuing Lender or Lender, as applicable, agrees to the extent not prohibited by applicable law, rule, regulation or order, to inform the Borrower promptly of the disclosure thereof), (d) in connection with performing the services set forth herein and consummating the transactions contemplated hereby, to any prospective Lender or Issuing Lender or participant subject to the such prospective Lender or Issuing Lender or participant agreeing to confidentiality arrangements (for the benefit of the Borrower) no less favorable to the Borrower than those set forth in this Section 9.10, (e) to potential counterparties to any swap or derivative transaction, subject to the confidentiality agreements in favor of the Borrower no less favorable to the Borrower than this paragraph, (f) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, (g) with the prior written consent of the Borrower, (h) in connection with obtaining CUSIP numbers, (i) as and to the extent set forth in Section 12.02, (j) to the extent such Information (x) is or becomes publicly available other than as a result of a breach of this Section 9.10 or (y) becomes available to such Administrative Agent, other Agent, Issuing Lender or Lender, as applicable, from a source other than the Borrower (or the Borrower's representatives) that is not, such Person's knowledge, subject to confidentiality or fiduciary obligations owing to the Borrower or any of the Borrower's Subsidiaries, (k) to any other party hereto and (l) to any rating agency on a confidential basis in connection with rating the Borrower or the credit facility evidenced by this Agreement. Notwithstanding the foregoing, the Administrative Agent shall not be required to provide notice of any Lender by any governmental agency or examiner or regulatory body with jurisdiction over any Lender.

In addition, on a confidential basis, the Administrative Agent, each Issuing Lender and each Lender may disclose the existence and terms of this Agreement (including, without limitation, the Aggregate Commitment, the nature of the facility as a revolving credit facility, the use of proceeds provisions herein and the principal amount outstanding at a given time), and the identity of the parties hereto (including titles and participants) to market data collectors, similar services providers to the lending industry, and service

providers to the Administrative Agent, the Issuing Lenders and the Lenders in connection with the administration and management of this Agreement and the other Loan Documents.

For purposes of this Section 9.10, "**Information**" means all information received from the Borrower or any Subsidiary relating to the Borrower or any Subsidiary or any of their respective businesses in connection with the transactions contemplated hereby.

Each of the Administrative Agent, the Issuing Lenders and the Lenders acknowledges that (a) the Information may include material non-public information concerning the Borrower or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable law, including United States Federal and state securities laws.

Section 9.11 *Nonreliance*. Each of the Lenders hereby represents that it is not relying on or looking to any margin stock (as defined in Regulation U) as collateral in the extension or maintenance of the credit provided for herein.

Section 9.12 *Disclosure*. The Borrower, the Issuing Lenders and each Lender hereby acknowledge and agree that the Administrative Agent, Arrangers and/or their respective Affiliates and certain of the other Lenders, Issuing Lenders and/or their respective Affiliates from time to time may hold investments in, make other loans to or have other relationships with the Borrower and its Affiliates.

ARTICLE 10
THE ADMINISTRATIVE AGENT

Section 10.01 *Appointment and Authority*. Each of the Lenders and each Issuing Lender hereby irrevocably appoints Citibank to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article 10 (other than Section 10.06 below) are solely for the benefit of the Administrative Agent, the Lenders and the Issuing Lenders, and the Borrower shall not have rights as a third party beneficiary of any of such provisions (other than as provided in Section 10.06 below). It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 10.02 *Rights as a Lender*. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent

hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

Section 10.03 *Reliance by Administrative Agent*. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan or the issuance, extension, renewal, amendment or increase of a Letter of Credit that by its terms must be fulfilled to the satisfaction of a Lender or an Issuing Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender or Issuing Lender unless the Administrative Agent shall have received notice to the contrary from such Lender or Issuing Lender prior to the making of such Loan or the issuance, extension, renewal, amendment or increase of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in good faith in accordance with the advice of any such counsel, accountants or experts.

Section 10.04 *Exculpatory Provisions*. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or

obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

Neither the Administrative Agent nor any of its Related Parties shall be liable for any action taken or not taken by the Administrative Agent (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Article 8) or (ii) in the absence of (A) its and its Subject Related Parties' gross negligence or willful misconduct as determined by a court of competent jurisdiction by a final and non-appealable judgment and (B) material breach by the Administrative Agent and its Subject Related Parties of the Administrative Agent's obligations pursuant to the terms of the Loan Documents as determined by a court of competent jurisdiction by a final and non-appealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Borrower or a Lender.

Neither the Administrative Agent nor any of its Related Parties shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith (including any report provided to it by an Issuing Lender pursuant to Section 2.03), (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, (v) the satisfaction of any condition set forth in Article 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent, or (vi) the utilization of any Issuing Lender's L/C Commitment (it being understood and agreed that each Issuing Lender shall monitor compliance with its own L/C Commitment without any further action by the Administrative Agent).

Section 10.05 *Delegation of Duties*. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article 10 shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that the Administrative Agent acted with gross negligence or willful misconduct (or breached its material obligations under the Loan Documents) in the selection of such sub-agents.

Section 10.06 *Resignation of Administrative Agent*.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders, the Issuing Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, subject to, so long as no Default has occurred and is continuing, the consent of the Borrower (such consent not to be unreasonably withheld or delayed), to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (such date, or the date, if earlier, upon which a successor is appointed, the "**Resignation Effective Date**"), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders and the Issuing Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above, subject to, so long as no Default has occurred and is continuing, the consent of the Borrower (such consent not to be unreasonably withheld or delayed). Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent and, subject to, so long as no Default has occurred and is continuing, the consent of the Borrower (such consent not to be unreasonably withheld or delayed), appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty days (or such earlier day as shall be agreed by the Required Lenders) (the "**Removal Effective Date**"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (i) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (ii) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and each Issuing Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above in this Section. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired or removed) Administrative Agent (other than as provided in Section 3.08 and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The

fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article 10 and Section 9.06 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them (i) while the retiring or removed Administrative Agent was acting as Administrative Agent and (ii) after such resignation or removal for as long as any of them continues to act in any agency capacity hereunder or under the other Loan Documents, including in respect of any actions taken in connection with transferring the agency to any successor Administrative Agent.

Section 10.07 *Non-Reliance on Administrative Agent and Other Lenders*. Each of the Lenders and each Issuing Lender acknowledges that it has, independently and without reliance upon the Administrative Agent, any Arranger or any other Lender or Issuing Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each of the Lenders and each Issuing Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any Arranger or any other Lender or Issuing Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

Section 10.08 *No Other Duties, Etc*. Anything herein to the contrary notwithstanding, none of the Arrangers or other Agents listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or an Issuing Lender hereunder.

Section 10.09 *Administrative Agent May File Proofs of Claim*. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to the Borrower, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated), by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the Issuing Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the Issuing Lenders

and the Administrative Agent under Sections 2.09, 3.03 and 9.06) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and each Issuing Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the Issuing Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.09, 3.03 and 9.06.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or Issuing Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or Issuing Lender to authorize the Administrative Agent to vote in respect of the claim of any Lender or Issuing Lender in any such proceeding.

Section 10.10 *ERISA*. (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 Borrower, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the

Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of 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 sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or a Lender has provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that none of the Administrative Agent, any Arranger 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 hereto or thereto).

Section 10.11 *Erroneous Payments*.

(a) If the Administrative Agent notifies a Lender, Issuing Lender or any Person who has received funds on behalf of a Lender or Issuing Lender (any such Lender, Issuing Lender or other recipient, but for the avoidance of doubt excluding the Borrower and its Subsidiaries, a "***Payment Recipient***") that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, Issuing Lender or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "***Erroneous Payment***") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Lender or Issuing Lender shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter, return to the Administrative Agent the amount of

any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Lender or Issuing Lender hereby further agrees that if it or a Payment Recipient on its behalf receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Lender, Issuing Lender or other such Payment Recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

(i) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Administrative Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Lender or Issuing Lender shall (and shall cause any other Payment Recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of obtaining knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 10.11(b).

(c) Each Lender or Issuing Lender hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Lender or Issuing Lender under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such Lender or Issuing Lender from any source, against any amount due to the Administrative Agent under immediately preceding clause (a) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent from any Payment Recipient for any reason, after demand therefor by the Administrative Agent in accordance with immediately preceding clause (a), from any Lender or Issuing Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "***Erroneous***

Payment Return Deficiency"), upon the Administrative Agent's notice to such Lender or Issuing Lender at any time, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Lender or Issuing Lender under the Loan Documents with respect to each Erroneous Payment Return Deficiency.

(e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any of its Subsidiaries, except, in each case, solely to the extent such Erroneous Payment is comprised of funds received by the Administrative Agent from the Borrower or any of its Subsidiaries for the purpose of making any payment hereunder that became subject to such Erroneous Payment.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine.

(g) Each party's obligations, agreements and waivers under this Section 10.11 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender or Issuing Lender, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

ARTICLE 11
SETOFF

Section 11.01 *Setoff*. In addition to, and without limitation of, any rights of the Lenders or any Issuing Lender under applicable law, if any Default occurs, any and all deposits (including all account balances, whether provisional or final and whether or not collected or available) and any other Indebtedness at any time held or owing by any Lender or any Issuing Lender or any Affiliate of any Lender or Issuing Lender to or for the credit or account of the Borrower may be offset and applied toward the payment of the Obligations of the Borrower then owing to such Lender or Issuing Lender to the extent the Obligations shall then be due; *provided*, that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.21 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff.

ARTICLE 12
BENEFIT OF AGREEMENT; ASSIGNMENTS; PARTICIPATIONS

Section 12.01 *Successors and Assigns*.

(a) *Successors and Assigns Generally*. The provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder or thereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void).

(b) *Assignments by Lenders*. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment and the Loans (including for purposes of this subsection (b), participations in L/C Obligations) at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than $25,000,000 unless each of the Administrative Agent and, so long as no Default under Section 7.02, 7.05 or 7.06 has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); *provided*, *however*, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met.

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the prior written consent of the Borrower (such consent to not to be unreasonably withheld or delayed) shall be required unless such assignment is to a Lender or an Affiliate of a Lender or a Default under Section 7.02, Section 7.05 or Section 7.06 has occurred and is continuing; provided that no assignment shall result in any Lender, together with its Affiliates, holding more than 30% of the Aggregate Commitments at any time without the prior written consent of the Borrower;

(B) the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required if such assignment is to a Person that is not a Lender, an Affiliate of a Lender or an Approved Fund with respect to a Lender; and

(C) the consent of the Issuing Lenders (such consent not to be unreasonably withheld or delayed) shall be required for any assignment.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of $3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an administrative questionnaire.

(v) No Assignment to Borrower. No such assignment shall be made to the Borrower or any of its Affiliates or Subsidiaries.

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural person.

(vii) No Assignment to Defaulting Lenders. No such assignment shall be made to a Defaulting Lender.

(viii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee

of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the Pro Rata Share of Revolving Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, the Issuing Lenders or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full Pro Rata Share of all Loans and participations in Letters of Credit. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.03, 3.04, 3.05 and 9.06 with respect to facts and circumstances occurring prior to the effective date of such assignment. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) *Register*. The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments and L/C Commitments of, and principal amounts (and stated interest) of the Loans and L/C Obligations owing to, each Lender and Issuing Lender, as applicable, pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender or Issuing Lender, as applicable, hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. In addition, the Administrative Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as a Defaulting Lender. The Register shall be available for inspection by the Borrower at any reasonable time and from time to time upon reasonable prior notice. In addition, at any time that a request for a consent for a material or substantive change to the Loan Documents is

pending, any Lender may request and receive from the Administrative Agent a copy of the Register.

(d) *Participations*. Any Lender may at any time, without the prior written consent of the Borrower, Administrative Agent or any Issuing Lender, sell participations to any Person (other than a natural person, Defaulting Lender or the Borrower or any of its Affiliates or Subsidiaries) (each, a "**Participant**") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in L/C Obligations)); *provided* that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent, the Issuing Lenders and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the proviso to Section 8.02 that affects such Participant. Subject to subsection (e) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Section 3.01, 3.03, 3.04 or 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.01 as though it were a Lender, *provided* that such Participant agrees to be subject to Section 2.19 as though it were a Lender.

Each Lender that sells a participation shall, acting solely for this purpose as a nonfiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other Obligations under the Loan Documents (the "**Participant Register**"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans or its other Obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Loan or other Obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) *Limitations upon Participant Rights*. A Participant shall not be entitled to receive any greater payment under Section 3.01, 3.03, 3.04 or 3.05 than the applicable Lender would have been entitled to receive with respect to the participation sold to such

Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant shall not be entitled to the benefits of Section 3.05 unless such Participant agrees to comply with Section 3.05 as though it were a Lender (it being understood that the documentation required under Section 3.05(e) shall be delivered to the Lender who sells the participation).

(f) *Certain Pledges*. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central banking authority having jurisdiction over such Lender; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 12.02 *Dissemination of Information*. The Borrower authorizes each of the Lenders to disclose to any Participant and any prospective Participant any and all information in such Lender's possession concerning the creditworthiness of the Borrower and its Subsidiaries, including without limitation any information contained in any reports or other information delivered by the Borrower pursuant to Section 6.01; *provided* that each Participant and prospective Participant agrees to be bound by Section 9.10 of this Agreement or other provisions at least as restrictive as Section 9.10 including making the acknowledgments set forth therein (in each case for the benefit of the Borrower).

Section 12.03 *Tax Treatment*. If any interest in any Loan Document is transferred to any Participant which is organized under the laws of any jurisdiction other than the United States or any State thereof, the transferor Lender shall cause such Participant, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 3.05(e).

ARTICLE 13
NOTICES

Section 13.01 *Notices; Effectiveness; Electronic Communication*.

(a) *Notices Generally*. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower or the Administrative Agent, to the address, telecopier number, electronic mail address or telephone number set forth on Schedule 13.01; and

(ii) if to any other Lender or Issuing Lender, to the address, telecopier number, electronic mail address or telephone number specified in its administrative questionnaire.

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) *Electronic Communications*. Notices and other communications to the Lenders and Issuing Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and internet or intranet websites) pursuant to procedures approved by the Administrative Agent or as otherwise determined by the Administrative Agent, *provided* that the foregoing shall not apply to notices to any Lender or Issuing Lender pursuant to Article 2 if such Lender or Issuing Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent, the Borrower or any Issuing Lender may, in its respective discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it or as it otherwise determines, *provided* that such determination or approval may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), *provided* that if such notice or other communication is not given during the normal business hours of the recipient, such notice or communication shall be deemed to have been given at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) *The Platform*. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY

IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "**Agent Parties**") have any liability to the Borrower, any Lender, any Issuing Lender or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's or the Administrative Agent's transmission of Borrower Materials through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of, or breach of its material obligations under any Loan Document by, such Agent Party; provided, however, that in no event shall any Agent Party have any liability to the Borrower, any Lender, any Issuing Lender or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) *Change of Address, Etc*. Each of the Borrower, the Administrative Agent and each Issuing Lender may change its address, telecopier or telephone number for notices and other communications hereunder by written notice to the other parties hereto. Each other Lender may change its address, telecopier or telephone number for notices and other communications hereunder by written notice to the Borrower, the Administrative Agent and each Issuing Lender. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, telecopier number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable law, including United States Federal and state securities laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States Federal or state securities laws.

(e) *Reliance by Administrative Agent and Lenders*. The Administrative Agent, the Lenders and the Issuing Lenders shall be entitled to rely and act upon any notices purportedly given by or on behalf of the Borrower so long as such notices appear on their face to be authentic even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify the Administrative Agent, each Lender, each Issuing Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower. All telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

ARTICLE 14
COUNTERPARTS; INTEGRATION; EFFECTIVENESS; ELECTRONIC EXECUTION

Section 14.01 *Counterparts; Effectiveness*. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Except as provided in Article 4, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or email shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 14.02 *Electronic Execution*. The words "delivery", "execute," "execution," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other modifications, Conversion/Continuation Notices, Borrowing Notices, waivers and consents) (each, a "**Communication**") shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. For the avoidance of doubt, the authorization under this Section 14.02 may include, without limitation, use or acceptance by the Borrower, 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 Borrower, 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. Notwithstanding anything contained herein to the contrary, the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it; provided, 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 the Borrower without further verification and (b) upon the reasonable 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.

ARTICLE 15
CHOICE OF LAW; CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL

Section 15.01 *Choice of Law*. THE LOAN DOCUMENTS AND OBLIGATIONS OF THE PARTIES THEREUNDER (INCLUDING, WITHOUT LIMITATION, ANY CLAIMS SOUNDING IN CONTRACT LAW OR TORT LAW ARISING OUT OF THE SUBJECT MATTER THEREOF AND ANY DETERMINATIONS WITH RESPECT TO POST-JUDGMENT INTEREST) SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES THEREOF THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

Section 15.02 *Consent to Jurisdiction*. EACH OF THE BORROWER, THE AGENTS, THE ISSUING LENDERS AND THE LENDERS HEREBY IRREVOCABLY SUBMITS TO JURISDICTION OF ANY FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN THE BOROUGH OF MANHATTAN OR, IF THAT COURT DOES NOT HAVE SUBJECT MATTER JURISDICTION, OF ANY STATE COURT LOCATED IN THE BOROUGH OF MANHATTAN IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS AND HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING SHALL BE HEARD AND DETERMINED IN ANY SUCH COURT AND IRREVOCABLY WAIVES ANY OBJECTION IT MAY NOW OR HEREAFTER HAVE AS TO THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT OR THAT SUCH COURT IS AN INCONVENIENT FORUM. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE AGENTS, THE ISSUING LENDERS OR ANY LENDER TO BRING PROCEEDINGS AGAINST THE BORROWER IN THE COURTS OF ANY OTHER JURISDICTION. ANY JUDICIAL PROCEEDING BROUGHT BY THE BORROWER, DIRECTLY OR INDIRECTLY, IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH ANY LOAN DOCUMENT SHALL BE BROUGHT ONLY IN A COURT IN ANY FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN THE BOROUGH OF MANHATTAN OR, IF THAT COURT DOES NOT HAVE SUBJECT MATTER JURISDICTION, IN ANY STATE COURT LOCATED IN THE CITY AND COUNTY OF NEW YORK.

EACH OF THE BORROWER, THE AGENTS, THE ISSUING LENDERS AND THE LENDERS HEREBY AGREES FURTHER THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE PERSON AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 13.01 AND AGREES THAT SUCH SERVICE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE PERSON IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES

EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT. NOTHING HEREIN SHALL LIMIT THE RIGHT OF THE AGENTS OR LENDERS TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

Section 15.03 *Waiver of Jury Trial*. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (b) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 15.04 *U.S. Patriot Act and Beneficial Ownership Regulation Notice*. Each Lender that is subject to the U.S. Patriot Act and the Beneficial Ownership Regulation and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the U.S. Patriot Act and the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name, address and tax forms of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the U.S. Patriot Act and Beneficial Ownership Regulation. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the U.S. Patriot Act and Beneficial Ownership Regulation.

Section 15.05 *No Advisory or Fiduciary Responsibility*. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers and the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Arrangers and the Lenders, on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) each of the Administrative Agent, the Arrangers and the Lenders is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor,

agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) neither the Administrative Agent nor the Arrangers nor any of the Lenders has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the Arrangers, the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent nor the Arrangers nor any of the Lenders has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby agrees and covenants that it will not make any claims that it may have against the Administrative Agent, the Arrangers and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 15.06 *Judgment Currency*. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of the Borrower in respect of any such sum due from it to the Administrative Agent, any Issuing Lender 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, such Issuing Lender or such Lender, as the case may be, of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent, such Issuing Lender 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, any Issuing Lender or any Lender from the Borrower in the Agreement Currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent, such Issuing Lender 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, any Issuing Lender or any Lender in such currency, the Administrative Agent, such Issuing Lender or such Lender, as the case may be, agrees to return the amount of any excess to the Borrower (or to any other Person who may be entitled thereto under applicable law).

Section 15.07 *Acknowledgement and Consent to Bail-In of Affected Financial Institutions*. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent 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 and Conversion Powers of the applicable Resolution Authority.

ARTICLE 16
GUARANTEE

Section 16.01 *Guarantors*. Any time after the Effective Date, the Borrower may cause any Subsidiary of the Borrower to guarantee the Obligations of the Borrower under the Loan Documents by delivering to the Administrative Agent customary joinder documentation reasonably acceptable to the Administrative Agent, and pursuant to which such Person shall become a "Guarantor" for all purposes under this Agreement and each other Loan Document and shall be bound by all of the obligations of and shall have all of the rights of a "Guarantor" under this Agreement and each other Loan Document including, without limitation, providing the guarantee of the Guaranteed Obligations as set forth in this Article 16.

Section 16.02 *Guarantee*. Upon becoming a Guarantor pursuant to Section 16.01, each Guarantor, on a joint and several basis, unconditionally guarantees (the undertaking of each Guarantor contained in this Article 16 being a "**Guarantee**") the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all Obligations of the Borrower now or hereafter existing under the Loan Documents, whether for principal, interest, fees, expenses or otherwise (such obligations, collectively, being the "**Guaranteed Obligations**"). Each Guarantee is a guaranty of payment and not of collection. Upon becoming a Guarantor pursuant to Section 16.01 each Guarantor agrees that, as between each Guarantor and the Administrative Agent, the Guaranteed Obligations may be declared to be due and payable for purposes of its Guarantee notwithstanding any stay (including any stay imposed by the commencement by or against the Borrower of any proceeding under any Debtor Relief Laws naming the Borrower as the debtor in such proceeding), injunction or other prohibition which may prevent, delay or vitiate any declaration as regards the Borrower and that in the event of a declaration or attempted declaration, the Guaranteed Obligations shall immediately become due and payable by the

Guarantors for purposes of its Guarantee. Anything contained herein to the contrary notwithstanding, the obligations of each Guarantor hereunder at any time shall, without further action by any Guarantor or any other Person, be automatically limited and reduced to an aggregate amount equal to the largest amount that would not render such Guarantor's obligations hereunder invalid and unenforceable or otherwise subject to avoidance as a fraudulent transfer or conveyance under Section 548 of the U.S. Bankruptcy Code or any comparable provisions of any similar federal or state law (including the Uniform Fraudulent Conveyance Act and the Uniform Fraudulent Transfer Act) or subordinated to the claims of other creditors as determined in such proceeding.

Section 16.03 *Guaranty Absolute.* Upon becoming a Guarantor pursuant to Section 16.01, each Guarantor guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of this Agreement, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Administrative Agent, the Issuing Lenders or the Lenders with respect thereto. The liability of each Guarantor under its Guarantee shall be absolute and unconditional irrespective of:

(a) any lack of validity, enforceability or genuineness of any provision of any Loan Document, any Guaranteed Obligations or any other agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations, or any other amendment or waiver of or any consent to departure from this Agreement;

(c) any exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Guaranteed Obligations;

(d) any law or regulation of any jurisdiction or any other event affecting any term of a Guaranteed Obligation; or

(e) any other circumstance which might otherwise constitute a defense available to, or a discharge of, any Guarantor or the Borrower.

Each Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by the Administrative Agent, any L/C Issuer or any Lender upon the insolvency, bankruptcy or reorganization of the Borrower or otherwise, all as though such payment had not been made.

Section 16.04 *Waivers.*

(a) Upon becoming a Guarantor pursuant to Section 16.01, each Guarantor waives promptness, diligence, notice of acceptance and any other notice with respect to any of the Guaranteed Obligations and its Guarantee and any requirement that the Administrative Agent, any Issuing Lender or any Lender protect, secure, perfect or

insure any security interest or lien or any property subject thereto or exhaust any right or take any action against the Borrower or any other Person or any collateral.

(b) Upon becoming a Guarantor pursuant to Section 16.01, each Guarantor irrevocably waives any claims or other rights that it may now or hereafter acquire against the Borrower that arise from the existence, payment, performance or enforcement of the obligations of any Guarantor under its Guarantee, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of the Administrative Agent, any Issuing Lender or any Lender against the Borrower or any collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from the Borrower, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right. If any amount shall be paid to any Guarantor in violation of the preceding sentence at any time prior to the later of the payment in full of the Guaranteed Obligations and all other amounts payable under such Guarantor's Guarantee and the Facility Termination Date, such amount shall be held in trust for the benefit of the Administrative Agent, any Issuing Lender and the Lenders and shall forthwith be paid to the Administrative Agent to be credited and applied to the Guaranteed Obligations and all other amounts payable under such Guarantor's Guarantee, whether matured or unmatured, in accordance with the terms of this Agreement and such Guarantor's Guarantee, or to be held as collateral for any Guaranteed Obligations or other amounts payable under the Guarantee thereafter arising. Upon becoming a Guarantor pursuant to Section 16.01, each Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by this Agreement and its Guarantee and that the waiver set forth in this Section 16.04(b) is knowingly made in contemplation of such benefits.

Section 16.05 *Continuing Guaranty*. Each Guarantee is a continuing guaranty and shall (i) remain in full force and effect until payment in full of the Guaranteed Obligations (including any and all Guaranteed Obligations which remain outstanding after the Facility Termination Date) and all other amounts payable under its Guarantee, (ii) be binding upon each Guarantor and its successors and assigns, and (iii) inure to the benefit of and be enforceable by the Lenders, the Issuing Lenders, the Administrative Agent and their respective successors, transferees and assigns.

Section 16.06 *Release of Guarantors*.

(a) If (i) in compliance with the terms and provisions of this Agreement, any Guarantor ceases to constitute a Subsidiary of the Borrower or (ii) after giving effect to the release of any Guarantor, there is no Default under this Agreement, then such Guarantor shall, in the discretion of the Borrower upon notice in writing to the Administrative Agent, automatically be released from its obligations under this Agreement or any other Loan Document, including the Guarantee set forth in this Article 16, and thereafter such Person shall no longer constitute a Guarantor under this Agreement or any other Loan Documents.

(b) At the request of the Borrower, the Administrative Agent shall, at the Borrower's expense, execute such documents as are reasonably necessary to acknowledge any such release in accordance with this Section 16.06, so long as the Borrower shall have provided the Administrative Agent a certificate, signed by an Authorized Officer of the Borrower, certifying as to satisfaction of one of the requirements set forth in clause (a) above.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

GXO LOGISTICS, INC.

/s/ Baris Oran

Name: Baris Oran
Title: Chief Financial Officer

[Signature Page to Credit Agreement]

CITIBANK, N.A.
as Administrative Agent,
a Lender and an Issuing Lender

By: /s/ Richard Rivera
Name: Richard Rivera
Title: Vice President

[Signature Page to Credit Agreement]

BARCLAYS BANK PLC,
as a Lender and an Issuing Lender

By: /s/ Craig Malloy
Name: Craig Malloy
Title: Director

[Signature Page to Credit Agreement]

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
as a Lender and an Issuing Lender

By: /s/ Gordon Yip
Name: Gordon Yip
Title: Director

By: /s/ Paul Arens
Name: Paul Arens
Title: Director

Wells Fargo Bank, National Association,
as a Lender

By: /s/ Kevin Valenta
Name: Kevin Valenta
Title: Director

[Signature Page to Credit Agreement]

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

By: /s/ Patrick D. Mueller
Name: Patrick D. Mueller
Title: Managing Director

[Signature Page to Credit Agreement]

The Bank of Nova Scotia,
as a Lender

By: /s/ Frans Braniotis
Name: Frans Braniotis
Title: Managing Director

[Signature Page to Credit Agreement]

MORGAN STANLEY BANK, N.A.,
as a Lender

By: /s/ Michael King
Name: Michael King
Title: Authorized Signatory

[Signature Page to Credit Agreement]

BANK OF AMERICA, N.A.
as a Lender

By: /s/ Stephen J. D'Elia
Name: Stephen J. D'Elia
Title: Vice President

[Signature Page to Credit Agreement]

DEUTSCHE BANK AG NEW YORK BRANCH,
as a Lender

By:	/s/ Ming K. Chu		
Name:	Ming K. Chu		ming.k.chu@db.com
Title:	Director	+	1-212-250-5451

By:	/s/ Marko Lukin		
Name:	Marko Lukin		marko.lukin@db.com
Title:	Vice President	+	1-212-250-7283

[Signature Page to Credit Agreement]

Capital One, National Association,
as a Lender

By: /s/ Danielle Katz
Name: Danielle Katz
Title: Duly Authorized Signatory

[Signature Page to Credit Agreement]

BNP Paribas, as a Lender

By:	/s/ Tony Baratta
Name:	Tony Baratta
Title:	Managing Director

By:	/s/ Michael Hoffman
Name:	Michael Hoffman
Title:	Director

GOLDMAN SACHS BANK USA,
as a Lender

By: /s/ Ryan Durkin
Name: Ryan Durkin
Title: Authorized Signatory

[Signature Page to Credit Agreement]

Truist Bank,
as a Lender

By: /s/ Chris Hursey
Name: Chris Hursey
Title: Director

[Signature Page to Credit Agreement]

PRICING SCHEDULE
TO REVOLVING CREDIT AGREEMENT

APPLICABLE MARGIN

	Pricing Level I	**Pricing Level II**	**Pricing Level III**	**Pricing Level IV**	**Pricing Level V**
Public Debt Rating	≥ BBB+ and BBB+	BBB and BBB	BBB− and BBB−	BB+ and BB+	≤ BB and BB
Applicable Margin	1.000%	1.125%	1.250%	1.750%	2.000%

COMMITMENT FEE

	Pricing Level I	**Pricing Level II**	**Pricing Level III**	**Pricing Level IV**	**Pricing Level V**
Public Debt Rating	≥ BBB+ and BBB+	BBB and BBB	BBB− and BBB−	BB+ and BB+	≤ BB and BB
Commitment Fee	0.125%	0.150%	0.175%	0.225%	0.275%

For the purpose of the foregoing charts, (a) if only one of S&P and Fitch shall have in effect a Public Debt Rating, the Applicable Margin or Commitment Fee, as applicable, shall be determined by reference to the available Public Debt Rating; (b) if neither S&P nor Fitch shall have in effect a Public Debt Rating, the Applicable Margin or Commitment Fee, as applicable, shall be set in accordance with Pricing Level V until such time as either S&P or Fitch shall have in effect a Public Debt Rating; (c) if the Public Debt Ratings established by S&P and Fitch shall fall within different levels, the Applicable Margin or Commitment Fee, as applicable, shall be based upon the higher of such Public Debt Ratings, except that in the event that the lower of such Public Debt Ratings is more than one level below the higher of such Public Debt Ratings, the Applicable Margin or Commitment Fee, as applicable, shall be based upon the level immediately below the higher of such Public Debt Ratings; (d) if any Public Debt Rating established by either S&P or Fitch shall be changed, such change shall be effective as of the date on which such change is first announced publicly by the rating agency making such change; and (e) if either S&P or Fitch shall change the basis on which Public Debt Ratings are established, each reference to the Public Debt Ratings announced by S&P or Fitch, as the case may be, shall refer to the then equivalent rating by S&P or Fitch, as the case may be.

COMMITMENT SCHEDULE

COMMITMENTS AND PRO RATA SHARES

Lender		Commitment	Pro Rata Share of Aggregate Commitment
Citibank, N.A.	$	100,000,000.00	12.5000 %
Barclays Bank PLC	$	100,000,000.00	12.5000 %
Crédit Agricole Corporate and Investment Bank	$	100,000,000.00	12.5000 %
Bank of America, N.A.	$	65,000,000.00	8.1250 %
BNP Paribas	$	65,000,000.00	8.1250 %
Deutsche Bank AG New York Branch	$	65,000,000.00	8.1250 %
Goldman Sachs Bank USA	$	65,000,000.00	8.1250 %
Morgan Stanley Bank, N.A.	$	65,000,000.00	8.1250 %
Wells Fargo Bank, National Association	$	65,000,000.00	8.1250 %
Capital One, National Association	$	27,500,000.00	3.4375 %
HSBC Bank USA, N.A.	$	27,500,000.00	3.4375 %
The Bank of Nova Scotia	$	27,500,000.00	3.4375 %
Truist Bank	$	27,500,000.00	3.4375 %
TOTAL	**$**	**800,000,000.00**	**100.0000%**

L/C COMMITMENT SCHEDULE

Issuing Lender	L/C Commitment
Citibank, N.A.	$ 20,000,000.00
Barclays Bank PLC	$ 20,000,000.00
Crédit Agricole Corporate and Investment Bank	$ 20,000,000.00

Schedule 2.03

EXISTING LETTERS OF CREDIT

[To be delivered to the Administrative Agent on or prior to the Closing Date.]

Schedule 6.10

EXISTING SPECIFIED INDEBTEDNESS FOR BORROWED MONEY

None.

Schedule 13.01

CERTAIN ADDRESSES FOR NOTICES

1. **Address of the Borrower:**

GXO Logistics, Inc.
Two American Lane
Greenwich, CT 06831
Attention: Baris Oran

2. **Address for the Administrative Agent:**

Citibank Delaware
One Penns Way
OPS II, Floor 2
New Castle, DE 19720
Attn: Agency Operations
Phone: (302) 894-6010
Fax: (646) 274-5080
Borrower inquiries only: agencyabtfsupport@citi.com
Borrower notifications: GlAgentOfficeOps@Citi.com
Disclosure Team Mail (Financial Reporting): GlAgentOfficeOps@Citi.com
Investor Relations Team (investor inquiries only): global.loans.support@citi.com

[ ], 2021

Dear XPO Logistics, Inc. Stockholder:

We previously announced plans to separate XPO Logistics, Inc. ("XPO") into two independent, publicly traded companies. The separation will occur through a distribution by XPO of all of the outstanding shares of a newly formed company named GXO Logistics, Inc. ("GXO"), consisting of XPO's existing logistics business. XPO will continue to be a publicly traded company after the separation and will consist of its existing transportation business.

The separation is expected to create two industry-leading, independent public companies with distinct investment identities and clearly delineated service offerings in vast end markets: GXO will be the largest pure-play contract logistics provider in the world, with one of the largest global e-commerce fulfillment platforms, and XPO will be a global provider of transportation services, primarily less-than-truckload transportation and truck brokerage.

Each company will have an independent corporate strategy and distinct profit drivers, and will be able to effectively allocate resources and manage its capital in line with its strategic priorities. The separation will create a separate equity currency for GXO, allowing each company to structure incentive compensation arrangements that are more closely aligned with the performance of its respective business. As separate entities, each company will be better positioned to pursue its own growth opportunities, including the increasing demand for outsourcing, digital transportation management and warehouse automation, as our customers demand faster, leaner, smarter supply chains to meet the expectations of their end-markets.

Upon completion of the distribution, each XPO stockholder as of [ ], 2021, the record date for the distribution, will receive one share of GXO common stock for every share of XPO common stock held as of the close of business on the record date. GXO common stock will be issued in book-entry form only, which means that no physical share certificates will be issued. For U.S. federal income tax purposes, the distribution is intended to be tax-free to XPO stockholders. No vote of XPO stockholders is required for the distribution. You do not need to take any action to receive shares of GXO to which you are entitled as an XPO stockholder, and you do not need to pay any consideration or surrender or exchange your XPO common stock, which will continue to trade on the New York Stock Exchange.

We encourage you to read the attached information statement, which is being provided to all XPO stockholders that held shares of XPO on the record date for the distribution. The information statement describes the planned distribution of GXO common stock in detail and contains important business and financial information about GXO. The included financial statements of GXO are prepared from XPO's historical accounting records and contain certain allocations of XPO's costs, and we encourage you to read them together with the pro forma financial information included in the attached information statement, which gives effect to the separation and reflects GXO's anticipated post-separation capital structure, including the assignment of certain assets and assumption of certain liabilities not included in the historical financial statements.

We believe that the separation will create new opportunities for both companies to realize significant growth, led by management teams with a demonstrated commitment to our investors, customers, employees and community. As an XPO shareholder, you've seen the benefit of this commitment first-hand through a decade of operational excellence and productive capital allocation. We look forward to the potential we expect will be unlocked by the spin-off — for XPO, for GXO and for you, as a stockholder of both companies.

Sincerely,

[ ]

Brad Jacobs
Chairman and Chief Executive Officer
XPO Logistics, Inc.

[ ], 2021

Dear Future GXO Logistics, Inc. Stockholder:

I'm excited to welcome you as a future stockholder of GXO Logistics, Inc. ("GXO"), a leader in cutting-edge logistics solutions for supply chains around the world. The planned separation of GXO from XPO is a compelling prospect for our company, and one that we believe will unlock value for all our stakeholders.

The opportunity we see in front of GXO is rooted in years of momentum as part of XPO, during which time our business benefited from significant investments in intelligent technology, customer service, talent and scale. As an independent public company, we can build on this strong positioning to capitalize on massive tailwinds in our industry: the secular growth in e-commerce and omnichannel retail, the rapidly increasing customer demand for digital capabilities, and the shift toward outsourcing logistics services. Moreover, as a separate company, we'll be able to deepen our focus on providing our broad base of customers with tailored solutions, including robotics and other advanced automation, visibility and control. By continuing to develop our proprietary technology, we'll continue to become increasingly nimble at managing our customers' supply chains, gaining ground as a trusted partner and advisor as we deliver additional value to those relationships.

Importantly for you as a stockholder, we'll be able to intensify our focus on our strategic priorities. We'll also have a simplified business structure, a capital structure tailored to our needs and a clearly delineated investment profile. Our standalone stock listing will create an independent equity currency we can use to structure employee incentive compensation arrangements that are more directly tied to our performance, enhance our ability to recruit talent globally and accomplish accretive acquisitions. We intend to continue to drive profitable growth in our business, capitalizing on substantial market opportunities in our large and fragmented industry, and to be an innovation leader. We expect to list GXO's common stock on the New York Stock Exchange under the symbol "GXO" when the separation is complete.

Our vision for the future is clear. We intend to continue to deliver superior value for our customers. We plan to ensure operational excellence led by top talent, invest in the profitable growth of our business and generate strong cash flows, providing excellent outcomes for our stockholders. For our employees, we'll build a purposeful culture as an independent, publicly traded company and engage our people in our vision.

We look forward to our future and to your support as a holder of GXO common stock.

Sincerely,

[ ]

Malcolm Wilson
Chief Executive Officer
GXO Logistics, Inc.

Information contained herein is subject to completion or amendment. A Registration Statement on Form 10 relating to these securities has been filed with the U.S. Securities and Exchange Commission under the U.S. Securities Exchange Act of 1934, as amended.

Preliminary and Subject to Completion, Dated July 7, 2021

INFORMATION STATEMENT

GXO LOGISTICS, INC.

This information statement is being furnished in connection with the distribution by XPO Logistics, Inc. ("XPO") to its stockholders of the outstanding shares of common stock of GXO Logistics, Inc. ("GXO"), a wholly owned subsidiary of XPO that will hold the assets and liabilities associated with XPO's Logistics segment. To implement the separation, XPO currently plans to distribute all of the shares of GXO common stock on a pro rata basis to XPO stockholders in a distribution that is intended to be tax-free to XPO stockholders for U.S. federal income tax purposes.

For every share of common stock of XPO held of record by you as of the close of business on [ ], 2021, which is the record date for the distribution, you will receive one share of GXO common stock. As discussed under "The Separation and Distribution—Trading Between the Record Date and the Distribution Date," if you sell your shares of XPO common stock in the "regular-way" market after the record date up to, and including through, the distribution date, you also will be selling your right to receive shares of GXO common stock in connection with the distribution. We expect the shares of GXO common stock to be distributed by XPO to you at [ ], Eastern Time, on [ ], 2021. We refer to the date of the distribution of the GXO common stock as the "distribution date."

Until the distribution occurs, GXO will be a wholly owned subsidiary of XPO, and consequently, XPO will have the sole and absolute discretion to determine and change the terms of the separation (or to terminate the separation), including the establishment of the record date for the distribution and the distribution date.

No vote of XPO stockholders is required for the distribution. Therefore, you are not being asked for a proxy, and you are requested not to send XPO a proxy, in connection with the distribution. You do not need to pay any consideration, exchange or surrender your existing shares of XPO common stock or take any other action to receive your shares of GXO common stock.

There is no current trading market for GXO common stock, although we expect that a limited market, commonly known as a "when-issued" trading market, will develop on or shortly before the record date for the distribution, and we expect "regular-way" trading of GXO common stock to begin on the first trading day following the completion of the distribution. GXO intends to list its common stock on the New York Stock Exchange (the "NYSE") under the symbol "GXO." Following the distribution, XPO will continue to trade on the NYSE under the symbol "XPO."

In reviewing this information statement, you should carefully consider the matters described in the section titled "Risk Factors" beginning on page 20.

Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this information statement is truthful or complete. Any representation to the contrary is a criminal offense.

This information statement does not constitute an offer to sell or the solicitation of an offer to buy any securities.

The date of this information statement is [ ], 2021.

This information statement was first mailed to XPO stockholders on or about [ ], 2021.

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Presentation of Information

Unless the context otherwise requires or otherwise specifies:

- The information included in this information statement about GXO, including the Combined Financial Statements of GXO, assumes the completion of all of the transactions referred to in this information statement in connection with the separation and distribution.
- Except as otherwise specified herein, references in this information statement to "GXO," "we," "us," "our," "our company" and "the company" refer to GXO Logistics, Inc., a Delaware corporation, and its combined subsidiaries.
- References in this information statement to "XPO" refer to XPO Logistics, Inc., a Delaware corporation, and its combined subsidiaries, including XPO's Logistics segment prior to completion of the separation and the distribution and excluding XPO's Logistics segment following completion of the separation and the distribution.
- References in this information statement to the "GXO Businesses" refer to XPO's Logistics segment.
- References in this information statement to the "separation" refer to the separation of the GXO Businesses from XPO's other businesses and the creation, as a result of the distribution, of an independent, publicly traded company, GXO, to hold the assets and liabilities associated with the GXO Businesses after the distribution.
- References in this information statement to the "distribution" refer to the pro rata distribution of all of GXO's issued and outstanding shares of common stock to XPO stockholders as of the close of business on the record date for the distribution.

- References in this information statement to GXO's per share data assume a distribution ratio of one share of GXO common stock for every share of XPO common stock.
- References in this information statement to GXO's historical assets, liabilities, products, businesses or activities generally refer to the historical assets, liabilities, products, businesses or activities of the GXO Businesses as the businesses were conducted as part of XPO prior to the completion of the separation.

Industry and Market Information

Unless indicated otherwise, the information concerning the industries and markets in which GXO participates contained in this information statement is based on GXO's general knowledge of and expectations concerning the industry. The market positions, shares, market sizes and growth estimates included in this information statement are based on estimates using GXO's internal data and estimates, based on data from various industry analyses, our internal research and adjustments and assumptions that we believe to be reasonable. GXO has not independently verified data from industry analyses and cannot guarantee their accuracy or completeness. In addition, GXO believes that data regarding the industry, market positions, shares, market sizes and growth estimates provide general guidance but are inherently imprecise. Further, GXO's estimates and assumptions involve risks and uncertainties and are subject to change based on various factors, including those discussed in the "Risk Factors" section. These and other factors could cause results to differ materially from those expressed in the estimates and assumptions. Accordingly, investors should not place undue reliance on this information.

INFORMATION STATEMENT SUMMARY

The following is a summary of selected information discussed in this information statement. This summary may not contain all of the details concerning the separation, the distribution or other information that may be important to you. To better understand the separation, the distribution and our business and financial position, you should carefully review this entire information statement. Unless the context otherwise requires, the information included in this information statement about GXO, including the Combined Financial Statements of GXO, assumes the completion of all of the transactions referred to in this information statement in connection with the separation and distribution. Unless the context otherwise requires, or when otherwise specified, references in this information statement to "GXO," "we," "us," "our," "our company" and "the company" refer to GXO Logistics, Inc., a Delaware corporation, and its subsidiaries. Unless the context otherwise requires, references in this information statement to "XPO" refer to XPO Logistics, Inc., a Delaware corporation, and its combined subsidiaries, including the GXO Businesses prior to completion of the separation and distribution and excluding the GXO Businesses following the completion of the separation and distribution.

Unless the context otherwise requires, or when otherwise specified, references in this information statement to our historical assets, liabilities, products, businesses or activities of our businesses are generally intended to refer to the historical assets, liabilities, products, businesses or activities of the GXO Businesses as they were conducted as part of XPO prior to completion of the separation and distribution.

Our Company

GXO is the largest pure-play contract logistics provider in the world, and a foremost innovator in an industry propelled by strong secular tailwinds. Our total potential addressable market across North America and Europe is approximately $430 billion, including the $130 billion of logistics spend that is currently outsourced and the opportunity for another $300 billion of spend that is currently insourced.

Our revenue is diversified across numerous verticals and customers, including many multinational corporations. We provide our customers with high-value-add warehousing and distribution, order fulfillment, e-commerce and reverse logistics, and other supply chain services differentiated by our ability to deliver technology-enabled, customized solutions at scale. We have one of the largest platforms for outsourced e-commerce logistics globally, including the largest e-fulfillment platform in Europe.

Our customers rely on us to move their goods with high efficiency through their supply chains — from the moment inbound goods arrive at our logistics sites, through fulfillment and distribution and, in a growing number of cases, the management of returned products. Our customer base includes blue-chip leaders in attractive sectors that demonstrate high growth or durable demand over time.

In 2020, we generated $6.2 billion of revenue. See "Summary Historical and Pro Forma Combined Financial Data" for additional information. As of March 31, 2021, we operated with approximately 93,000 team members (comprised of approximately 66,000 full-time and part-time employees and 27,000 temporary workers engaged through third-party agencies) and had 885 facilities worldwide, with 210 million square feet (20 million square meters) of logistics warehouse space. Approximately 104 million square feet (10 million square meters) was located in Europe; 99 million square feet (9 million square meters) was located in North America; and 7 million square feet (1 million square meters) was located in Asia. We operate these sites primarily on behalf of large corporations, who have outsourced their warehousing, distribution and other related activities to us.

We have identified five key drivers of value creation in our business:

- *Critical Scale in a Fast-Growing Industry with Strong Tailwinds:* Our significant scale makes us well-positioned to benefit from the logistics industry's predominant tailwinds — the growth in consumer demand for e-commerce and omnichannel retail, the rapidly increasing customer demand for warehouse automation and other digital supply chain capabilities, and the secular shift in logistics toward outsourcing;
- *Robust Technological Differentiation:* We are strongly differentiated by our technology as an innovative provider of sophisticated logistics solutions that enhance visibility, speed, accuracy and cost effectiveness

for our customers, and by our ability to customize our technology-enabled services to each customer's requirements;

- *Long-Term Customer Relationships in Attractive Verticals:* We have a large opportunity to grow our share in verticals with durable fundamentals and high-growth outsourcing opportunities, where we have strong partnerships with preeminent customers, longstanding track records and deep expertise;
- *Resilient Business Model with Multiple Drivers of Profitable Growth:* We have numerous avenues for profitable growth, including a long runway for margin expansion through the ongoing deployment of our technology in areas such as labor productivity, warehouse management, inventory management, demand forecasting and advanced automation, as well as an asset-light business model that historically has given us agility across cycles and generated strong free cash flow; and
- *Experienced and Cohesive Leadership:* Our company is led by highly experienced executives who are recognized as leading practitioners in their respective fields, and who will work together to create sustainable value through operational excellence and a purposeful culture.

Critical Scale in a Fast-Growing Industry with Strong Tailwinds. GXO is the largest pure-play contract logistics provider in the world, and a foremost innovator in an industry propelled by strong secular tailwinds. Our total potential addressable market across North America and Europe is approximately $430 billion, including the $130 billion of logistics spend that is currently outsourced and the opportunity for another $300 billion of spend that is currently insourced.

Order fulfillment times are compressing, and new channels are emerging as companies seek to improve the efficiency, speed and visibility of their supply chain activities, notably in the direct-to-consumer space. The most effective way to meet these expectations is through outsourced solutions that provide advanced automation, digital visibility and intelligent machines, such as robotics and autonomous goods-to-person systems — all capabilities we offer today.

Robust Technological Differentiation. Logistics processes are ripe for transformation through automation. As a global leader in logistics innovation, GXO is well positioned to capitalize on this evolution. Increasingly, customers want technology-enabled, highly customized solutions that incorporate intelligent automation and data science, particularly in e-commerce, omnichannel retail and direct-to-consumer channels. The timely delivery of goods to consumers is becoming imperative, leading to compressed order fulfillment times. Our focus as an innovator is on helping our customers meet the expectations of their customers, with reliable outcomes, more visibility and greater efficiency.

In 2019, we integrated cobots (collaborative robots) and goods-to-person systems in a number of our sites to support our warehouse employees; this substantially increased throughput in 2020.

Long-Term Customer Relationships in Attractive Verticals. Our customer base includes numerous long-term relationships with blue-chip market leaders and world-class brands, including over 30% of Fortune 100 companies and 24% of the Fortune Global 100. Our customers operate in sectors with high-growth outsourcing opportunities, such as retail and e-commerce, food and beverage, consumer packaged goods, consumer technology, telecommunications, manufacturing, chemical, agribusiness, life sciences and healthcare. We have extensive experience in these verticals, and we understand the specific requirements for quality control, real-time visibility, special handling, security, complex stock-keeping, time-assured deliveries and agility during surges in demand. The average relationship tenure for our top 20 customers in 2020, based on revenue, was approximately 15 years.

Resilient Business Model with Multiple Drivers of Profitable Growth. We have numerous drivers of profitable growth, including a long runway for margin expansion through continuous deployment of our technology, as well as our asset-light business model, which has historically been resilient across cycles, with high returns, strong free cash flow and visibility into revenue and earnings. The vast majority of our contracts with customers are multi-year agreements, with facility lease arrangements that generally align with contract length. Historically, our retention rate has been approximately 93%. Additionally, our business requires limited maintenance capital spending, which

provides us with the flexibility to adjust our overall capital spending to changes in the macro environment. We are committed to continuing to deploy capital with discipline and agility to maximize shareholder value.

Experienced and Cohesive Leadership. Our company and its culture are led by Malcolm Wilson, chief executive officer, and Baris Oran, chief financial officer. Each of our executives has decades of experience in their respective fields, having previously served in leadership roles in businesses around the globe. Our executives foster a company culture that is safe, respectful, entrepreneurial, innovative, and inclusive, with a focus on diversity, equity and inclusion that continues to shape our recruitment efforts and work environments.

Our Strategy

Our strategy is to help our customers manage their supply chains efficiently, using our network of people, technology and physical assets. Our growth and optimization strategy encompasses (i) developing additional business in verticals where we already have deep expertise, long-term relationships with prominent customers and a strong track record of performance, by successfully selling to new customers and by serving existing customers expertly through new projects, thus earning more of their external and internal logistics spend; (ii) marketing the advantages of our proprietary technology for warehouse operations, which we use to manage advanced automation, robotics, labor productivity, inventory management, safety, seasonal changes in demand and other aspects of complex logistics environments; (iii) partnering with our customers in meeting their goals for supply chain performance, risk mitigation, cost efficiency, growth management and stakeholder satisfaction, by helping them overcome challenges specific to their business; and (iv) integrating industry best practices into our operations to drive productivity, with a focus on automation and other levers of profitable growth.

Technology and Intellectual Property

Our productivity is driven in large part by our proprietary warehouse management platform and order management system, as well as our comprehensive “Smart” suite of tools and analytics designed to enhance labor and inventory management. Our intelligent tools and analytics self-learn daily, site by site, to continuously optimize productivity. This technology incorporates dynamic data science, predictive analytics and machine learning to aid in decision-making. Our site managers use these tools to improve productivity in a safe, disciplined and cost-effective manner. See “Technology and Intellectual Property” for more information.

Additionally, we have developed analytics that predict future surges in demand based on data histories and forecasted customer spend. Our demand forecasting helps our customers manage their supply chains throughout the ebb and flow of required volumes, while meeting the expectations of their end-markets. In the e-commerce industry, for example, about 15% to 35% of consumer goods bought online are returned, depending on the product category, which creates reverse peaks at certain times of year. We have been able to shave several days off the reverse logistics process through automation, accelerating our customers’ ability to get e-commerce goods back into inventory for resale. We believe our expertise in managing the complexities of returned items is a strategic advantage and a key differentiator from our peers.

Another type of innovation that differentiates GXO is our “Direct” shared-space distribution network for business-to-consumer (“B2C”) and business-to-business (“B2B”) customers in North America. This network gives retailers, e-tailers and manufacturers access to our scale, expertise and technology without the high fixed costs of traditional distribution center models. Our customers can position inventory within one- and two-day ground delivery range of approximately 99% of the U.S. population and in close proximity to retail stores for inventory replenishment. As demand patterns change, we reposition the inventory around our network, managed and tracked by our technology. This service responds directly to end-market expectations for shorter fulfillment times, and consequently, it enhances brand loyalty for our customers.

Summary of Risk Factors

An investment in our company is subject to a number of risks, including risks related to our business, risks related to the separation and distribution and risks related to our common stock. Set forth below is a high-level summary of some, but not all, of these risks. Please read the information in the section titled “Risk Factors” of this information statement for a more thorough description of these and other risks.

Risks Related to Our Business

Risks Related to Our Strategy and Operations

- We operate in a highly competitive industry, and failure to compete or respond to customer requirements could negatively affect our business and our results of operations.
- Increases in our labor costs to attract, train and retain employees may have a material adverse effect on us.
- We depend on our ability to attract and retain qualified employees and temporary workers.
- Economic recessions and other factors that reduce consumer spending, both in North America and Europe, could have a material adverse impact on our business.
- Our past acquisitions, as well as any acquisitions that we may complete in the future, may be unsuccessful or result in other risks or developments that adversely affect our financial condition and results.
- We may not successfully manage our growth.
- Our overseas operations are subject to various operational and financial risks that could adversely affect our business.
- We are exposed to currency exchange rate fluctuations because a significant proportion of our assets, liabilities and earnings are denominated in foreign currencies.
- Our ability to successfully manage the costs and operational difficulties of adding new customers and business may negatively affect our financial condition and operations.
- The contractual terms between us and our customers could expose us to penalties and costs in the event we do not meet the contractually prescribed performance levels.
- Our operations are subject to seasonal fluctuations, and our inability to manage these fluctuations could negatively affect our business and our results of operations.
- The COVID-19 pandemic could have a material adverse effect on our business operations, results of operations, cash flows and financial position.

Risks Related to Our Use of Technology

- Our business will be seriously harmed if we fail to develop, implement, maintain, upgrade, enhance, protect and integrate our information technology systems, including those systems of any businesses that we acquire.
- A failure of our information technology infrastructure or a breach of our information systems, networks or processes may materially adversely affect our business.
- Issues related to the intellectual property rights on which our business depends, whether related to our failure to enforce our own rights or infringement claims brought by others, could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to Third-Party Relationships

- Our business may be materially adversely affected by labor disputes or organizing efforts.
- Our business uses a large number of temporary workers in our operations. Any failure to properly manage our temporary workers could have a material adverse impact on our revenues, earnings, financial position and outlook.

Risks Related to Litigation and Regulations

- From time to time, we are involved in lawsuits and are subject to various claims that could result in significant expenditures and impact our operations.
- We are subject to risks associated with defined benefit plans for our current and former employees, which could have a material adverse effect on our earnings and financial position.
- Changes in income tax regulations for U.S. and multinational companies may increase our tax liability.
- We are subject to regulation, which could negatively impact our business.
- Proposed or pending legislative or regulatory changes, or future legislative or regulatory changes, at the federal, state or local level could decrease demand for our services, increase our costs, including our labor costs, and negatively affect our business and our results of operations.

Risks Related to the Separation and Distribution

- We have no history of operating as an independent company, and our historical and pro forma financial information is not necessarily representative of the results that we would have achieved as a separate, publicly traded company and may not be a reliable indicator of our future results.
- Following the separation and distribution, our financial profile will change, and we will be a smaller, less diversified company than XPO prior to the separation.
- We may not achieve some or all of the expected benefits of the separation and distribution, and the separation and distribution may materially adversely affect our business.
- XPO's plan to separate into two independent, publicly traded companies is subject to various risks and uncertainties and may not be completed in accordance with the expected plans or anticipated timeline, or at all, and will involve significant time and expense, which could disrupt or adversely affect our business.
- Challenges in the commercial and credit environment may adversely affect the expected benefits of the separation, the expected plans or anticipated timeline to complete the separation and our future access to capital on favorable terms.
- We have incurred debt obligations, and may in the future incur additional debt obligations, that could adversely affect our business and profitability and our ability to meet other obligations.
- We could experience temporary interruptions in business operations and incur additional costs as we build our information technology infrastructure and transition our data to our own systems.
- Our accounting, tax and other management systems and resources may not be adequately prepared to meet the financial reporting and other requirements to which we will be subject as a standalone, publicly traded company following the separation and distribution.
- In connection with the separation into two public companies, each of XPO and GXO will indemnify each other for certain liabilities. If we are required to pay under these indemnities to XPO, our financial results could be negatively impacted. The XPO indemnities may not be sufficient to hold us harmless from the full amount of liabilities for which XPO will be allocated responsibility, and XPO may not be able to satisfy its indemnification obligations in the future.
- XPO may fail to perform under various transaction agreements that will be executed as part of the separation, or we may fail to have necessary systems and services in place when certain of the transaction agreements expire.
- We may be held liable to XPO if we fail to perform certain services under the transition services agreement, and the performance of such services may negatively impact our business and operations.

- The terms we will receive in our agreements with XPO could be less beneficial than the terms we may have otherwise received from unaffiliated third parties.
- If the distribution, together with certain related transactions, does not qualify as a transaction that is generally tax-free for U.S. federal income tax purposes, we, as well as XPO and XPO's stockholders, could be subject to significant tax liabilities, and, in certain circumstances, we could be required to indemnify XPO for material amounts of taxes and other related amounts pursuant to indemnification obligations under the tax matters agreement. In addition, if certain internal restructuring transactions were to fail to qualify as transactions that are generally tax-free for U.S. federal or non-U.S. income tax purposes, we, as well as XPO, could be subject to significant tax liabilities.
- We may not be able to engage in desirable capital-raising or strategic transactions following the separation.
- The transfer to us of certain contracts, permits and other assets and rights may require the consents or approvals of, or provide other rights to, third parties and governmental authorities. If such consents or approvals are not obtained, we may not be entitled to the benefit of such contracts, permits and other assets and rights, which could increase our expenses or otherwise harm our business and financial performance.
- Until the distribution occurs, the XPO board of directors has sole and absolute discretion to change the terms of the separation and distribution in ways that may be unfavorable to us.
- No vote of XPO stockholders is required in connection with the distribution. As a result, if you do not want to receive our common stock in the distribution, your sole recourse will be to divest yourself of your XPO common stock prior to the record date for the distribution.

Risks Related to Our Common Stock

- We cannot be certain that an active trading market for our common stock will develop or be sustained after the distribution and, following the distribution, our stock price may fluctuate significantly.
- There may be substantial and rapid changes in our stockholder base, which may cause our stock price to fluctuate significantly.
- A significant number of shares of our common stock may be sold following the distribution, which may cause our stock price to decline.
- Any stockholder's percentage of ownership in GXO may be diluted in the future at any given time.
- We cannot guarantee the timing, amount or payment of dividends on our common stock.
- Certain provisions in GXO's amended and restated certificate of incorporation and bylaws, and of Delaware law, may prevent or delay an acquisition of GXO, which could decrease the trading price of GXO's common stock.
- GXO's amended and restated certificate of incorporation will contain an exclusive forum provision that may discourage lawsuits against GXO and GXO's directors and officers.
- The combined post-separation value of one share of XPO common stock and one share of GXO common stock may not equal or exceed the pre-distribution value of one share of XPO common stock.
- Our Chairman controls a large portion of our stock, which could limit other stockholders' ability to influence the outcome of key decisions and transactions, including changes of control.

The Separation and Distribution

In December 2020, XPO announced its intention to separate into two independent, publicly traded companies. The separation will occur through a pro rata distribution to XPO stockholders of 100% of the shares of common

stock of GXO, the newly formed company that will consist of XPO's existing logistics business. XPO will remain a publicly traded company after the separation, consisting of its existing transportation business.

On [ ], 2021, the XPO board of directors approved the distribution of all of GXO's issued and outstanding shares of common stock on the basis of one share of GXO common stock for every share of XPO common stock held as of the close of business on [ ], 2021, the record date for the distribution.

GXO's Post-Separation Relationship with XPO

After the distribution, XPO and GXO will each be separate companies with separate management teams and separate boards of directors. Prior to the distribution, XPO and GXO will enter into the separation agreement. We will also enter into various other agreements that will provide a framework for our relationship with XPO after the separation, including a transition services agreement, a tax matters agreement, an employee matters agreement and an intellectual property license agreement. These agreements will provide for the allocation between GXO and XPO of the assets, employees, liabilities and obligations (including, among others, investments, property and employee benefits and tax-related assets and liabilities) of XPO and its subsidiaries attributable to periods prior to, at and after the separation and will govern the relationship between us and XPO subsequent to the completion of the separation. For additional information regarding the separation agreement and other transaction agreements, see the sections titled "Risk Factors—Risks Related to the Separation and Distribution" and "Certain Relationships and Related Party Transactions."

Reasons for the Separation

The XPO board of directors believes that the separation of XPO into two independent, publicly traded companies through the separation of the GXO Businesses from XPO is in the best interests of XPO and its stockholders for a number of reasons, including:

- *Clear-Cut Investment Identities*. The separation will allow investors to more clearly understand the separate business models, financial profiles and investment identities of the two companies and to invest in each based on a better appreciation of these characteristics. Each company is expected to have less debt and enhanced earnings potential, which would make it easier for each to achieve an investment-grade credit rating. GXO is expected to have an investment-grade credit rating at the time of the distribution, and XPO will target achieving such rating over time. To the extent that enhanced investor understanding and deleveraging results in greater investor demand for shares of XPO stock and/or GXO stock, it could cause each company to be valued at multiples higher than XPO's current multiple, and higher than its publicly traded peers. Any such increase in the aggregate market value of XPO and GXO following the separation over XPO's market value prior to the separation would benefit XPO, GXO, and their respective stakeholders.

- *Creation of Independent Equity Currencies and Enhanced Strategic Opportunities.* The separation will provide each of XPO and GXO with its own pure-play equity currency that can be used to facilitate capital raising and to pursue accretive M&A opportunities that are more closely aligned with each company's strategic goals and expected growth opportunities. To the extent that the separate equity currencies are more attractively valued, this would further increase these benefits to XPO and GXO.

- *Improved Alignment of Management Incentives and Performance.* The separation will allow each company to more effectively recruit, retain and motivate employees through the use of equity-based compensation that more closely reflects and aligns management and employee incentives with specific growth objectives, financial goals and business attributes. To the extent that the separate equity currencies are more attractively valued, this would further benefit XPO and GXO.

- *Separate Capital Structures and Allocation of Financial Resources.* The separation will permit each company to allocate its financial resources to meet the unique needs of its businesses and intensify the focus on its distinct operating and strategic priorities, including by investing in enhancements to the proprietary software developed for its service offerings. The separation will also give each business its own capital structure and allow it to manage capital allocation and capital return strategies with greater agility in

response to changes in the operating environment and industry landscape. Further, the separation will eliminate internal competition for capital between the two businesses and enable each business to implement a capital structure tailored to its strategy and business needs.

- *Enhanced Management Focus on Core Businesses*. The separation will provide each company's management team with undiluted focus on their specific operating and strategic priorities and customer requirements. The separation will enable the management teams of each company to better focus on strengthening its core businesses and operations, to more effectively address unique operating and other needs, and to pursue distinct and targeted opportunities for long-term growth and profitability. The separation will enable each company to deepen its competitive differentiation by having its technology team focus on enhancing the proprietary software developed for its specific service offerings, including XPO's digital transportation platform and GXO's productivity tools and warehouse management platform for its logistics operations.

The XPO board of directors also considered a number of potentially negative factors in evaluating the separation, including:

- *Risk of Failure to Achieve Anticipated Benefits of the Separation*. We may not achieve the anticipated benefits of the separation for a variety of reasons, including, among others: the separation will demand significant management resources and require significant amounts of management's time and effort, which may divert management's attention from operating our business; following the separation, we may be more susceptible to market fluctuations, and other events may be more disadvantageous for us than if we were still part of XPO, because our business would be less diversified than XPO's business is prior to the completion of the separation.

- *Disruptions and Costs Related to the Separation*. The actions required to separate the GXO Businesses from XPO could disrupt our operations. In addition, we will incur substantial costs in connection with the separation and the transition to being a standalone public company, which may include accounting, tax, legal and other professional services costs, recruiting and relocation costs associated with hiring key senior management personnel who are new to GXO, tax costs, and costs to separate information systems.

- *Loss of Scale and Increased Administrative Costs.* Prior to the separation, GXO is able to take advantage of XPO's size and purchasing power in procuring certain goods, services and technologies. After the separation, as a standalone company, we may be unable to obtain these goods, services and technologies at prices or on terms as favorable as those XPO obtained prior to completion of the separation. In addition, as part of XPO, GXO benefits from certain functions performed by XPO, such as accounting, tax, legal, human resources and other general and administrative functions. After the separation, XPO will not perform these functions for us, other than certain functions that will be provided for a limited time pursuant to the transition services agreement, and, because of our smaller scale as a standalone company, our cost of performing such functions could be higher than the amounts reflected in our historical financial statements, which would cause our profitability to decrease.

- *Limitations on Strategic Transactions*. Under the terms of the tax matters agreement that we will enter into with XPO, we will be restricted from taking certain actions that could cause the distribution or certain related transactions (or certain transactions undertaken as part of the internal reorganization) to fail to qualify as tax-free under applicable law. These restrictions may limit, for a period of time, our ability to pursue certain strategic transactions and equity issuances or engage in other transactions that might increase the value of our business.

- *Uncertainty Regarding Stock Prices*. We cannot predict the effect of the separation on the trading prices of GXO or XPO common stock or know with certainty whether the combined market value of one share of our common stock and one share of XPO common stock will be less than, equal to or greater than the market value of one share of XPO common stock prior to the distribution.

In determining whether to pursue the separation, the XPO board of directors concluded the potential benefits of the separation outweighed the potential negative factors. See the sections titled "The Separation and Distribution—Reasons for the Separation" and "Risk Factors" included elsewhere in this information statement.

Capitalization Summary

For information regarding the post-distribution capitalization of GXO, see the section titled "Capitalization".

Corporate Information

GXO was incorporated in Delaware on February 16, 2021, for the purpose of holding the GXO Businesses in connection with the separation and distribution described herein. Prior to the transfer of the GXO Businesses to us by XPO, which will occur prior to the distribution, GXO will have no operations other than those incidental to the separation and related transactions. The address of our principal executive offices will be [ ], [ ], [ ]. Our telephone number after the distribution will be [ ]. We maintain an internet site at *www.[ ].com.* **Our website and the information contained therein or connected thereto are not incorporated into this information statement or the registration statement of which this information statement forms a part, or in any other filings with, or any information furnished or submitted to, the SEC.**

Reason for Furnishing this Information Statement

This information statement is being furnished solely to provide information to XPO stockholders who will receive shares of GXO common stock in the distribution. It is not, and is not to be construed as, an inducement or encouragement to buy or sell any of XPO's or GXO's securities. The information contained in this information statement is believed by GXO to be accurate as of the date set forth on its cover. Changes may occur after that date, and neither XPO nor GXO undertakes any obligation to update the information except as may be required in the normal course of their respective disclosure obligations and practices, or as required by applicable law.

QUESTIONS AND ANSWERS ABOUT THE SEPARATION AND DISTRIBUTION

What is GXO and why is XPO separating the GXO Businesses and distributing GXO common stock?	GXO, which is currently a wholly owned subsidiary of XPO, was formed to own and operate XPO's GXO Businesses. The separation of GXO from XPO and the distribution of GXO common stock is intended, among other things, to simplify XPO's business structure, enable the management of the two companies to pursue opportunities for long-term growth and profitability unique to each company's business, and allow each business to more effectively implement its own capital structure, investment identity, and resource allocation strategies. XPO expects that the separation will result in enhanced long-term performance of each business for the reasons discussed in the section titled "The Separation and Distribution—Reasons for the Separation."
Why am I receiving this document?	XPO is delivering this document to you because you are a holder of shares of XPO common stock. If you are a holder of shares of XPO common stock as of the close of business on [ ], 2021, the record date for the distribution, you will be entitled to receive one share of GXO common stock for every share of XPO common stock that you hold at the close of business on such date. This document is intended to describe the separation and distribution and help you understand how the separation and distribution will affect your post-separation ownership in XPO and GXO.
How will the separation of GXO from XPO work?	As part of the separation, and prior to the distribution, XPO and its subsidiaries expect to complete an internal reorganization (which we refer to as the "internal reorganization") to transfer to GXO the GXO Businesses that GXO will own following the separation. To complete the separation, XPO will distribute all of the outstanding shares of GXO common stock to XPO stockholders on a pro rata basis in a distribution intended to be tax-free to XPO stockholders for U.S. federal income tax purposes. Following the separation, the number of shares of XPO common stock you own will not change as a result of the separation.
What is the record date for the distribution?	The record date for the distribution will be [ ], 2021.
When will the distribution occur?	We expect that all of the outstanding shares of GXO common stock will be distributed by XPO at [ ], Eastern Time, on [ ], 2021, to holders of record of shares of XPO common stock at the close of business on [ ], 2021, the record date for the distribution.
What do stockholders need to do to participate in the distribution?	Stockholders of XPO as of the record date for the distribution will not be required to take any action to receive GXO common stock in the distribution, but you are urged to read this entire information statement carefully. No stockholder approval of the distribution is required. You are not being asked for a proxy. You do not need to pay any consideration, exchange or surrender your existing shares of XPO common stock or take any other action to receive your shares of GXO common stock. Please do not send in your XPO stock certificates. The distribution will not affect the number of outstanding shares of XPO common stock or any rights of XPO stockholders, although it will affect the market value of each outstanding share of XPO common stock.
How will shares of GXO common stock be issued?	You will receive shares of GXO common stock through the same channels that you currently use to hold or trade shares of XPO common stock, whether through a brokerage account, 401(k) plan or other channel. Receipt of GXO shares will be documented for you in the same manner that you typically receive stockholder updates, such as monthly broker statements and 401(k) statements.

	If you own shares of XPO common stock as of the close of business on the record date for the distribution, including shares owned in certificate form, XPO, with the assistance of Computershare Trust Company, N.A., the distribution agent for the distribution (the "distribution agent" or "Computershare"), will electronically distribute shares of GXO common stock to you or to your brokerage firm on your behalf in book-entry form. The distribution agent will mail you a book-entry account statement that reflects your shares of GXO common stock, or your bank or brokerage firm will credit your account for the shares.
How many shares of GXO common stock will I receive in the distribution?	XPO will distribute to you one share of GXO common stock for every share of XPO common stock held by you as of close of business on the record date for the distribution. Based on approximately [ ] shares of XPO common stock outstanding as of [ ], 2021, a total of approximately [ ] shares of GXO common stock will be distributed to XPO's stockholders. For additional information on the distribution, see "The Separation and Distribution."
Will GXO issue fractional shares of its common stock in the distribution?	No. XPO will distribute one share of our common stock for each share of XPO common stock you own as of the close of business on the record date. As a result, no fractional shares will be distributed.

What are the conditions to the distribution?

The distribution is subject to final approval by the XPO board of directors, as well as to the satisfaction (or waiver by XPO in its sole and absolute discretion) of a number of conditions, including, among others:

- the U.S. Securities and Exchange Commission (the "SEC") declaring effective the registration statement of which this information statement forms a part; there being no order suspending the effectiveness of the registration statement; and no proceedings for such purposes having been instituted or threatened by the SEC;
- this information statement having been made available to XPO stockholders;
- the receipt by XPO and continuing validity of an opinion of its outside counsel, satisfactory to the XPO board of directors, regarding the qualification of the distribution, together with certain related transactions, as a "reorganization" within the meaning of Sections 355 and 368(a)(1)(D) of the Internal Revenue Code of 1986, as amended (the "Code");
- the transfer of assets and liabilities to GXO having been completed in accordance with the separation and distribution agreement, which is described below in this information statement (the "separation agreement");
- an independent appraisal firm acceptable to the XPO board of directors having delivered one or more opinions to the XPO board of directors confirming the solvency and financial viability of XPO before the completion of the distribution and each of XPO and GXO after completion of the distribution, in each case in a form and substance acceptable to the XPO board of directors in its sole and absolute discretion;
- all actions and filings necessary or appropriate under applicable U.S. federal, state or other securities or blue sky laws and the rules and regulations thereunder relating to the separation and distribution having been taken or made and, where applicable, having become effective or been accepted;
- the transaction agreements relating to the separation and distribution having been duly executed and delivered by the parties thereto;
- no order, injunction or decree issued by any government authority of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the separation, the distribution or any of the related transactions being in effect;
- the shares of GXO common stock to be distributed having been approved for listing on the NYSE, subject to official notice of distribution;
- XPO having received certain proceeds from the GXO financing arrangements described under "Description of Material Indebtedness" and being satisfied in its sole and absolute discretion that, as of the effective time of the distribution, it will have no further liability under such arrangements, and XPO having completed any required refinancing of its existing indebtedness on terms satisfactory to the XPO board of directors in its sole and absolute discretion; and
- no other event or development existing or having occurred that, in the judgment of XPO's board of directors, in its sole and absolute discretion, makes it inadvisable to effect the separation, the distribution or the other related transactions.

	XPO and GXO cannot assure you that any or all of these conditions will be met, or that the separation or distribution will be consummated even if all of the conditions are met. XPO can decline at any time to go forward with the separation and distribution. In addition, XPO may waive any of the conditions to the distribution. For a complete discussion of all of the conditions to the distribution, see "The Separation and Distribution—Conditions to the Distribution."
What is the expected date of completion of the separation?	The completion and timing of the separation are dependent upon a number of conditions. We expect that the shares of GXO common stock will be distributed by XPO at [ ], Eastern Time, on [ ], 2021, to the holders of record of shares of XPO common stock at the close of business on [ ], 2021, the record date for the distribution. However, no assurance can be provided as to the timing of the separation or distribution or that all conditions to the distribution will be met.
Can XPO decide to cancel the distribution of GXO common stock even if all of the conditions have been met?	Yes. Until the distribution has occurred, the XPO board of directors has the right to terminate the distribution, even if all of the conditions are satisfied.
What if I want to sell my XPO common stock or my GXO common stock?	You should consult with your financial advisors, such as your stock broker, bank or tax advisor. If you sell your shares of XPO common stock in the "regular-way" market after the record date and before the distribution date, you also will be selling your right to receive shares of GXO common stock in connection with the distribution
What is "regular-way" and "ex-distribution" trading of XPO common stock?	Beginning on or shortly before the record date for the distribution and continuing up to and through the distribution date, we expect that there will be two markets in XPO common stock: a "regular-way" market and an "ex-distribution" market. XPO common stock that trades in the "regular-way" market will trade with an entitlement to shares of GXO common stock distributed pursuant to the distribution. Shares that trade in the "ex-distribution" market will trade without an entitlement to GXO common stock distributed pursuant to the distribution. If you decide to sell any shares of XPO common stock before the distribution date, you should make sure your stockbroker, bank or other nominee understands whether you want to sell your XPO common stock with or without your entitlement to GXO common stock pursuant to the distribution.
Where will I be able to trade shares of GXO common stock?	GXO intends to list its common stock on the NYSE under the symbol "GXO." GXO anticipates that trading in shares of its common stock will begin on a "when-issued" basis on or shortly before the record date for the distribution and will continue up to and through the distribution date, and that "regular-way" trading in GXO common stock will begin on the first trading day following the completion of the distribution. If trading begins on a "when-issued" basis, you may purchase or sell GXO common stock up to and through the distribution date, but your transaction will not settle until after the distribution date. GXO cannot predict the trading prices for its common stock before, on or after the distribution date.
What will happen to the listing of XPO common stock?	XPO common stock will continue to trade on the NYSE after the distribution.
Will the number of shares of XPO common stock that I own change as a result of the distribution?	No. The number of shares of XPO common stock that you own will not change as a result of the distribution.

Will the distribution affect the market price of my XPO common stock?	Yes. As a result of the distribution, XPO expects the trading price of shares of XPO common stock immediately following the distribution to be different from the "regular-way" trading price of such shares immediately prior to the distribution because the trading price will no longer reflect the value of the GXO Businesses. There can be no assurance whether the aggregate market value of XPO common stock and GXO common stock following the separation will be higher or lower than the market value of XPO common stock if the separation did not occur. This means, for example, that the combined trading prices of a share of XPO common stock and a share of GXO common stock after the distribution may be equal to, greater than or less than the trading price of a share of XPO common stock before the distribution.
What are the material U.S. federal income tax consequences of the separation and the distribution?	It is a condition to the distribution that XPO receives an opinion of its outside counsel, satisfactory to the XPO board of directors, regarding the qualification of the distribution, together with certain related transactions, as a "reorganization" within the meaning of Sections 355 and 368(a)(1)(D) of the Code. If the distribution, together with certain related transactions, so qualifies, generally no gain or loss will be recognized by you, and no amount will be included in your income, for U.S. federal income tax purposes upon your receipt of GXO common stock in the distribution. You should carefully read the section titled "Material U.S. Federal Income Tax Consequences" and should consult your own tax advisor as to the particular consequences of the distribution to you, including the applicability and effect of any U.S. federal, state and local tax laws, as well as any non-U.S. tax laws.
What will GXO's relationship be with XPO following the separation?	After the distribution, XPO and GXO will be separate companies with separate management teams and separate boards of directors. GXO will enter into a separation and distribution agreement with XPO to effect the separation and to provide a framework for GXO's relationship with XPO after the separation, and will enter into certain other agreements, including a transition services agreement, a tax matters agreement, an employee matters agreement and an intellectual property license agreement. These agreements will provide for the allocation between GXO and XPO of the assets, employees, liabilities and obligations (including, among others, investments, property and employee benefits and tax-related assets and liabilities) of XPO and its subsidiaries attributable to periods prior to, at and after the separation and will govern the relationship between GXO and XPO subsequent to the completion of the separation. For additional information regarding the separation agreement and other transaction agreements, see the sections titled "Risk Factors—Risks Related to the Separation and Distribution" and "Certain Relationships and Related Party Transactions"
Who will manage GXO after the separation?	GXO will benefit from a management team with an extensive background in the GXO Businesses. For more information regarding GXO's management and directors, see "Management" and "Directors."
Are there risks associated with owning GXO common stock?	Yes. Ownership of GXO common stock is subject to both general and specific risks relating to the GXO Businesses, the industry in which it operates, its ongoing contractual relationships with XPO and its status as a separate, publicly traded company. Ownership of GXO common stock is also subject to risks relating to the separation. Certain of these risks are described in the "Risk Factors" section of this information statement. We encourage you to read that section carefully.
Does GXO plan to pay dividends?	The declaration and payment of any dividends in the future by GXO will be subject to the sole discretion of the board of directors and will depend upon many factors. See "Dividend Policy."

Will GXO incur any indebtedness prior to or at the time of the distribution?	Yes. In June 2021, GXO entered into a Revolving Credit Agreement providing for an $800 million unsecured, unsubordinated five-year revolving credit facility. Additionally, in July 2021, GXO issued $800 million of unsecured, unsubordinated notes in two series. GXO expects to transfer approximately $[____] million of the net proceeds of the notes to XPO, which net proceeds XPO intends to use to repay existing indebtedness. As a result of such transactions, GXO anticipates having approximately $800 million of outstanding indebtedness upon completion of the distribution (excluding finance leases and intercompany liabilities and any borrowings under the Revolving Credit Facility). See "Description of Material Indebtedness" and "Risk Factors—Risks Related to Our Business."
Who will be the distribution agent for the distribution and transfer agent and registrar for GXO common stock?	The distribution agent, transfer agent and registrar for the GXO common stock will be Computershare. For questions relating to the transfer or mechanics of the stock distribution, you should contact Computershare toll free at [ ].
Where can I find more information about XPO and GXO?	Before the distribution, if you have any questions relating to XPO, you should contact: XPO Logistics, Inc. Five American Lane Greenwich, CT 06831 Attention: Investor Relations After the distribution, GXO stockholders who have any questions relating to GXO should contact: GXO Logistics, Inc. Two American Lane Greenwich, CT 06831 Attention: Investor Relations The GXO website (*www.[ ].com*) will be operational on or around [ ], 2021. **The GXO website and the information contained therein or connected thereto are not incorporated into this information statement or the registration statement of which this information statement forms a part, or in any other filings with, or any information furnished or submitted to, the SEC.**

SUMMARY HISTORICAL AND PRO FORMA COMBINED FINANCIAL DATA

The following summary financial data reflects the combined operations of GXO. We derived the summary combined income statement data for the years ended December 31, 2020, 2019 and 2018, and summary combined balance sheet data as of December 31, 2020 and 2019, as set forth below, from our audited Combined Financial Statements, which are included in the "Index to Financial Statements" section of this information statement. We derived our summary combined balance sheet data as of December 31, 2018, also as set forth below, from our unaudited underlying financial records, which were derived from the financial records of XPO. We derived the summary combined income statement data for the three months ended March 31, 2021 and 2020, and summary combined balance sheet data as of March 31, 2021, as set forth below, from our unaudited Condensed Combined Financial Statements, which are included in the "Index to Financial Statements" section of this information statement. To ensure a full understanding of this summary financial data, you should read the summary combined financial data presented below in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," our Combined Financial Statements and accompanying notes and the Condensed Combined Financial Statements and accompanying notes included elsewhere in this information statement. The historical results do not necessarily indicate the results expected for any future period.

The summary unaudited pro forma combined financial data as of and for the three months ended March 31, 2021 and 2020 and for year ended December 31, 2020 has been prepared to reflect the separation, including the incurrence of indebtedness of $800 million, and the distribution of approximately $978 million of cash to XPO. The Unaudited Pro Forma Condensed Combined Statement of Operations presented assumes the separation occurred on January 1, 2020, the beginning of our most recently completed fiscal year. The Unaudited Pro Forma Condensed Combined Balance Sheet presented for March 31, 2021 assumes the separation occurred on March 31, 2021, our latest balance sheet date. The assumptions used and pro forma adjustments derived from such assumptions are based on currently available information, and we believe such assumptions are reasonable under the circumstances.

The Unaudited Pro Forma Condensed Combined Financial Information is not necessarily indicative of our results of operations or financial condition had the distribution and our anticipated post-separation capital structure been completed on the dates assumed. It may not reflect the results of operations or financial condition that would have resulted had we been operating as an independent, publicly traded company during such periods. In addition, it is not necessarily indicative of our future results of operations or financial condition.

You should read this summary financial data together with "Unaudited Pro Forma Condensed Combined Financial Information," "Capitalization," "Management's Discussion and Analysis of Financial Condition and Results of Operations", our Combined Financial Statements and accompanying notes and our Condensed Combined Financial Statements and accompanying notes included elsewhere in this information statement.

	Pro Forma			Historical				
	Three Months Ended March 31,		Year Ended December 31,	Three Months Ended March 31,		Years Ended December 31,		
(In millions except per share data)	2021	2020	2020	2021	2020	2020	2019	2018
Operating Results:								
Revenue	$ 1,823	$ 1,442	$ 6,203	$ 1,822	$ 1,440	$ 6,195	$ 6,094	$ 6,065
Operating income	29	—	8	30	2	16	150	143
Income (loss) before income taxes	32	(1)	9	26	(4)	(6)	118	126
Net income (loss)	21	(9)	(6)	17	(10)	(22)	81	90
Net income (loss) attributable to GXO	18	(11)	(15)	14	(12)	(31)	60	70
Earnings Per Share:								
Basic	$ 0.17	$ (0.12)	$ (0.16)					
Diluted	$ 0.16	$ (0.12)	$ (0.16)					
Other Data:								
Adjusted EBITDA	$ 140	$ 102	$ 442	$ 132	$ 96	$ 417	$ 469	$ 433
Free Cash Flow				$ (20)	$ (4)	$ 123	$ 50	$ 95

	Pro Forma as of March 31,	As of March 31,	As of December 31,			
(In millions)	2021	2021	2020	2019	2018	
Financial Position:						
Cash and cash equivalents [1]	$ 228	$ 414	$ 328	$ 200	$ 300	
Total assets [2]	6,881	7,120	6,548	6,151	4,974	
Long-term debt and finance lease liabilities	923	586	615	642	930	
Total equity	2,451	3,043	2,948	2,697	2,574	

(1) It is anticipated that, on the distribution date, GXO will have approximately $100 million of cash. The separation agreement will provide for an adjustment payment to potentially be made following the distribution from GXO to XPO, or from XPO to GXO, so that GXO's final cash balance as of the effective time of the distribution is equal to $100 million. The pro forma cash amount at March 31, 2021 includes an additional $128 million that was used to fund the purchase of the remaining 3% of XPO Logistics Europe in the second quarter of 2021.

(2) We adopted Accounting Standards Update 2016-02, Leases (Topic 842) prospectively on January 1, 2019. Our historical total assets as of March 31, 2021, December 31, 2020 and 2019 include operating lease assets of $1,733 million, $1,434 million and $1,458 million, respectively.

The tables below reconcile our non-GAAP measures to the nearest financial measure that is in accordance with accounting principles generally accepted in the United States ("GAAP") for the periods presented.

	Adjusted EBITDA							
	Pro Forma			Historical				
	Three Months Ended March 31,		Year Ended December 31,	Three Months Ended March 31,		Years Ended December 31,		
(In millions)	2021	2020	2020	2021	2020	2020	2019	2018
Net income (loss) attributable to GXO	$ 18	$ (11)	$ (15)	$ 14	$ (12)	$ (31)	$ 60	$ 70
Net income attributable to noncontrolling interest	(3)	(2)	(9)	(3)	(2)	(9)	(21)	(20)
Net income (loss)	21	(9)	(6)	17	(10)	(22)	81	90
Interest expense	7	9	32	5	7	24	33	30
Income tax provision	11	8	15	9	6	16	37	36
Depreciation and amortization expense [(1)]	79	77	325	79	76	323	302	261
Transaction and integration costs	18	17	47	18	17	47	1	9
Restructuring costs	4	—	29	4	—	29	15	7
Adjusted EBITDA	$ 140	$ 102	$ 442	$ 132	$ 96	$ 417	$ 469	$ 433

(1) Includes amortization of acquisition-related intangible assets of $14 million for the three months ended March 31, 2021 and 2020 and $57 million, $60 million and $64 million in 2020, 2019 and 2018, respectively.

	Free Cash Flow				
	Three Months Ended March 31,		Years Ended December 31,		
(In millions)	2021	2020	2020	2019	2018
Net cash provided by operating activities	$ 47	$ 41	$ 333	$ 145	$ 335
Cash collected on deferred purchase price receivables	—	—	—	112	—
Payment for purchases of property and equipment	(67)	(48)	(222)	(222)	(270)
Proceeds from sale of property and equipment	—	3	12	15	30
Free Cash Flow	$ (20)	$ (4)	$ 123	$ 50	$ 95

Statement Regarding Non-GAAP Measures

GXO's non-GAAP financial measures for the three months ended March 31, 2021 and 2020 and the years ended December 31, 2020, 2019 and 2018 and the unaudited pro forma financial data for the three months ended March 31, 2021 and 2020 and the year ended December 31, 2020 used in this statement include adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") and free cash flow on a combined basis.

We believe the above adjusted financial measures facilitate analysis of our ongoing business operations because they exclude items that may not be reflective of, or are unrelated to, GXO's core operating performance, and may assist investors with comparisons to prior periods and assessing trends in our underlying business. Other companies may calculate these non-GAAP financial measures differently, and therefore our measures may not be comparable to similarly titled measures of other companies. These non-GAAP financial measures should only be used as supplemental measures of our operating performance.

Adjusted EBITDA is calculated as Net income (loss) excluding interest, taxes, depreciation and amortization, and include adjustments for transaction and integration costs, as well as restructuring costs as set forth in the above table. Transaction and integration costs are generally incremental expenses that result from an actual or planned acquisition, divestiture or spin-off and may include third-party financial, legal and tax expenditures, consulting fees and retention awards. Restructuring costs primarily relate to severance costs associated with business optimization initiatives. Management uses these non-GAAP financial measures in making financial, operating and planning decisions and evaluating GXO's ongoing performance.

We believe that adjusted EBITDA improves comparability from period to period by removing the impact of our capital structure (interest and financing expenses), asset base (depreciation and amortization), tax impacts and other adjustments that management has determined are not reflective of core operating activities and thereby assists investors with assessing trends in our underlying business.

We believe that free cash flow is an important measure of our ability to repay maturing debt or fund other uses of capital that we believe will enhance stockholder value. We calculate free cash flow as net cash provided by operating activities plus cash collected on deferred purchase price receivables, less payment for purchases of property and equipment plus proceeds from sale of property and equipment.

RISK FACTORS

You should carefully consider the following risks and other information in this information statement in evaluating GXO and GXO common stock ("our stock" or "our common stock"). Any of the following risks and uncertainties could materially adversely affect our business, financial condition or results of operations.

Risks Related to Our Business

Risks Related to Our Strategy and Operations

We operate in a highly competitive industry, and failure to compete or respond to customer requirements could negatively affect our business and our results of operations.

The logistics industry is intensely competitive and is expected to remain so for the foreseeable future. We compete against multinational firms, regional players and emerging technology companies. We also must contend with our customers' ability to in-source their logistics operations. The primary competitive factors that are most important to our customers are price and quality of service. Many larger customers utilize the services of multiple logistics providers. Customers regularly solicit bids from competitors in order to improve service and to secure favorable pricing and contractual terms such as longer payment terms, fixed-price arrangements, higher or unlimited liability limits and performance penalties. Increased competition and competitors' acceptance of more onerous contractual terms could result in reduced revenues, reduced margins, higher operating costs or loss of market share, any of which could have a material adverse effect on our results of operations, cash flows and financial condition.

Increases in our labor costs to attract, train and retain employees may have a material adverse effect on us.

Our workforce is comprised primarily of employees who work on an hourly basis. To grow our operations and meet the needs and expectations of our customers, we must attract, train and retain a large number of hourly employees, while at the same time controlling labor costs. Several of our long-term customer contracts are fixed-price arrangements that limit our ability to pass on to our customers increases in labor costs due to low unemployment, increases in government unemployment benefits, competitive pressures, union activity or changes in federal or state minimum wage or overtime laws, and any such increases in labor costs could adversely affect our business, results of operations, cash flows and financial condition. For instance, our labor costs increased because of the COVID-19 pandemic, in part due to increased staffing needs, wage increases (including increases we awarded for pandemic frontline service) and increases in government unemployment benefits that have incentivized potential employees to remain out of the workforce in areas where we operate.

Additionally, our operations are subject to various employment related laws and regulations, which govern matters such as minimum wages, union organizing rights, the classification of employees and independent contractors, family and medical leave, overtime pay, compensable time, recordkeeping and other working conditions, and a variety of similar laws that govern these and other employment related matters. Any changes to employment related laws and regulations, including increased minimum wages, the expansion of union organization rights or changes in the classification of employees and independent contractors, could result in increased labor costs that could adversely affect our business, results of operations, cash flows and financial condition.

We are currently subject to employment related claims in connection with our operations. These claims, lawsuits and proceedings are in various stages of adjudication or investigation and involve a wide variety of claims and potential outcomes. Because labor represents a significant portion of our operating expenses, compliance with these evolving laws and regulations could substantially increase our cost of doing business, while failure to do so could subject us to significant fines and lawsuits and could have a material adverse effect on our business, financial condition and results of operations.

We depend on our ability to attract and retain qualified employees and temporary workers.

We depend on our ability to attract and retain qualified talent, including temporary, part-time and full-time team members; managers; and executive officers. If we are unable to attract and retain such individuals, we may be

unable to maintain our current competitive position within the industry, meet our customers' expectations or successfully expand and grow our business.

In addition to our permanent employees, our ability to meet customer demands and expectations, especially during periods of peak volume, is substantially dependent on our ability to recruit and retain qualified temporary workers. Increased demand for temporary workers, low unemployment or changes in federal or state minimum wage laws may increase the costs of temporary labor, and any such increases in labor costs could adversely affect our business, results of operations, cash flows and financial condition. Moreover, our inability to recruit a qualified temporary workforce may result in our inability to meet our customers' performance targets.

Economic recessions and other factors that reduce consumer spending, both in North America and Europe, could have a material adverse impact on our business.

Our performance is affected by recessionary economic cycles, downturns in customers' business cycles, and changes in customers' business practices. Our customers experience cyclical fluctuations in demand for their products due to economic recessions, which reduces the demand for our services and could adversely affect our business, results of operations, cash flows and financial condition.

Our past acquisitions, as well as any acquisitions that we may complete in the future, may be unsuccessful or result in other risks or developments that adversely affect our financial condition and results.

While we intend for our acquisitions to improve our competitiveness and profitability, we cannot be certain that our past or future acquisitions will be accretive to earnings or otherwise meet our operational or strategic expectations. Special risks, including accounting, regulatory, compliance, information technology or human resources issues, may arise in connection with, or as a result of, the acquisition of an existing company, including the assumption of unanticipated liabilities and contingencies, difficulties in integrating acquired businesses, possible management distractions, or the inability of the acquired business to achieve the levels of revenue, profit, productivity or synergies we anticipate or otherwise perform as we expect on the timeline contemplated. We are unable to predict all of the risks that could arise as a result of our acquisitions.

If the performance of an acquired business, including our January 2021 acquisition of the majority of Kuehne + Nagel's logistics operations in the U.K., varies from our projections or assumptions, or if estimates about the future profitability of an acquired business change, our revenues, earnings or other aspects of our financial condition could be adversely affected. We may also experience difficulties in connection with integrating any acquired companies into our existing businesses and operations, including our existing infrastructure and information technology systems. The infrastructure and information technology systems of acquired companies could present issues that we were unable to identify prior to the acquisition and that could adversely affect our financial condition and results; we have experienced challenges of this nature relating to the infrastructure and systems of certain past companies that we acquired. Also, we may not realize all of the synergies we anticipate from past and potential future acquisitions. Among the synergies that we currently expect to realize are cross-selling opportunities to our existing customers, network synergies and other operational synergies. Any of these events could adversely affect our financial condition and results of operations.

We may not successfully manage our growth.

We have grown rapidly and substantially over prior years, including by expanding our internal resources, making acquisitions and entering into new markets, and we intend to continue to focus on rapid growth, including organic growth and additional acquisitions. We may experience difficulties and higher-than-expected expenses in executing this strategy as a result of unfamiliarity with new markets, changes in revenue and business models, entry into new geographic areas and increased pressure on our existing infrastructure and information technology systems.

Our growth will place a significant strain on our management, operational, financial and information technology resources. We will need to continually improve existing procedures and controls, as well as implement new transaction processing, operational and financial systems, and procedures and controls to expand, train and manage our employee base. Our working capital needs will continue to increase as our operations grow. Failure to manage

our growth effectively, or obtain necessary working capital, could have a material adverse effect on our business, results of operations, cash flows and financial condition.

Our overseas operations are subject to various operational and financial risks that could adversely affect our business.

The services we provide outside the U.S. are subject to risks resulting from changes in tariffs, trade restrictions, trade agreements, tax policies, difficulties in managing or overseeing foreign operations and agents, different liability standards, issues related to compliance with anti-corruption laws, such as the Foreign Corrupt Practices Act and the U.K. Bribery Act, data protection, trade compliance, and intellectual property laws of countries that do not protect our rights relating to our intellectual property, including our proprietary information systems, to the same extent as do U.S. laws. The occurrence or consequences of any of these factors may restrict our ability to operate in the affected region or decrease the profitability of our operations in that region. In addition, as we expand our business in foreign countries, we will be exposed to increased risk of loss from foreign currency fluctuations and exchange controls.

We are exposed to currency exchange rate fluctuations because a significant proportion of our assets, liabilities and earnings are denominated in foreign currencies.

We present our financial statements in U.S. dollars, but we have a significant proportion of our net assets and income in non-U.S. dollar currencies, primarily the euro and British pound sterling. Consequently, a depreciation of non-U.S. dollar currencies relative to the U.S. dollar could have an adverse impact on our financial results.

The economic uncertainties relating to eurozone monetary policies may cause the value of the euro to fluctuate against other currencies. Currency volatility contributes to variations in our sales of products and services in impacted jurisdictions. For example, in the event that one or more European countries were to replace the euro with another currency, our sales into such countries, or in Europe generally, would likely be adversely affected until stable exchange rates are established. Accordingly, fluctuations in currency exchange rates could adversely affect our business and financial condition in Europe and the business of the combined company.

Our ability to successfully manage the costs and operational difficulties of adding new customers and business may negatively affect our financial condition and operations.

Establishing new customer relationships or adding operational sites for existing customers requires a significant amount of time, operational focus and capital. Although we typically partner with our new customers to ensure that onboarding is smooth and allocate costs appropriately, our inability to integrate new customers or operational sites into our technology systems or recruit additional employees to manage new customer relationships, or higher than anticipated costs to onboard new customers may negatively affect our financial condition or operations.

In addition, our operations can require a significant commitment of capital in the form of shelving, racking and other warehousing systems that may be required to implement warehouse solutions for our customers. These costs are often paid back by the customer over a specified period of time associated with the expected length of the customer relationship. To the extent that a customer defaults on its obligations under its agreement with us, we could be forced to take a significant loss on the unrecovered portion of this upfront capital cost.

The contractual terms between us and our customers could expose us to penalties and costs in the event we do not meet the contractually prescribed performance levels.

We maintain long-term contracts with the majority of our customers, many of which include performance-based minimum levels of service. Although we manage our business to exceed prescribed performance levels, our inability to meet these service levels, due to labor shortages, volume peaks, our inability to procure temporary labor, technological malfunctions or other events that may or may not be within our control, may expose us to penalties or incremental costs or lead to the termination of customer contracts, all of which could negatively affect our business and financial condition.

Our operations are subject to seasonal fluctuations, and our inability to manage these fluctuations could negatively affect our business and our results of operations.

Many of our customers typically realize a significant portion of their sales in the fourth quarter of each year during the holiday season. Although not all of our customers experience the same seasonal variation, and some customers may have seasonal peaks that occur in periods other than the fourth quarter, the seasonality of our customers' businesses places higher demands on our services, requiring us to take measures, including temporarily expanding our workforce, to meet our customers' demands. Our failure to meet our customers' expectations during these seasonal peaks may negatively affect our customer relationships, could expose us to penalties under our contractual arrangements with customers and ultimately could negatively affect our business and our results of operations.

The COVID-19 pandemic could have a material adverse effect on our business operations, results of operations, cash flows and financial position.

We are closely monitoring the impact of the COVID-19 pandemic on all aspects of our business and geographies, including how it has and may continue to impact our customers, employees and other business partners. The COVID-19 pandemic has created significant volatility, uncertainty and economic disruption, which has and may continue to adversely affect our business operations and may materially and adversely affect our results of operations, cash flows and financial position.

The effects of the COVID-19 pandemic may remain prevalent for a significant period of time and may continue to adversely affect our business, results of operations and financial condition even after the COVID-19 outbreak has subsided. The extent to which the COVID-19 pandemic impacts us will depend on numerous evolving factors and future developments that we are not able to predict. Furthermore, the extent and pace of a recovery remains uncertain and may differ significantly among the countries in which we operate. We anticipate that our results of operations will continue to be impacted by this pandemic in 2021, and the pandemic could have a material impact on our results of operations and heighten many of our known risks described herein.

Risks Related to Our Use of Technology

Our business will be seriously harmed if we fail to develop, implement, maintain, upgrade, enhance, protect and integrate our information technology systems, including those systems of any businesses that we acquire.

We rely heavily on our information technology systems in managing our business; they are a key component of our customer-facing services and internal growth strategy. In general, we expect our customers to continue to demand more sophisticated, fully integrated technology from their logistics providers. To keep pace with changing technologies and customer demands, we must correctly address market trends and enhance the features and functionality of our proprietary technology platform in response to these trends. This process of continuous enhancement may lead to significant ongoing software development costs, which will continue to increase if we pursue new acquisitions of companies and their current systems. In addition, we may fail to accurately determine the needs of our customers or trends in the logistics industry, or we may fail to respond appropriately by implementing functionality for our technology platform in a timely or cost-effective manner. Any such failures could result in decreased demand for our services and a corresponding decrease in our revenues.

We must ensure that our information technology systems remain competitive. If our information technology systems are unable to manage high volumes with reliability, accuracy and speed as we grow, or if such systems are not suited to manage the various services we offer, our service levels and operating efficiency could decline. In addition, if we fail to hire and retain qualified personnel to implement, protect and maintain our information technology systems, or if we fail to enhance our systems to meet our customers' needs, our results of operations could be seriously harmed.

Our technology may not be successful or may not achieve the desired results, and we may require additional training or different personnel to successfully implement this technology. Our technology development process may be subject to cost overruns or delays in obtaining the expected results, which may result in disruptions to our operations.

A failure of our information technology infrastructure or a breach of our information systems, networks or processes may materially adversely affect our business.

The efficient operation of our business depends on our information technology systems. We rely on our information technology systems to effectively manage our sales and marketing, financial, legal and compliance functions, engineering and product development tasks, research and development data, communications, logistics order entry and fulfillment and other business processes. We also rely on third parties and virtualized infrastructure to operate our information technology systems. Despite significant testing for risk management, external and internal risks, such as malware, insecure coding, "Acts of God," data leakage and human error pose a direct threat to the stability or effectiveness of our information technology systems and operations. The failure of our information technology systems to perform as we anticipate could adversely affect our business through transaction errors, billing and invoicing errors, internal recordkeeping and reporting errors, processing inefficiencies and loss of sales, receivables collection or customers. Any such failure could result in harm to our reputation and have an ongoing adverse impact on our business, results of operations and financial condition, including after the underlying failures have been remedied.

We may also be subject to cybersecurity attacks and other intentional hacking. Any failure to identify and address such defects or errors or prevent a cyber-attack could result in service interruptions, operational difficulties, loss of revenues or market share, liability to our customers or others, the diversion of corporate resources, injury to our reputation or increased service and maintenance costs. Addressing such issues could prove to be impossible or very costly and responding to the resulting claims or liability could similarly involve substantial cost. In addition, recently, regulatory and enforcement focus on data protection has heightened in the U.S. and abroad, particularly in the EU, and failure to comply with applicable U.S. or foreign data protection regulations or other data protection standards may expose us to litigation, fines, sanctions or other penalties, which could harm our business, its reputation, results of operations and financial condition.

Issues related to the intellectual property rights on which our business depends, whether related to our failure to enforce our own rights or infringement claims brought by others, could have a material adverse effect on our business, financial condition and results of operations.

We use both internally developed and purchased technologies in conducting our business. Whether internally developed or purchased, it is possible that users of these technologies could be claimed to infringe upon or violate the intellectual property rights of third parties. In the event that a claim is made against us by a third-party for the infringement of intellectual property rights, a settlement or adverse judgment against us could result in increased costs to license the technology or a legal prohibition against our using the technology. Thus, our failure to obtain, maintain or enforce our intellectual property rights could have a material adverse effect on our business, financial condition and results of operations.

We rely on a combination of intellectual property rights, including patents, copyrights, trademarks, domain names, trade secrets, intellectual property licenses and other contractual rights, to protect our intellectual property and technology. Any of our owned or licensed intellectual property rights could be challenged, invalidated, circumvented, infringed or misappropriated; our trade secrets and other confidential information could be disclosed in an unauthorized manner to third parties; or we may fail to secure the rights to intellectual property developed by our employees, contractors and others. Efforts to enforce our intellectual property rights may be time-consuming and costly, distract management's attention, divert our resources and ultimately be unsuccessful. Moreover, should we fail to develop and properly manage future intellectual property, this could adversely affect our market positions and business opportunities.

Risks Related to Third-Party Relationships

Our business may be materially adversely affected by labor disputes or organizing efforts.

Labor disputes involving our customers could affect our operations. If our customers experience plant slowdowns or closures because they are unable to negotiate labor contracts, our revenue and profitability could be negatively impacted. In particular, we derive a substantial portion of our revenue from the operation and management of facilities that are often located in close proximity to a customer's manufacturing plant and are

integrated into the customer's production line process. If any of our customers are affected by labor disputes and consequently cease or significantly modify their operations at a plant served by us, we may experience significant revenue loss and shutdown costs, including costs related to early termination of leases, causing our business to suffer.

In Europe, our business activities rely on a large amount of labor, including a number of workers who are affiliated with trade unions and other staff representative institutions. It is essential that we maintain good relations with employees, trade unions and other staff representative institutions. A deteriorating economic environment may result in tensions in industrial relations, which may lead to industrial action within our European operations; this could have a direct impact on our business operations. Generally, any deterioration in industrial relations in our European operations, such as general strike activities or other material labor disputes, could have an adverse effect on our revenues, earnings, financial position and outlook.

Although our work force in the United States is not unionized, labor unions have, from time to time, attempted to organize our employees. Successful unionization by our employees or organizing efforts could lead to business interruptions, work stoppages and the reduction of service levels due to work rules that could have an adverse effect on our customer relationships and our revenues, earnings, financial position and outlook.

Our business uses a large number of temporary workers in our operations. Any failure to properly manage our temporary workers could have a material adverse impact on our revenues, earnings, financial position and outlook.

We make significant use of temporary staff. We cannot guarantee that temporary workers are as well-trained as our other employees. Specifically, we may be exposed to the risk that temporary workers may not perform their assignments in a satisfactory manner or may not comply with our safety rules in an appropriate manner, whether as a result of their lack of experience or otherwise. If such risks materialize, they could have a material adverse effect on our business and financial condition.

Risks Related to Litigation and Regulations

From time to time, we are involved in lawsuits and are subject to various claims that could result in significant expenditures and impact our operations.

The nature of our business exposes us to the potential for various types of claims and litigation. We are subject to claims and litigation related to labor and employment, personal injury, vehicular accidents, cargo and other property damage, business practices, environmental liability and other matters, including with respect to claims asserted under various other theories of agency or employer liability. Claims against us may exceed the amount of insurance coverage that we have or may not be covered by insurance at all. Businesses that we acquire also increase our exposure to litigation. Material increases in liability claims or workers' compensation claims, or the unfavorable resolution of claims, or our failure to recover, in full or in part, under indemnity provisions could materially and adversely affect our operating results. In addition, significant increases in insurance costs or the inability to purchase insurance as a result of these claims could reduce our profitability.

We are subject to risks associated with defined benefit plans for our current and former employees, which could have a material adverse effect on our earnings and financial position.

We maintain defined benefit pension plans and a postretirement medical plan. Our defined benefit pension plans include funded and unfunded plans in the U.S. and the U.K. A decline in interest rates or lower returns on funded plan assets may cause increases in the expense and funding requirements for these defined benefit pension plans and for our postretirement medical plan. Despite past amendments that froze our defined benefit pension plans to new participants and curtailed benefits, these pension plans remain subject to volatility associated with interest rates, inflation, returns on plan assets, other actuarial assumptions and statutory funding requirements. In addition to being subject to volatility associated with interest rates, our postretirement medical plan remains subject to volatility associated with actuarial assumptions and trends in healthcare costs. Any of the aforementioned factors could lead to a significant increase in the expense of these plans and a deterioration in the solvency of these plans, which could

significantly increase our contribution requirements. As a result, we are unable to predict the effect on our financial statements associated with our defined benefit pension plans and our postretirement medical plan.

Changes in income tax regulations for U.S. and multinational companies may increase our tax liability.

The U.S. Congress, the Organization for Economic Co-operation and Development ("OECD"), the EU, and other government agencies in jurisdictions in which we and our affiliates do business have maintained a focus on the taxation of multinational companies. The OECD has recommended changes to numerous long-standing international tax principles through its base erosion and profit shifting ("BEPS") project. These and other tax laws and related regulation changes, to the extent adopted, may increase tax uncertainty, result in higher compliance cost and adversely affect our provision for income taxes, results of operations and/or cash flow.

We are subject to regulation, which could negatively impact our business.

Our operations are regulated and licensed by various governmental agencies at the local, state and federal levels in the U.S. and in the foreign countries where we operate. These regulatory agencies have authority and oversight of domestic and international activities. Our subsidiaries must also comply with applicable regulations and requirements of various agencies.

The regulatory landscape in which we operate is constantly evolving and subject to significant change, including as a result of evolving political and social attitudes. Future laws, regulations and regulatory reforms, including without limitation future laws and regulations related to increased minimum wages, the expansion of union organization rights or changes in the classification of employees and independent contractors, may be more stringent and may require changes to our operating practices that influence the demand for our services or require us to incur significant additional costs. We are unable to predict the impact that recently enacted and future regulations may have on our business. If higher costs are incurred by us as a result of future changes in regulations, this could adversely affect our results of operations to the extent we are unable to obtain a corresponding increase in price from our customers.

Proposed or pending legislative or regulatory changes, or future legislative or regulatory changes, at the federal, state or local level could decrease demand for our services, increase our costs, including our labor costs, and negatively affect our business and our results of operations.

Our business is subject to possible regulatory and legislative changes that may impact our operations, including but not limited to changes that would encourage workers to unionize, make it easier for workers to collectively bargain, increase operational requirements on our business or mandate certain restrictions on the use of individual workers, including how often they can work or how long they can work in any individual shift. Any and all of these changes or other similar changes could have significant implications for our business model, including increasing our labor costs, reducing our operational flexibility and depressing our ability to meet our customers' expectations and demands, all of which would negatively affect our business and our results of operations.

The enactment of proposed or future legislation by Congress could change union organization rights, resulting in increased efforts by workers to unionize. If such legislation is enacted at the federal, state or local level, such efforts could distract our management team, result in business interruptions, work stoppages and the reduction of service levels due to work rules that could have an adverse effect on our customer relationships and our revenues, earnings, financial position and outlook, and could adversely affect our business by increasing our labor costs. Recent regulatory proposals and statements by the Biden administration suggest that certain regulatory bodies, including the National Labor Relations Board, Occupational Safety and Health Administration ("OSHA") and the Equal Employment Opportunity Commission, may promulgate regulations that could limit our operational flexibility. If such regulations are adopted, they could increase our cost of operations or hinder our ability to meet our customers' expectations and demands, either of which would negatively affect our business and our results of operations.

Additionally, significant regulatory changes at the federal, state or local level may negatively affect economic output, cause growth to slow, reduce consumer spending and sentiment and result in weaker demand for our services, negatively affecting our business and our results of operations.

Risks Related to the Separation and Distribution

We have no history of operating as an independent company, and our historical and pro forma financial information is not necessarily representative of the results that we would have achieved as a separate, publicly traded company and may not be a reliable indicator of our future results.

The historical information about GXO in this information statement refers to the GXO Businesses as operated by and integrated with XPO. Our historical financial information included in this information statement is derived from XPO's accounting records and is presented on a standalone basis as if the GXO Businesses have been conducted independently from XPO. Additionally, the pro forma financial information included in this information statement is derived from our historical financial information and (i) gives effect to the separation and (ii) reflects GXO's anticipated post-separation capital structure, including the assignment of certain assets and assumption of certain liabilities not included in the historical financial statements. Accordingly, the historical and pro forma financial information does not necessarily reflect the financial condition, results of operations or cash flows that we would have achieved as a separate, publicly traded company during the periods presented or those that we will achieve in the future primarily as a result of the factors described below:

- Generally, our working capital requirements and capital for our general corporate purposes, including capital expenditures and acquisitions, have historically been satisfied as part of the corporate-wide cash management policies of XPO. Following the completion of the distribution, our results of operations and cash flows are likely to be more volatile, and we may need to obtain additional financing from banks, through public offerings or private placements of debt or equity securities, strategic relationships or other arrangements, which may or may not be available and may be more costly.

- Prior to the distribution, our business has been operated by XPO as part of its broader corporate organization, rather than as an independent company. XPO or one of its affiliates performed various corporate functions for us, such as legal, treasury, accounting, auditing, human resources, investor relations, and finance. Our historical and pro forma financial results reflect allocations of corporate expenses from XPO for such functions, which may be less than the expenses we would have incurred had we operated as a separate, publicly traded company.

- Currently, our business is integrated with the other businesses of XPO. Historically, we have shared economies of scope and scale in costs, employees, vendor relationships and customer relationships. While we have sought to minimize the impact on GXO when separating these arrangements, there is no guarantee these arrangements will continue to capture these benefits in the future.

- As a current part of XPO, we take advantage of XPO's overall size and scope to obtain more advantageous procurement terms. After the distribution, as a standalone company, we may be unable to obtain similar arrangements to the same extent that XPO did, or on terms as favorable as those XPO obtained, prior to completion of the distribution.

- After the completion of the distribution, the cost of capital for our business may be higher than XPO's cost of capital prior to the distribution.

- Our historical financial information does not reflect the debt that we will incur as part of the distribution.

- As an independent public company, we will separately become subject to, among other things, the reporting requirements of the Securities Exchange Act of 1934, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, and the regulations of the NYSE and will be required to prepare our standalone financial statements according to the rules and regulations required by the SEC. These reporting and other obligations will place significant demands on our management and administrative and operational resources. Moreover, to comply with these requirements, we anticipate that we will need to migrate our systems, including information technology systems, implement additional financial and management controls, reporting systems and procedures and hire additional accounting and finance staff. We expect to incur additional annual expenses related to these steps, and those expenses may be significant. If we are unable to implement our financial and management controls, reporting systems, information technology

and procedures in a timely and effective fashion, our ability to comply with our financial reporting requirements and other rules that apply to reporting companies under the Securities Exchange Act of 1934 could be impaired.

Other significant changes may occur in our cost structure, management, financing and business operations as a result of operating as a company separate from XPO. For additional information about the past financial performance of our business and the basis of presentation of the historical combined financial statements and the unaudited pro forma condensed combined financial statements of our business, see "Unaudited Pro Forma Condensed Combined Financial Information," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the historical financial statements and accompanying notes included elsewhere in this information statement.

Following the separation and distribution, our financial profile will change, and we will be a smaller, less diversified company than XPO prior to the separation.

The separation will result in each of XPO and GXO being smaller, less diversified companies with more limited businesses concentrated in their respective industries. As a result, our company may be more vulnerable to changing market conditions, which could have a material adverse effect on our business, financial condition and results of operations. In addition, the diversification of our revenues, costs, and cash flows will diminish as a standalone company, such that our results of operations, cash flows, working capital and financing requirements may be subject to increased volatility and our ability to fund capital expenditures and investments, pay dividends and service debt may be diminished. Following the separation, we may also lose capital allocation efficiency and flexibility, as we will no longer be able to use cash flow from XPO to fund our investments into one of our other businesses.

We may not achieve some or all of the expected benefits of the separation and distribution, and the separation and distribution may materially adversely affect our business.

We may not be able to achieve the full strategic and financial benefits expected to result from the separation and distribution, or such benefits may be delayed or not occur at all. The distribution is expected to provide a number of benefits, including those described elsewhere in this information statement.

We may not achieve these and other anticipated benefits for a variety of reasons, including, among others: (i) the separation will demand significant management resources and require significant amounts of management's time and effort, which may divert management's attention from operating and growing our business; (ii) following the separation, we may be more susceptible to market fluctuations and other adverse events than if we were still a part of XPO because our business will be less diversified than XPO's business prior to the completion of the separation; (iii) after the separation, as a standalone company, we may be unable to obtain certain goods, services and technologies at prices or on terms as favorable as those XPO obtained prior to completion of the separation; (iv) the separation may require us to pay costs that could be substantial and material to our financial resources, including insurance, accounting, tax, legal and other professional services costs, recruiting and relocation costs associated with hiring key senior management and personnel new to GXO, tax costs and costs to separate information systems; (v) under the terms of the tax matters agreement that we will enter into with XPO, we will be restricted from taking certain actions that could cause the distribution or certain related transactions (or certain transactions undertaken as part of the internal reorganization) to fail to qualify as tax-free, and these restrictions may limit us for a period of time from pursuing certain strategic transactions and equity issuances or engaging in other transactions that might increase the value of our business; and (vi) after the separation, we cannot predict the trading prices of GXO common stock or know whether the combined value of one share of our common stock and one share of XPO common stock will be less than, equal to or greater than the market value of one share of XPO common stock prior to the distribution. If we fail to achieve some or all of the benefits expected to result from the separation, or if such benefits are delayed, it could have a material adverse effect on our competitive position, business, financial condition, results of operations and cash flows.

XPO's plan to separate into two independent, publicly traded companies is subject to various risks and uncertainties and may not be completed in accordance with the expected plans or anticipated timeline, or at all, and will involve significant time and expense, which could disrupt or adversely affect our business.

XPO's separation into two independent, publicly traded companies is complex in nature, and unanticipated developments or changes, including changes in the law, the macroeconomic environment, competitive conditions of XPO's markets, regulatory approvals or clearances, the uncertainty of the financial markets and challenges in executing the separation, could delay or prevent the completion of the proposed separation, or cause the separation to occur on terms or conditions that are different or less favorable than expected. Additionally, the XPO board of directors, in its sole and absolute discretion, may decide not to proceed with the distribution at any time prior to the distribution date.

The process of completing the proposed separation has been and is expected to continue to be time-consuming and involves significant costs and expenses. The separation costs may be significantly higher than what we currently anticipate and may not yield a discernible benefit if the separation is not completed or is not well executed, or the expected benefits of the separation are not realized. Executing the proposed separation will also require significant amounts of management's time and effort, which may divert management's attention from operating and growing our business. Other challenges associated with effectively executing the separation include attracting, retaining and motivating employees during the pendency of the separation and following its completion; addressing disruptions to our supply chain, manufacturing, sales and distribution, and other operations resulting from separating XPO into two independent companies; and separating XPO's information systems.

Challenges in the commercial and credit environment may adversely affect the expected benefits of the separation, the expected plans or anticipated timeline to complete the separation and our future access to capital on favorable terms.

Volatility in the world financial markets could increase borrowing costs or affect our ability to access the capital markets. Our ability to issue debt or enter into other financing arrangements on acceptable terms could be adversely affected if there is a material decline in the demand for our services or in the solvency of our customers or suppliers or if there are other significantly unfavorable changes in economic conditions. These conditions may adversely affect our anticipated timeline to complete the separation and the expected benefits of the separation, including by increasing the time and expense involved in the separation.

We have incurred debt obligations, and may in the future incur additional debt obligations, that could adversely affect our business and profitability and our ability to meet other obligations.

In connection with the distribution, in June 2021, GXO entered into a Revolving Credit Agreement providing for an $800 million unsecured, unsubordinated five-year revolving credit facility. Additionally, in July 2021, GXO issued $800 million of unsecured, unsubordinated notes in two series. GXO expects to transfer approximately $[_____] million of the net proceeds of the notes to XPO, which net proceeds XPO intends to use to repay existing indebtedness. As a result of such transactions, GXO anticipates having approximately $800 million of outstanding indebtedness upon completion of the distribution (excluding finance leases and intercompany liabilities and any borrowings under the Revolving Credit Facility). See "Description of Material Indebtedness." We may also incur additional indebtedness in the future.

This significant amount of debt could potentially have important consequences to us and our debt and equity investors, including:

- requiring a substantial portion of our cash flow from operations to make interest payments;
- making it more difficult to satisfy debt service and other obligations;
- increasing the risk of a future credit ratings downgrade of our debt, which could increase future debt costs and limit the future availability of debt financing;
- increasing our vulnerability to adverse economic and industry conditions;

- reducing the cash flow available to fund capital expenditures and other corporate purposes and to grow our business;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- placing us at a competitive disadvantage relative to our competitors that may not be as highly leveraged with debt; and
- limiting our ability to borrow additional funds as needed or take advantage of business opportunities as they arise, pay cash dividends or repurchase common shares.

To the extent that we incur additional indebtedness, the foregoing risks could increase. In addition, our actual cash requirements in the future may be greater than expected. Our cash flow from operations may not be sufficient to repay all of the outstanding debt as it becomes due, and we may not be able to borrow money, sell assets or otherwise raise funds on acceptable terms, or at all, to refinance our debt.

We could experience temporary interruptions in business operations and incur additional costs as we build our information technology infrastructure and transition our data to our own systems.

We are in the process of creating our own, or engaging third parties to provide, information technology infrastructure and systems to support our critical business functions, including accounting and reporting, in order to replace many of the systems XPO currently provides to us. We may incur temporary interruptions in business operations if we cannot transition effectively from XPO's existing operating systems, databases and programming languages that support these functions to our own systems. Our failure to implement the new systems and transition our data successfully and cost-effectively could disrupt our business operations and have a material adverse effect on our profitability. In addition, our costs for the operation of these systems may be higher than the amounts reflected in our historical combined financial statements.

Our accounting, tax and other management systems and resources may not be adequately prepared to meet the financial reporting and other requirements to which we will be subject as a standalone, publicly traded company following the separation and distribution.

Our financial results previously were included within the combined results of XPO, and we believe that our reporting and control systems were appropriate for those of subsidiaries of a public company. However, we were not directly subject to the reporting and other requirements of the Securities Exchange Act of 1934. As a result of the distribution, we will be directly subject to reporting and other obligations under the Securities Exchange Act of 1934, including the requirements of Section 404 of the Sarbanes-Oxley Act, which will require annual management assessments of the effectiveness of our internal control over financial reporting and a report by our independent registered public accounting firm addressing these assessments. These reporting and other obligations will place significant demands on our management and administrative and operational resources, including accounting resources. We may not have sufficient time following the separation to meet these obligations by the applicable deadlines.

Moreover, to comply with these requirements, we anticipate that we will need to migrate our systems, including information technology systems, implement additional financial and management controls, reporting systems and procedures and hire additional accounting, tax and finance staff. We expect to incur additional annual expenses related to these steps, and those expenses may be significant. If we are unable to implement our financial and management controls, reporting systems, information technology and procedures in a timely and effective fashion, our ability to comply with our financial reporting requirements and other rules that apply to reporting companies under the Securities Exchange Act of 1934 could be impaired. In the event we are unable to implement a sufficient tax reporting system and related processes, we may be unable to comply with tax law and face penalties associated with our lack of compliance. Any failure to achieve and maintain effective internal controls could result in adverse regulatory consequences and/or loss of investor confidence, which could limit GXO's ability to access the global capital markets and could have a material adverse effect on our business, financial condition, results of operations, cash flows or the market price of GXO securities.

In connection with the separation into two public companies, each of XPO and GXO will indemnify each other for certain liabilities. If we are required to pay under these indemnities to XPO, our financial results could be negatively impacted. The XPO indemnities may not be sufficient to hold us harmless from the full amount of liabilities for which XPO will be allocated responsibility, and XPO may not be able to satisfy its indemnification obligations in the future.

Pursuant to the separation agreement and certain other agreements between XPO and GXO, each party will agree to indemnify the other for certain liabilities, in each case for uncapped amounts, as discussed further in the section titled "Certain Relationships and Related Party Transactions—Separation Agreement" of this information statement. Indemnities that we may be required to provide XPO are not subject to any cap, may be significant and could negatively impact our business. Third parties could also seek to hold us responsible for any of the liabilities that XPO has agreed to retain. Any amounts we are required to pay pursuant to these indemnification obligations and other liabilities could require us to divert cash that would otherwise have been used in furtherance of our operating business. Further, the indemnities from XPO for our benefit may not be sufficient to protect us against the full amount of such liabilities, and XPO may not be able to fully satisfy its indemnification obligations.

Moreover, even if we ultimately succeed in recovering from XPO any amounts for which we are held liable, we may be temporarily required to bear these losses ourselves. Each of these risks could negatively affect our business, results of operations and financial condition.

XPO may fail to perform under various transaction agreements that will be executed as part of the separation, or we may fail to have necessary systems and services in place when certain of the transaction agreements expire.

In connection with the separation and prior to the distribution, GXO and XPO will enter into the separation agreement and will also enter into various other agreements, including a transition services agreement, a tax matters agreement, an employee matters agreement and an intellectual property license agreement. The separation agreement, the tax matters agreement, the employee matters agreement and the intellectual property license agreement, together with the documents and agreements by which the internal reorganization will be effected, will determine the allocation of assets and liabilities between the companies following the separation for those respective areas and will include any necessary indemnifications related to liabilities and obligations. The transition services agreement will provide for the performance of certain services by each company for the benefit of the other for a period of time after the separation. GXO will rely on XPO to satisfy its performance and payment obligations under these agreements. If XPO is unable or unwilling to satisfy its obligations under these agreements, including its indemnification obligations, we could incur operational difficulties and/or losses. If we do not have in place our own systems and services, or if we do not have agreements with other providers of these services once certain transaction agreements expire, we may not be able to operate our business effectively, and our profitability may decline. We are in the process of creating our own, or engaging third parties to provide, systems and services to replace many of the systems and services that XPO currently provides to us. However, we may not be successful in implementing these systems and services in a timely manner or at all, we may incur additional costs in connection with, or following, the implementation of these systems and services, and we may not be successful in transitioning data from XPO's systems to ours.

We may be held liable to XPO if we fail to perform certain services under the transition services agreement, and the performance of such services may negatively impact our business and operations.

In connection with the separation, GXO and XPO will enter into a transition services agreement that will provide for the performance of certain services by each company for the benefit of the other for a period of time after the separation. If we do not satisfactorily perform our obligations under the agreement, we may be held liable for any resulting losses suffered by XPO, subject to certain limits. In addition, during the transition services periods, our management and employees may be required to divert their attention away from our business in order to provide services to XPO, which could adversely affect our business.

The terms we will receive in our agreements with XPO could be less beneficial than the terms we may have otherwise received from unaffiliated third parties.

The agreements we will enter into with XPO in connection with the separation, including the separation agreement, a transition services agreement, a tax matters agreement, an employee matters agreement and an intellectual property license agreement, were prepared in the context of the separation while we were still a wholly owned subsidiary of XPO. Accordingly, during the period in which the terms of those agreements were prepared, we did not have an independent board of directors or a management team that was independent of XPO. As a result, the terms of those agreements may not reflect terms that would have resulted from arm's-length negotiations between unaffiliated third parties. See "Certain Relationships and Related Party Transactions."

If the distribution, together with certain related transactions, does not qualify as a transaction that is generally tax-free for U.S. federal income tax purposes, we, as well as XPO and XPO's stockholders, could be subject to significant tax liabilities, and, in certain circumstances, we could be required to indemnify XPO for material amounts of taxes and other related amounts pursuant to indemnification obligations under the tax matters agreement. In addition, if certain internal restructuring transactions were to fail to qualify as transactions that are generally tax-free for U.S. federal or non-U.S. income tax purposes, we, as well as XPO, could be subject to significant tax liabilities.

It is a condition to the distribution that XPO receives an opinion of its outside counsel, satisfactory to the XPO board of directors, regarding the qualification of the distribution, together with certain related transactions, as a "reorganization" within the meaning of Sections 355 and 368(a)(1)(D) of the Code. The opinion of counsel will be based upon and rely on, among other things, various facts and assumptions, as well as certain representations, statements and undertakings of XPO and GXO, including those relating to the past and future conduct of XPO and GXO. If any of these facts, assumptions, representations, statements or undertakings is, or becomes, inaccurate or incomplete, or if XPO or GXO breaches any of its representations or covenants contained in the separation agreement and certain other agreements and documents or in any documents relating to the opinion of counsel, the opinion of counsel may be invalid and the conclusions reached therein could be jeopardized.

Notwithstanding receipt of the opinion of counsel, the U.S. Internal Revenue Service (the "IRS") could determine that the distribution and/or certain related transactions should be treated as taxable transactions for U.S. federal income tax purposes if it determines that any of the representations, assumptions or undertakings upon which the opinion of counsel was based are false or have been violated. In addition, the opinion of counsel will represent the judgment of such counsel and will not be binding on the IRS or any court, and the IRS or a court may disagree with the conclusions in the opinion of counsel. Accordingly, notwithstanding receipt of the opinion of counsel, there can be no assurance that the IRS will not assert that the distribution and/or certain related transactions do not qualify for tax-free treatment for U.S. federal income tax purposes or that a court would not sustain such a challenge. In the event the IRS were to prevail with such challenge, we, as well as XPO and XPO's stockholders, could be subject to significant U.S. federal income tax liability.

If the distribution, together with certain related transactions, were to fail to qualify as a transaction that is generally tax-free for U.S. federal income tax purposes under Sections 355 and 368(a)(1)(D) of the Code, in general, for U.S. federal income tax purposes, XPO would recognize taxable gain as if it had sold the GXO common stock in a taxable sale for its fair market value (unless XPO and we jointly make an election under Section 336(e) of the Code with respect to the distribution, in which case, in general, (a) the XPO group would recognize taxable gain as if we had sold all of our assets in a taxable sale in exchange for an amount equal to the fair market value of GXO common stock and the assumption of all our liabilities and (b) we would obtain a related step-up in the tax basis of our assets), and XPO stockholders who receive such GXO shares in the distribution would be subject to tax as if they had received a taxable distribution equal to the fair market value of such shares. For more information, see "Material U.S. Federal Income Tax Consequences."

In addition, as part of the separation, and prior to the distribution, XPO and its subsidiaries expect to complete the internal reorganization, and XPO, GXO and their respective subsidiaries expect to incur certain tax costs in connection with the internal reorganization, including non-U.S. tax costs resulting from transactions in non-U.S. jurisdictions, which may be material. With respect to certain transactions undertaken as part of the internal

reorganization, XPO intends to obtain opinions of external tax advisors, in each case, regarding the tax treatment of such transactions. Such opinions will be based upon and rely on, among other things, various facts and assumptions, as well as certain representations, statements and undertakings of XPO, GXO or their respective subsidiaries. If any of these representations or statements is, or becomes, inaccurate or incomplete, or if XPO, GXO or their respective subsidiaries do not fulfill or otherwise comply with any such undertakings or covenants, such opinions may be invalid or the conclusions reached therein could be jeopardized. Further, notwithstanding receipt of any such tax opinions, there can be no assurance that the relevant taxing authorities will not assert that the tax treatment of the relevant transactions differs from the conclusions reached in the relevant tax opinions. In the event any such tax opinions cannot be obtained or the relevant taxing authorities prevail with any challenge in respect of any relevant transaction, XPO, GXO and their subsidiaries could be subject to significant tax liabilities.

Under the tax matters agreement to be entered into between XPO and GXO in connection with the separation, we generally would be required to indemnify XPO for any taxes resulting from the separation (and any related costs and other damages) to the extent such amounts resulted from (i) an acquisition of all or a portion of the equity securities or assets of GXO, whether by merger or otherwise (and regardless of whether we participated in or otherwise facilitated the acquisition), (ii) certain other actions or failures to act by GXO, or (iii) any breach of GXO's covenants or undertakings contained in the separation agreement and certain other agreements and documents. Further, under the tax matters agreement, we generally would be required to indemnify XPO for a specified portion of any taxes (and any related costs and other damages) arising as a result of the failure of the distribution and certain related transactions to qualify as a transaction that is generally tax-free (including as a result of Section 355(e) of the Code) or a failure of any internal distribution that is intended to qualify as a transaction that is generally tax-free to so qualify, in each case, to the extent such amounts did not result from a disqualifying action by, or acquisition of equity securities of, XPO or GXO. Any such indemnity obligations could be material. For a more detailed discussion, see "Certain Relationships and Related Party Transactions—Tax Matters Agreement."

We may not be able to engage in desirable capital-raising or strategic transactions following the separation.

Under current U.S. federal income tax law, a spin-off that otherwise qualifies for tax-free treatment can be rendered taxable to the parent corporation and its stockholders as a result of certain post-spin-off transactions, including certain acquisitions of shares or assets of the spun-off corporation. For example, a spin-off may result in taxable gain to the parent corporation under Section 355(e) of the Code if it were later deemed to be part of a plan (or series of related transactions) pursuant to which one or more persons acquire, directly or indirectly, shares representing a 50 percent or greater interest (by vote or value) in the spun-off corporation. To preserve the U.S. federal income tax treatment of the separation and distribution, and in addition to our indemnity obligation described above, the tax matters agreement will restrict us, for the two-year period following the distribution, except in specific circumstances, from, among other things: (i) ceasing to actively conduct certain of our businesses; (ii) entering into certain transactions or series of transactions pursuant to which all or a portion of the shares of GXO stock would be acquired, whether by merger or otherwise; (iii) liquidating or merging or consolidating with any other person; (iv) issuing equity securities beyond certain thresholds; (v) repurchasing shares of GXO stock other than in certain open-market transactions; or (vi) taking or failing to take any other action that would jeopardize the expected U.S. federal income tax treatment of the distribution and certain related transactions. Further, the tax matters agreement will impose similar restrictions on us and our subsidiaries during the two-year period following the distribution that are intended to prevent certain transactions undertaken as part of the internal reorganization from failing to qualify as transactions that are generally tax-free for U.S. federal income tax purposes under Sections 355 and 368(a)(1)(D) of the Code or for applicable non-U.S. income tax purposes. These restrictions may limit our ability to pursue certain equity issuances, strategic transactions, repurchases or other transactions that we may otherwise believe to be in the best interests of our stockholders or that might increase the value of our business. Also, we may be responsible for liabilities arising from the failure of the distribution, together with certain related transactions, to qualify for tax-free treatment (see the discussion under the section titled "Certain Relationships and Related Party Transactions—Tax Matters Agreement"), and our indemnity obligations for such liabilities under the tax matters agreement, may discourage, delay, or prevent certain third parties from acquiring us. For more information, see the sections titled "Certain Relationships and Related Party Transactions—Tax Matters Agreement" and "Material U.S. Federal Income Tax Consequences."

The transfer to us of certain contracts, permits and other assets and rights may require the consents or approvals of, or provide other rights to, third parties and governmental authorities. If such consents or approvals are not obtained, we may not be entitled to the benefit of such contracts, permits and other assets and rights, which could increase our expenses or otherwise harm our business and financial performance.

The separation agreement will provide that certain contracts, permits and other assets and rights are to be transferred from XPO or its subsidiaries to GXO or its subsidiaries in connection with the separation. The transfer of certain of these contracts, permits and other assets and rights may require consents or approvals of third parties or governmental authorities or provide other rights to third parties. In addition, in some circumstances, we and XPO are joint beneficiaries of contracts, and we and XPO may need the consents of third parties in order to split or separate the existing contracts or the relevant portion of the existing contracts to us or XPO.

Some parties may use consent requirements or other rights to seek to terminate contracts or obtain more favorable contractual terms from us, which, for example, could take the form of adverse price changes, require us to expend additional resources in order to obtain the services or assets previously provided under the contract or require us to seek arrangements with new third parties or obtain letters of credit or other forms of credit support. If we are unable to obtain required consents or approvals, we may be unable to obtain the benefits, permits, assets and contractual commitments that are intended to be allocated to us as part of our separation from XPO, and we may be required to seek alternative arrangements to obtain services and assets which may be more costly and/or of lower quality. The termination or modification of these contracts or permits or the failure to timely complete the transfer or separation of these contracts or permits could negatively impact our business, financial condition, results of operations and cash flows.

Until the distribution occurs, the XPO board of directors has sole and absolute discretion to change the terms of the separation and distribution in ways that may be unfavorable to us.

Until the distribution occurs, GXO will be a wholly-owned subsidiary of XPO. Accordingly, the XPO board of directors will have the sole and absolute discretion to determine and change the terms of the separation, including the establishment of the record date for the distribution and the distribution date. These changes could be unfavorable to us. In addition, the XPO board of directors, in its sole and absolute discretion, may decide not to proceed with the distribution at any time prior to the distribution date.

No vote of XPO stockholders is required in connection with the distribution. As a result, if you do not want to receive our common stock in the distribution, your sole recourse will be to divest yourself of your XPO common stock prior to the record date for the distribution.

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Risks Related to Our Common Stock

We cannot be certain that an active trading market for our common stock will develop or be sustained after the distribution and, following the distribution, our stock price may fluctuate significantly.

A public market for our common stock does not currently exist. We anticipate that on or prior to the record date for the distribution, trading of shares of our common stock will begin on a “when-issued” basis and will continue through the distribution date. However, we cannot guarantee that an active trading market will develop or be sustained for our common stock after the distribution, nor can we predict the prices at which shares of our common stock may trade after the distribution. Similarly, we cannot predict the effect of the distribution on the trading prices of our common stock or whether the combined market value of one share of our common stock and one share of XPO common stock will be less than, equal to or greater than the market value of one share of XPO common stock prior to the distribution.

Until the market has fully evaluated XPO’s businesses without GXO, the price at which each share of XPO common stock trades may fluctuate more significantly than might otherwise be typical, even with other market

conditions, including general volatility, held constant. Similarly, until the market has fully evaluated our business as a standalone entity, the prices at which shares of our common stock trade may fluctuate more significantly than might otherwise be typical, even with other market conditions, including general volatility, held constant. The increased volatility of our stock price following the distribution may have a material adverse effect on our business, financial condition and results of operations. The market price of our common stock may fluctuate significantly due to a number of factors, some of which may be beyond our control, including:

- actual or anticipated fluctuations in our operating results;
- changes in earnings estimated by securities analysts or our ability to meet those estimates;
- the operating and stock price performance of comparable companies;
- changes to the regulatory and legal environment under which we operate;
- actual or anticipated fluctuations in commodities prices; and
- domestic and worldwide economic conditions.

There may be substantial and rapid changes in our stockholder base, which may cause our stock price to fluctuate significantly.

Many investors holding shares of XPO common stock may hold that stock because of a decision to invest in a company with XPO's profile. Following the distribution, the shares of GXO common stock held by those investors will represent an investment in a company with a different profile. This may not be aligned with a holder's investment strategy and may cause the holder to sell the shares rapidly. As a result, the price of GXO common stock may decline or experience volatility as GXO's stockholder base changes.

A significant number of shares of our common stock may be sold following the distribution, which may cause our stock price to decline.

Any sales of substantial amounts of our common stock in the public market or the perception that such sales might occur, in connection with the distribution or otherwise, may cause the market price of our common stock to decline. Upon completion of the distribution, we expect that we will have an aggregate of approximately [ ] shares of our common stock issued and outstanding. Shares distributed to XPO stockholders in the separation will generally be freely tradeable without restriction or further registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"), except for shares owned by one of our "affiliates," as that term is defined in Rule 405 under the Securities Act.

We are unable to predict whether large amounts of our common stock will be sold in the open market following the distribution. We are also unable to predict whether a sufficient number of buyers of our common stock to meet the demand to sell shares of our common stock at attractive prices would exist at that time.

Any stockholder's percentage of ownership in GXO may be diluted in the future at any given time.

In the future, your percentage ownership in GXO may be diluted because of equity issuances for acquisitions, capital market transactions or otherwise, including any equity awards that we will grant to our directors, officers and employees. Our employees will have stock-based awards that correspond to shares of our common stock after the distribution as a result of conversion of their XPO stock-based awards. We anticipate that the compensation committee of our board of directors will grant additional stock-based awards to our employees after the distribution. Such awards will have a dilutive effect on the number of GXO shares outstanding, and therefore on our earnings per share, which could adversely affect the market price of our common stock. From time to time, we will issue additional stock-based awards to our employees under our employee benefits plans.

We cannot guarantee the timing, amount or payment of dividends on our common stock.

The payment of any dividends in the future, and the timing and amount thereof, is within the discretion of GXO's board of directors. The board of directors' decisions regarding the payment of dividends will depend on many factors, such as our financial condition, earnings, capital requirements, debt service obligations, restrictive covenants in our debt, industry practice, legal requirements, regulatory constraints and other factors that our board of directors deems relevant. Our ability to pay dividends will depend on our ongoing ability to generate cash from operations and on our access to the capital markets. We cannot guarantee that we will pay a dividend in the future or continue to pay any dividends if and when we commence paying dividends. For more information, see "Dividend Policy."

Certain provisions in GXO's amended and restated certificate of incorporation and bylaws, and of Delaware law, may prevent or delay an acquisition of GXO, which could decrease the trading price of GXO's common stock.

Our amended and restated certificate of incorporation and amended and restated bylaws will contain, and Delaware law contains, provisions that are intended to deter coercive takeover practices and inadequate takeover bids by making such practices or bids unacceptably expensive to the bidder and to encourage prospective acquirers to negotiate with our board of directors rather than to attempt a hostile takeover. These provisions are expected to include, among others:

- the ability of our remaining directors to fill vacancies on our board of directors;
- limitations on stockholders' ability to call a special stockholder meeting or act by written consent;
- rules regarding how stockholders may present proposals or nominate directors for election at stockholder meetings; and
- the right of our board of directors to issue preferred stock without stockholder approval.

In addition, we expect to be subject to Section 203 of the Delaware General Corporate Law (the "DGCL"), which could have the effect of delaying or preventing a change of control that you may favor. Section 203 provides that, subject to limited exceptions, persons that acquire, or are affiliated with persons that acquire, more than 15% of the outstanding voting stock of a Delaware corporation may not engage in a business combination with that corporation, including by merger, consolidation or acquisitions of additional shares, for a three-year period following the date on which that person or any of its affiliates becomes the holder of more than 15% of the corporation's outstanding voting stock.

We believe these provisions will protect our stockholders from coercive or otherwise unfair takeover tactics by requiring potential acquirers to negotiate with our board of directors and by providing our board of directors with more time to assess any acquisition proposal. These provisions are not intended to make GXO immune from takeovers; however, these provisions will apply even if the offer may be considered beneficial by some stockholders and could delay or prevent an acquisition that our board of directors determines is not in the best interests of GXO and our stockholders. These provisions may also prevent or discourage attempts to remove and replace incumbent directors. See "Description of Capital Stock."

In addition, an acquisition or further issuance of our stock could trigger the application of Section 355(e) of the Code, causing the distribution to be taxable to XPO. For a discussion of Section 355(e) of the Code, see "Material U.S. Federal Income Tax Consequences." Under the tax matters agreement, we would be required to indemnify XPO for the resulting tax, and this indemnity obligation might discourage, delay or prevent a change of control that our stockholders may consider favorable.

GXO's amended and restated certificate of incorporation will contain an exclusive forum provision that may discourage lawsuits against GXO and GXO's directors and officers.

Our amended and restated certificate of incorporation will provide that unless the board of directors otherwise determines, the state courts within the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware) will be the sole and exclusive forum for any

derivative action or proceeding brought on behalf of GXO, any action asserting a claim for or based on a breach of a fiduciary duty owed by any current or former director or officer of GXO to GXO or to GXO stockholders, including a claim alleging the aiding and abetting of such a breach of fiduciary duty, any action asserting a claim against GXO or any current or former director or officer of GXO arising pursuant to any provision of the DGCL or our amended and restated certificate of incorporation or amended and restated bylaws, any action asserting a claim relating to or involving GXO governed by the internal affairs doctrine, or any action asserting an "internal corporate claim" as that term is defined in Section 115 of the DGCL.

Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation will further provide that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty of liability created by the Exchange Act or the rules and regulations thereunder, and as a result, the exclusive forum provision does not apply to actions arising under the Exchange Act or the rules and regulations thereunder. While the Delaware Supreme Court ruled in March 2020 that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court are "facially valid" under Delaware law, there is uncertainty as to whether other courts will enforce our federal forum provision described above. Our stockholders will not be deemed to have waived compliance with the federal securities laws and the rules and regulations thereunder.

This exclusive forum provision may limit the ability of our stockholders to bring a claim in a judicial forum that such stockholders find favorable for disputes with GXO or our directors or officers, which may discourage such lawsuits against GXO and our directors and officers. Alternatively, if a court were to find this exclusive forum provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings described above, we may incur additional costs associated with resolving such matters in other jurisdictions, which could negatively affect our business, results of operations and financial condition.

The combined post-separation value of one share of XPO common stock and one share of GXO common stock may not equal or exceed the pre-distribution value of one share of XPO common stock.

As a result of the separation, we expect the trading price of shares of XPO common stock immediately following the separation to be different from the "regular-way" trading price of XPO common shares immediately prior to the separation because the trading price will no longer reflect the value of the GXO Businesses. There can be no assurance that the aggregate market value of a share of XPO common stock and one share of GXO common stock following the separation will be higher than, lower than or the same as the market value of a share of XPO common stock if the separation did not occur.

Our Chairman controls a large portion of our stock, which could limit other stockholders' ability to influence the outcome of key decisions and transactions, including changes of control.

Our Chairman, Brad Jacobs, will beneficially own approximately [ ]% of our outstanding common stock as of [ ], 2021. This concentration of share ownership may adversely affect the trading price for our common stock because investors may perceive disadvantages in owning stock in companies with concentrated stockholders. Mr. Jacobs can exert substantial influence over our management and affairs and matters requiring stockholder approval, including the election of directors and the approval of significant corporate transactions, such as mergers, consolidations or the sale of substantially all of our assets. Consequently, this concentration of ownership may have the effect of delaying or preventing a change of control, including a merger, consolidation, or other business combination involving us, or discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control, even if that change of control would benefit our other stockholders. Additionally, significant fluctuations in the levels of ownership of our largest stockholders, including shares beneficially owned by Mr. Jacobs, could impact the volume of trading, liquidity and market price of our common stock.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This information statement and other materials XPO and GXO have filed or will file with the SEC (and oral communications that XPO or GXO may make) contain or incorporate by reference forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target," "trajectory" or the negative of these terms or other comparable terms. However, the absence of these words does not mean that the statements are not forward-looking. These forward-looking statements are based on certain assumptions and analyses made by the company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors (including risks, uncertainties and assumptions) that might cause or contribute to a material difference include, but are not limited to:

- the severity, magnitude, duration and aftereffects of the COVID-19 pandemic and government responses to the COVID-19 pandemic;
- public health crises (including COVID-19);
- economic conditions generally;
- competition and pricing pressures;
- our ability to align our investments in capital assets, including equipment, service centers and warehouses, to our customers' demands;
- our ability to successfully integrate and realize anticipated synergies, cost savings and profit improvement opportunities with respect to acquired companies;
- our ability to develop and implement suitable information technology systems and prevent failures in or breaches of such systems;
- our ability to raise debt and equity capital;
- litigation;
- labor matters, including our ability to manage our subcontractors, and risks associated with labor disputes at our customers and efforts by labor organizations to organize our employees;
- risks associated with defined benefit plans for our current and former employees;
- fluctuations in currency exchange rates;
- fluctuations in fixed and floating interest rates;
- issues related to our intellectual property rights;
- governmental regulation, including trade compliance laws, as well as changes in international trade policies and tax regimes;
- governmental or political actions, including the United Kingdom's exit from the European Union;
- natural disasters, terrorist attacks or similar incidents;

- political, economic, and regulatory risks relating to GXO's global operations, including compliance with U.S. and foreign trade and tax laws, sanctions, embargoes and other regulations;
- a material disruption of GXO's operations;
- the inability to achieve the level of revenue growth, cash generation, cost savings, improvement in profitability and margins, fiscal discipline, or strengthening of competitiveness and operations anticipated or targeted;
- the impact of potential cyber-attacks and information technology or data security breaches;
- the inability to implement technology initiatives successfully;
- the expected benefits and timing of the separation, and uncertainties regarding the planned separation, including the risk that conditions to the separation will not be satisfied and that it will not be completed pursuant to the targeted timing, asset perimeters, and other anticipated terms, if at all, and that the separation will not produce the desired benefits;
- a determination by the IRS that the distribution or certain related transactions should be treated as taxable transactions;
- the possibility that any consents or approvals required in connection with the separation will not be received or obtained within the expected time frame, on the expected terms or at all;
- expected financing transactions undertaken in connection with the separation and risks associated with additional indebtedness;
- the risk that dis-synergy costs, costs of restructuring transactions and other costs incurred in connection with the separation will exceed our estimates; and
- the impact of the separation on our businesses, our operations, our relationships with customers, suppliers, employees and other business counterparties, and the risk that the businesses will not be separated successfully or that such separation may be more difficult, time-consuming or costly than expected, which could result in additional demands on our resources, systems, procedures and controls, disruption of our ongoing business, and diversion of management's attention from other business concerns.

There can be no assurance that the separation, distribution or any other transaction described above will in fact be consummated in the manner described or at all. The above list of factors is not exhaustive or necessarily in order of importance. For additional information on identifying factors that may cause actual results to vary materially from those stated in forward-looking statements, see the discussions under "Risk Factors" in this information statement. Any forward-looking statement speaks only as of the date on which it is made, and each of XPO and GXO assumes no obligation to update or revise such statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

THE SEPARATION AND DISTRIBUTION

Overview

On December 2, 2020, XPO announced its intention to separate into two independent, publicly traded companies. The separation will occur through a pro rata distribution to the XPO stockholders of 100% of the shares of common stock of GXO, which was formed to hold the GXO Businesses.

In connection with the distribution:

- we expect that XPO will complete the internal reorganization as a result of which GXO will become the parent company of the XPO operations comprising, and the entities that will conduct, the GXO Businesses;
- GXO issued $800 million of unsecured, unsubordinated notes and entered into an $800 million Revolving Credit Agreement, as described under "Description of Material Indebtedness;" and
- we expect that using all or a portion of the proceeds from one or more financing transactions on or prior to the completion of the distribution, GXO will transfer approximately $978 million of cash to XPO, which XPO will use to repay existing indebtedness.

On [ ], 2021, the XPO board of directors approved the distribution of all of GXO's issued and outstanding shares of common stock on the basis of one share of GXO common stock for every share of XPO common stock held as of the close of business on [ ], 2021, the record date for the distribution.

At [ ], Eastern Time, on [ ], 2021, the distribution date, each XPO stockholder will receive one share of GXO common stock for every share of XPO common stock held at the close of business on the record date for the distribution, as described below. Upon completion of the separation, each GXO stockholder as of the record date will continue to own shares of XPO and will receive a proportionate share of the outstanding common stock of GXO to be distributed. You will not be required to make any payment, surrender or exchange your XPO common stock or take any other action to receive your shares of GXO common stock in the distribution. The distribution of GXO common stock as described in this information statement is subject to the final approval of the XPO board of directors and the satisfaction or waiver of certain conditions. For a more detailed description of these conditions, see "The Separation and Distribution—Conditions to the Distribution."

Reasons for the Separation

The XPO board of directors believes that the separation of XPO into two independent, publicly traded companies through the separation of the GXO Businesses from XPO is in the best interests of XPO and its stockholders for a number of reasons, including:

- *Clear-Cut Investment Identities*. The separation will allow investors to more clearly understand the separate business models, financial profiles and investment identities of the two companies and to invest in each based on a better appreciation of these characteristics. Each company is expected to have less debt and enhanced earnings potential, which would make it easier for each to achieve an investment-grade credit rating. GXO is expected to have an investment-grade credit rating at the time of distribution, and XPO will target achieving such rating over time. To the extent this enhanced investor understanding and deleveraging results in greater investor demand for shares of XPO stock and/or GXO stock, it could cause each company to be valued at multiples higher than XPO's current multiple, and higher than its publicly traded peers. Any such increase in the aggregate market value of XPO and GXO following the separation over XPO's market value prior to the separation would benefit XPO, GXO, and their respective stakeholders.
- *Creation of Independent Equity Currencies and Enhanced Strategic Opportunities.* The separation will provide each of XPO and GXO with its own pure-play equity currency that can be used to facilitate capital raising and to pursue accretive M&A opportunities that are more closely aligned with each company's strategic goals and expected growth opportunities. To the extent the separate equity currencies are more attractively valued, this would further increase these benefits to XPO and GXO.

- *Improved Alignment of Management Incentives and Performance.* The separation will allow each company to more effectively recruit, retain and motivate employees through the use of equity-based compensation that more closely reflects and aligns management and employee incentives with specific growth objectives, financial goals and business attributes. To the extent the separate equity currencies are more attractively valued, this would further benefit XPO and GXO.

- *Separate Capital Structures and Allocation of Financial Resources.* The separation will permit each company to allocate its financial resources to meet the unique needs of its businesses and intensify the focus on its distinct operating and strategic priorities, including by investing in enhancements to the proprietary software developed for its service offerings. The separation will also give each business its own capital structure and allow it to manage capital allocation and capital return strategies with greater agility in response to changes in the operating environment and industry landscape. Further, the separation will eliminate internal competition for capital between the two businesses and enable each business to implement a capital structure tailored to its strategy and business needs.

- *Enhanced Management Focus on Core Businesses*. The separation will provide each company's management team with undiluted focus on their specific operating and strategic priorities and customer requirements. The separation will enable the management teams of each company to better focus on strengthening its core businesses and operations, to more effectively address unique operating and other needs, and to pursue distinct and targeted opportunities for long-term growth and profitability. The separation will enable each company to deepen its competitive differentiation by having its technology team focus on enhancing the proprietary software developed for its specific service offerings, including the XPO Connect™ digital transportation platform and GXO's productivity tools for its logistics operations.

The XPO board of directors also considered a number of potentially negative factors in evaluating the separation, including:

- *Risk of Failure to Achieve Anticipated Benefits of the Separation*. We may not achieve the anticipated benefits of the separation for a variety of reasons, including, among others: the separation will demand significant management resources and require significant amounts of management's time and effort, which may divert management's attention from operating our business; and following the separation, we may be more susceptible to market fluctuations and other adverse events than if we were still a part of XPO because our business will be less diversified than XPO's business prior to the completion of the separation.

- *Disruptions and Costs Related to the Separation*. The actions required to separate the GXO Businesses from XPO could disrupt our operations. In addition, we will incur substantial costs in connection with the separation and the transition to being a standalone, public company, which may include accounting, tax, legal and other professional services costs, recruiting and relocation costs associated with hiring key senior management personnel who are new to GXO, tax costs and costs to separate information systems.

- *Loss of Scale and Increased Administrative Costs*. As a current part of XPO, GXO takes advantage of XPO's size and purchasing power in procuring certain goods and services. After the separation, as a standalone company, we may be unable to obtain these goods, services and technologies at prices or on terms as favorable as those XPO obtained prior to completion of the separation. In addition, as part of XPO, GXO benefits from certain functions performed by XPO, such as accounting, tax, legal, human resources and other general and administrative functions. After the separation, XPO will not perform these functions for us, other than certain functions that will be provided for a limited time pursuant to the transition services agreement, and, because of our smaller scale as a standalone company, our cost of performing such functions could be higher than the amounts reflected in our historical financial statements, which would cause our profitability to decrease.

- *Limitations on Strategic Transactions*. Under the terms of the tax matters agreement that we will enter into with XPO, we will be restricted from taking certain actions that could cause the distribution or certain related transactions (or certain transactions undertaken as part of the internal reorganization) to fail to qualify as tax-free under applicable law. These restrictions may limit for a period of time our ability to

pursue certain strategic transactions and equity issuances or engage in other transactions that might increase the value of our business.

- *Uncertainty Regarding Stock Prices*. We cannot predict the effect of the separation on the trading prices of GXO or XPO common stock or know with certainty whether the combined market value of one share of our common stock and one share of XPO common stock will be less than, equal to or greater than the market value of one share of XPO common stock prior to the distribution.

In determining whether to pursue the separation, the XPO board of directors concluded the potential benefits of the separation outweighed the foregoing negative factors. See the section titled "Risk Factors" included elsewhere in this information statement.

Formation of GXO

GXO was formed as a Delaware corporation on February 16, 2021 for the purpose of holding the GXO Businesses. As part of the plan to separate the GXO Businesses from the remainder of its businesses, in connection with the internal reorganization, XPO plans to transfer the equity interests of certain entities that are expected to operate the GXO Businesses and the assets and liabilities of the GXO Businesses to GXO prior to the distribution. For additional information, see "The Separation and Distribution—Internal Reorganization."

When and How You Will Receive the Distribution

With the assistance of Computershare, XPO expects to distribute GXO common stock at [ ], Eastern Time, on [ ], 2021, the distribution date, to all holders of outstanding XPO common stock as of the close of business on [ ], 2021, the record date for the distribution. Computershare will serve as the settlement and distribution agent in connection with the distribution and the transfer agent and registrar for GXO common stock.

If you own XPO common stock as of the close of business on the record date for the distribution, GXO common stock that you are entitled to receive in the distribution will be issued electronically, as of the distribution date, to you in direct registration form or to your bank or brokerage firm on your behalf. If you are a registered holder, Computershare will then mail you a direct registration account statement that reflects your shares of GXO common stock. If you hold your XPO shares through a bank or brokerage firm, your bank or brokerage firm will credit your account for the GXO shares. Direct registration form refers to a method of recording share ownership when no physical share certificates are issued to stockholders, as is the case in this distribution. If you sell XPO common stock in the "regular-way" market up to and including the distribution date, you will be selling your right to receive shares of GXO common stock in the distribution.

Commencing on or shortly after the distribution date, if you hold physical share certificates that represent your XPO common stock and you are the registered holder of the shares represented by those certificates, the distribution agent will mail to you an account statement that indicates the number of shares of GXO common stock that have been registered in book-entry form in your name.

Most XPO stockholders hold their common stock through a bank or brokerage firm. In such cases, the bank or brokerage firm is said to hold the shares in "street name" and ownership would be recorded on the bank or brokerage firm's books. If you hold your XPO common stock through a bank or brokerage firm, your bank or brokerage firm will credit your account for the GXO common stock that you are entitled to receive in the distribution. If you have any questions concerning the mechanics of having shares held in "street name," please contact your bank or brokerage firm.

Transferability of Shares You Receive

Shares of GXO common stock distributed to holders in connection with the distribution will be transferable without registration under the Securities Act, except for shares received by persons who may be deemed to be our affiliates. Persons who may be deemed to be our affiliates after the distribution generally include individuals or entities that control, are controlled by or are under common control with us, which may include certain of our executive officers or directors. Securities held by our affiliates will be subject to resale restrictions under the

Securities Act. Our affiliates will be permitted to sell shares of our common stock only pursuant to an effective registration statement or an exemption from the registration requirements of the Securities Act, such as the exemption afforded by Rule 144 under the Securities Act.

Number of Shares of GXO Common Stock You Will Receive

For every share of XPO common stock that you own at the close of business on [ ], 2021, the record date for the distribution, you will receive one share of GXO common stock on the distribution date. XPO will not distribute any fractional shares of GXO common stock to its stockholders.

If you hold physical certificates for shares of XPO common stock and are the registered holder, you will receive a check from the distribution agent in an amount equal to your pro rata share of the net cash proceeds of the sales. We estimate that it will take approximately two weeks from the distribution date for the distribution agent to complete the distribution of the net cash proceeds. If you hold your shares of XPO common stock through a bank or brokerage firm, your bank or brokerage firm will receive, on your behalf, your pro rata share of the net cash proceeds of the sales and will electronically credit your account for your share of such proceeds.

Treatment of Equity-Based Compensation

In connection with the separation and distribution, XPO equity-based awards that are outstanding immediately prior to the separation and distribution and held by individuals who will serve as employees or non-employee directors of GXO following the separation and distribution will be treated as follows:

Restricted Stock Units ("RSUs"). Each award of XPO RSUs (including any event-based RSUs) held by an individual who will be an employee or non-employee director of GXO following the separation and distribution will be converted into an award of RSUs with respect to GXO common stock. The number of shares subject to each such award will be adjusted in a manner intended to preserve the aggregate intrinsic value of the original XPO award as measured immediately before and immediately after the separation and distribution, subject to rounding. Such adjusted award will otherwise be subject to the same terms and conditions that applied to the original XPO award immediately prior to the separation and distribution.

Stock Options. Each award of XPO stock options held by an individual who will be an employee of GXO following the separation and distribution will be converted into an award of stock options with respect to GXO common stock. The exercise price of, and number of shares subject to, each such award will be adjusted in a manner intended to preserve the aggregate intrinsic value of the original XPO award as measured immediately before and immediately after the separation and distribution, subject to rounding. Such adjusted award will otherwise be subject to the same terms and conditions that applied to the original XPO award immediately prior to the separation and distribution.

Internal Reorganization

As part of the separation, and prior to the distribution, XPO and its subsidiaries expect to complete an internal reorganization in order to transfer to GXO the GXO Businesses that it will hold following the separation. Among other things and subject to limited exceptions, the internal reorganization is expected to result in GXO owning, directly or indirectly, the operations comprising, and the entities that conduct, the GXO Businesses.

The internal reorganization is expected to include various restructuring transactions pursuant to which (i) the operations, assets and liabilities of XPO and its subsidiaries used to conduct the GXO Businesses will be separated from the operations, assets and liabilities of XPO and its subsidiaries used to conduct XPO's other businesses and (ii) such GXO Businesses' operations, assets and liabilities will be contributed, transferred or otherwise allocated to GXO or one of its direct or indirect subsidiaries. These restructuring transactions may take the form of asset transfers, mergers, demergers, dividends, contributions and similar transactions, and may involve the formation of new subsidiaries in U.S. and non-U.S. jurisdictions to own and operate the GXO Businesses in such jurisdictions.

As part of this internal reorganization, XPO will contribute to GXO certain liabilities and certain assets, including equity interests in entities that are expected to conduct the GXO Businesses.

Following the completion of the internal reorganization and immediately prior to the distribution, GXO will be the parent company of the entities that are expected to conduct the GXO Businesses and XPO will remain the parent company of the entities that currently conduct all of XPO's operations except the GXO Businesses.

Results of the Distribution

After the distribution, GXO will be an independent, publicly traded company. The actual number of shares to be distributed will be determined at the close of business on [ ], 2021, the record date for the distribution, and will reflect any exercise of XPO options between the date the XPO board of directors declares the distribution and the record date for the distribution. The distribution will not affect the number of outstanding shares of XPO common stock or any rights of XPO stockholders. XPO will not distribute any fractional shares of GXO common stock.

We will enter into a separation agreement and other related agreements with XPO to effect the separation and to provide a framework for our relationship with XPO after the separation, and will enter into certain other agreements, including a transition services agreement, a tax matters agreement, an employee matters agreement, and an intellectual property license agreement. These agreements will provide for the allocation between GXO and XPO of the assets, employees, liabilities and obligations (including, among others, investments, property and employee benefits and tax-related assets and liabilities) of XPO and its subsidiaries attributable to periods prior to, at and after GXO's separation from XPO and will govern the relationship between GXO and XPO subsequent to the completion of the separation. For additional information regarding the separation agreement and other transaction agreements, see the sections titled "Risk Factors—Risks Related to the Separation and Distribution" and "Certain Relationships and Related Party Transactions."

Market for GXO Common Stock

There is currently no public trading market for GXO common stock. GXO intends to list its common stock on the NYSE under the symbol "GXO." GXO has not and will not set the initial price of its common stock. The initial price will be established by the public markets.

We cannot predict the price at which GXO common stock will trade after the distribution. In fact, the combined trading prices, after the distribution, of the shares of GXO common stock that each XPO stockholder will receive in the distribution, together with the XPO common stock held at the record date for the distribution, may not equal the "regular-way" trading price of the XPO common stock immediately prior to the distribution. The price at which GXO common stock trades may fluctuate significantly, particularly until an orderly public market develops. Trading prices for GXO common stock will be determined in the public markets and may be influenced by many factors. See "Risk Factors—Risks Related to Our Common Stock."

Incurrence of Debt

In connection with the distribution, in June 2021, GXO entered into a Revolving Credit Agreement providing for an $800 million unsecured, unsubordinated five-year revolving credit facility. Additionally, in July 2021, GXO issued $800 million of unsecured, unsubordinated notes in two series. GXO expects to transfer approximately $[_____] million of the net proceeds of the notes to XPO, which net proceeds XPO intends to use to repay existing indebtedness. As a result of such transactions, GXO anticipates having approximately $800 million of outstanding indebtedness upon completion of the distribution (excluding finance leases and intercompany liabilities and any borrowings under the Revolving Credit Facility). For more information, see "Description of Material Indebtedness."

Trading Between the Record Date and the Distribution Date

Beginning on or shortly before the record date for the distribution and continuing up to and including through the distribution date, XPO expects that there will be two markets in XPO common stock: a "regular-way" market and an "ex-distribution" market. XPO common stock that trades on the "regular-way" market will trade with an entitlement to GXO common stock distributed in the distribution. XPO common stock that trades on the "ex-distribution" market will trade without an entitlement to GXO common stock distributed in the distribution. Therefore, if you sell shares of XPO common stock in the "regular-way" market up to and including through the distribution date, you will be selling your right to receive shares of GXO common stock in the distribution. If you

own XPO common stock at the close of business on the record date and sell those shares on the "ex-distribution" market up to and including through the distribution date, you will receive the shares of GXO common stock that you are entitled to receive pursuant to your ownership of shares of XPO common stock as of the record date.

Furthermore, beginning on or shortly before the record date for the distribution and continuing up to and including the distribution date, GXO expects that there will be a "when-issued" market in its common stock. "When-issued" trading refers to a sale or purchase made conditionally because the security has been authorized but not yet issued. The "when-issued" trading market will be a market for GXO common stock that will be distributed to holders of XPO common stock on the distribution date. If you owned XPO common stock at the close of business on the record date for the distribution, you would be entitled to GXO common stock distributed pursuant to the distribution. You may trade this entitlement to shares of GXO common stock, without trading the XPO common stock you own, on the "when-issued" market. On the first trading day following the distribution date, "when-issued" trading with respect to GXO common stock will end, and "regular-way" trading with respect to GXO common stock will begin.

Conditions to the Distribution

The distribution will be effective at [ ], Eastern Time, on [ ], 2021, which is the distribution date, subject to final approval by the XPO board of directors, as well as to the satisfaction (or waiver by XPO in its sole and absolute discretion), of a number of conditions set forth in the separation agreement, including, among others:

- the SEC declaring effective the registration statement of which this information statement forms a part; there being no order suspending the effectiveness of the registration statement; and no proceedings for such purposes having been instituted or threatened by the SEC;
- this information statement having been made available to XPO stockholders;
- the receipt by XPO and continuing validity of an opinion of its outside counsel, satisfactory to the XPO board of directors, regarding the qualification of the distribution, together with certain related transactions, as a "reorganization" within the meaning of Sections 355 and 368(a)(1)(D) of the Code;
- the transfer of assets and liabilities to GXO having been completed in accordance with the separation agreement;
- an independent appraisal firm acceptable to the XPO board of directors having delivered one or more opinions to the XPO board of directors confirming the solvency and financial viability of XPO before the completion of the distribution, in each case in a form and substance acceptable to the XPO board of directors in its sole and absolute discretion;
- all actions and filings necessary or appropriate under applicable U.S. federal, state or other securities or blue sky laws and the rules and regulations thereunder relating to the separation and distribution having been taken or made and, where applicable, having become effective or been accepted;
- the transaction agreements relating to the separation and distribution having been duly executed and delivered by the parties thereto;
- no order, injunction or decree issued by any government authority of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the separation, the distribution or any of the related transactions being in effect;
- the shares of GXO common stock to be distributed having been approved for listing on the NYSE, subject to official notice of distribution;
- XPO having received certain proceeds from the financing arrangements described under "Description of Material Indebtedness" and being satisfied in its sole and absolute discretion that, as of the effective time of the distribution, it will have no further liability under such arrangements, and XPO having completed any

required refinancing of its existing indebtedness on terms satisfactory to the XPO board of directors in its sole and absolute discretion; and

- no other event or development existing or having occurred that, in the judgment of XPO's board of directors, in its sole and absolute discretion, makes it inadvisable to effect the separation, the distribution or the other related transactions.

XPO will have the sole and absolute discretion to determine (and change) the terms of, and whether to proceed with, the distribution and, to the extent it determines to so proceed, to determine the record date for the distribution, the distribution date and the distribution ratio. XPO will also have sole and absolute discretion to waive any of the conditions to the distribution. XPO does not intend to notify its stockholders of any modifications to the terms of the separation or distribution that, in the judgment of its board of directors, are not material. For example, the XPO board of directors might consider material such matters as significant changes to the distribution ratio and the assets to be contributed or the liabilities to be assumed in the separation. To the extent that the XPO board of directors determines that any modifications by XPO materially change the material terms of the distribution, XPO will notify XPO stockholders in a manner reasonably calculated to inform them about the modification as may be required by law, by, for example, publishing a press release, filing a current report on Form 8-K or circulating a supplement to this information statement.

DIVIDEND POLICY

The payment of any dividends in the future, and the timing and amount thereof, is within the discretion of GXO's board of directors. The board of directors' decisions regarding the payment of dividends will depend on many factors, such as our financial condition, earnings, capital requirements, debt service obligations, restrictive covenants in our debt, industry practice, legal requirements, regulatory constraints and other factors that our board of directors deems relevant. Our ability to pay dividends will depend on our ongoing ability to generate cash from operations and on our access to the capital markets. We cannot guarantee that we will pay a dividend in the future or continue to pay any dividends if and when we commence paying dividends.

CAPITALIZATION

The following table sets forth our capitalization as of March 31, 2021, on an unaudited historical basis and on a pro forma basis to give effect to the pro forma adjustments included in our Unaudited Pro Forma Condensed Combined Financial Information. The information below is not necessarily indicative of what our capitalization would have been had the separation, distribution and related financing transactions been completed as of March 31, 2021. In addition, it is not indicative of our future capitalization. This table should be read in conjunction with "Unaudited Pro Forma Condensed Combined Financial Information," "Management's Discussion and Analysis of Financial Condition and Results of Operations," our Combined Financial Statements and notes and our Condensed Combined Financial Statements and notes included in the "Index to Financial Statements" section of this information statement.

	March 31, 2021	
(In millions, except per share amounts)	**Historical**	**Pro Forma**
Cash		
Cash and cash equivalents	$ 414	$ 228
Debt		
Short-term borrowings and current finance lease liabilities	$ 32	$ 32
Long-term debt and finance lease liabilities	586	923
Total indebtedness	618	955
Equity		
Common stock, par value $0.01	—	1
Additional paid-in capital	—	2,421
XPO investment	2,903	—
Accumulated other comprehensive income	16	(91)
Noncontrolling interests	124	120
Total equity	3,043	2,451
Total capitalization	$ 3,661	$ 3,406

It is anticipated that, on the distribution date, GXO will have approximately $100 million of cash. The separation agreement will provide for an adjustment payment to potentially be made following the distribution from GXO to XPO, or from XPO to GXO, so that GXO's final cash balance as of the effective time of the distribution is equal to $100 million. The pro forma cash amount at March 31, 2021 includes an additional $128 million that was used to fund the purchase of the remaining 3% of XPO Logistics Europe in the second quarter of 2021.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined financial information of GXO consists of the Unaudited Pro Forma Combined Statement of Operations for the three months ended March 31, 2021 and 2020 and the year ended December 31, 2020 and the Unaudited Pro Forma Combined Balance Sheet as of March 31, 2021, which have been derived from our historical combined financial statements included elsewhere in this information statement.

The Unaudited Pro Forma Combined Statement of Operations gives effect to the Pro Forma Transactions (as defined below) as if they occurred on January 1, 2020, the beginning of the most recently completed fiscal year. The Unaudited Pro Forma Combined Balance Sheet gives effect to the Pro Forma Transactions as if they occurred as of March 31, 2021, our latest balance sheet date.

The pro forma adjustments include transaction accounting adjustments that reflect the accounting for transactions in accordance with U.S. GAAP, and autonomous entity adjustments that reflect certain incremental expense or other changes necessary, if any, to reflect the financial condition and results of operations as if GXO was a separate stand-alone entity. The following unaudited pro forma condensed combined financial information illustrates the effects of the following transactions (collectively, the "Pro Forma Transactions"):

- the separation of the assets (including the equity interests of certain subsidiaries) and liabilities related to the GXO Businesses from XPO and the transfer of those assets (including the equity interests of certain subsidiaries) and liabilities to GXO;
- the removal of XPO-related assets and liabilities included in GXO's historical financial statements but retained by XPO;
- the distribution of 100% of our issued and outstanding common stock by XPO in connection with the separation;
- the effect of our anticipated post-separation capital structure, including the incurrence of indebtedness of $800 million, and the distribution of approximately $978 million of cash to XPO; and
- the impact of, and transactions contemplated by, the separation agreement, the transition services agreement, the tax matters agreement, the employee matters agreement and the intellectual property license agreement between us and XPO and the provisions contained therein.

A final determination regarding our capital structure has not yet been made, and the separation and distribution agreement, tax matters agreement, transition services agreement, employee matters agreement and intellectual property license agreement and certain other transaction agreements have not been finalized. As such, the pro forma statements may be revised in future amendments to reflect the impact on our capital structure and the final form of those agreements, to the extent any such revisions would be deemed material.

The operating expenses reported in our historical Combined Statements of Operations include allocations of certain XPO costs. These costs include allocation of XPO corporate costs that benefit us, including corporate governance, executive management, finance, legal, information technology, human resources, other general and administrative costs, shared services and depreciation on shared XPO assets.

To operate as an independent public company, we expect our recurring costs to replace these services to be lower than expenses historically allocated to us from XPO as presented in our historical Combined Statements of Operations. The significant assumptions involved in determining our estimates of the recurring costs of being an independent, publicly traded company include:

- Costs to perform financial reporting, tax, regulatory compliance, corporate governance, treasury, legal, internal audit and investor relations activities;
- Compensation, including equity-based awards, and benefits with respect to new and existing positions and the board of directors; and

- Incremental third-party costs with respect to insurance, audit services, tax services, employee benefits and legal services.

We estimate that the net impact of these costs as compared to our historical Combined Statement of Operations would have been a reduction of approximately $4 million in Depreciation and amortization expense for the three months ended March 31, 2021, and would have been a reduction of between approximately $10 million and $20 million in Sales, general and administrative expense and approximately $20 million in Depreciation and amortization expense for the year ended December 31, 2020. Certain factors could impact these stand-alone public company costs, including the finalization of our staffing and infrastructure needs. A pro forma adjustment has not been made to the accompanying Unaudited Pro Forma Combined Statement of Operations to reflect the anticipated adjustment in the level of these expenses as they are projected amounts based on estimates.

The pro forma adjustments are based on available information and assumptions our management believes are reasonable; however, such adjustments are subject to change as transaction-related agreements are finalized and the costs of operating as a standalone company are determined. In addition, such adjustments are estimates and may not prove to be accurate. The Unaudited Pro Forma Condensed Combined Financial Information is based on information and assumptions which are described in the accompanying notes.

The Unaudited Pro Forma Condensed Combined Financial Information should be read in conjunction with our historical combined financial information, “Capitalization” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included elsewhere in this information statement. The Unaudited Pro Forma Condensed Combined Financial Information constitutes forward-looking information and is subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated. See “Cautionary Note Regarding Forward-Looking Statements” included elsewhere in this information statement.

GXO Logistics, Inc.

Unaudited Pro Forma Condensed Combined Balance Sheets
As of March 31, 2021

(In millions, except per share data)	Historical	Transaction Accounting Adjustments		Autonomous Entity Adjustments		Pro Forma
ASSETS						
Current assets						
Cash and cash equivalents	$ 414	$ (186)	(a)			$ 228
Accounts receivable, net of allowances	1,293	(9)	(b)			1,284
Other current assets	327	(80)	(c) (d)			247
Total current assets	2,034	(275)		—		1,759
Long-term assets						
Property and equipment, net	815	18	(c)			833
Operating lease assets	1,733	2	(c)	16	(m)	1,751
Goodwill	2,048					2,048
Identifiable intangible assets, net	307					307
Other long-term assets	183					183
Total long-term assets	5,086	20		16		5,122
Total assets	$ 7,120	$ (255)		$ 16		$ 6,881
LIABILITIES AND EQUITY						
Current liabilities						
Accounts payable	480	(1)	(b)			479
Accrued expenses	877	(4)	(b)			873
Short-term borrowings and current finance lease liabilities	32					32
Short-term operating lease liabilities	379			2	(m)	381
Other current liabilities	126					126
Total current liabilities	1,894	(5)		2		1,891
Long-term liabilities						
Long-term debt and finance lease liabilities	586	337	(c) (e) (f)			923
Deferred tax liability	65	(8)	(g) (h)	(2)	(h)	55
Long-term operating lease liabilities	1,367	2	(c)	14	(m)	1,383
Other long-term liabilities	165	13	(g)			178
Total long-term liabilities	2,183	344		12		2,539
Equity						
Common stock, par value $0.01]	—	1	(i)			1
Additional paid-in capital	—	2,419	(b) - (i)	2	(h)	2,421
XPO investment	2,903	(2,903)	(i)			—
Accumulated other comprehensive income	16	(107)	(g)			(91)
Total equity before noncontrolling interests	2,919	(590)		2		2,331
Noncontrolling interests	124	(4)	(g)			120
Total equity	3,043	(594)		2		2,451
Total liabilities and equity	$ 7,120	$ (255)		$ 16		$ 6,881

See accompanying notes to unaudited pro forma combined financial statements.

GXO Logistics, Inc.

Unaudited Pro Forma Condensed Combined Statements of Operations
For the Three Months Ended March 31, 2021

(In millions, except per share data)	Historical	Transaction Accounting Adjustments		Autonomous Entity Adjustments		Pro Forma	
Revenue	$ 1,822	$ 1	(b) (c)			$ 1,823	
Direct operating expense	1,520	1	(b) (c)			1,521	
Sales, general and administrative expense	171			1	(n)	172	
Depreciation and amortization expense	79					79	
Transaction and integration costs	18					18	
Restructuring costs	4					4	
Operating income	30	—		(1)		29	
Other income	(1)	(9)	(b) (g)			(10)	
Interest expense	5	2	(j)			7	
Income before income taxes	26	7		(1)		32	
Income tax provision	9	2	(h)			11	
Net income	17	5		(1)		21	
Net income attributable to noncontrolling interests	(3)					(3)	
Net income attributable to GXO	$ 14	$ 5		$ (1)		$ 18	
Earnings per share:							
Basic						$ 0.17	(k)
Diluted						$ 0.16	(l)
Weighted average common shares outstanding:							
Basic						106	(k)
Diluted						112	(l)

See accompanying notes to unaudited pro forma combined financial statements.

GXO Logistics, Inc.

Unaudited Pro Forma Condensed Combined Statements of Operations
For the Three Months Ended March 31, 2020

(In millions, except per share data)	Historical	Transaction Accounting Adjustments		Autonomous Entity Adjustments		Pro Forma
Revenue	$ 1,440	$ 2	(b) (c)			$ 1,442
Direct operating expense	1,203	2	(b) (c)			1,205
Sales, general and administrative expense	142			1	(n)	143
Depreciation and amortization expense	76	1	(c)			77
Transaction and integration costs	17					17
Restructuring costs	—					—
Operating income	2	(1)		(1)		—
Other income	(1)	(7)	(b) (g)			(8)
Interest expense	7	2	(j)			9
Loss before income taxes	(4)	4		(1)		(1)
Income tax provision	6	2	(h)			8
Net loss	(10)	2		(1)		(9)
Net income attributable to noncontrolling interests	(2)					(2)
Net loss attributable to GXO	$ (12)	$ 2		$ (1)		$ (11)
Earnings per share:						
Basic						$ (0.12)
Diluted						$ (0.12)
Weighted average common shares outstanding:						
Basic						92
Diluted						92

See accompanying notes to unaudited pro forma combined financial statements.

GXO Logistics, Inc.

Unaudited Pro Forma Condensed Combined Statements of Operations
For the Year Ended December 31, 2020

(In millions, except per share data)	Historical	Transaction Accounting Adjustments		Autonomous Entity Adjustments		Pro Forma
Revenue	$ 6,195	$ 8	(b) (c)			$ 6,203
Direct operating expense	5,169	8	(b) (c)			5,177
Sales, general and administrative expense	611			6	(n) (o)	617
Depreciation and amortization expense	323	2	(c)			325
Transaction and integration costs	47					47
Restructuring costs	29					29
Operating income	16	(2)		(6)		8
Other income	(2)	(31)	(b) (g)			(33)
Interest expense	24	8	(j)			32
Income (loss) before income taxes	(6)	21		(6)		9
Income tax provision	16	1	(h)	(2)	(h)	15
Net loss	(22)	20		(4)		(6)
Net income attributable to noncontrolling interests	(9)					(9)
Net loss attributable to GXO	$ (31)	$ 20		$ (4)		(15)
Earnings per share attributable to GXO:						
Basic						$ (0.16) (k)
Diluted						$ (0.16) (l)
Weighted average common shares outstanding:						
Basic						92 (k)
Diluted						92 (l)

See accompanying notes to unaudited pro forma combined financial statements.

Notes to Unaudited Pro Forma Condensed Combined Financial Statements

Transaction Accounting Adjustments:

(a) Reflects an adjustment to provide GXO with $228 million of pro forma cash at March 31, 2021. This amount includes $128 million intended to fund the purchase of the remaining 3% of XPO Logistics Europe, which is described in Note 9—Subsequent events to the Condensed Combined Interim Financial Statements, and $100 million of available cash. The cash amount presented reflects the distribution of approximately $978 million of cash to XPO, including settlements of existing loans.

(b) Adjustments reflect the impact of removing the historical results of certain legal entities attributed to GXO that will not be transferred from XPO to GXO in connection with the Distribution. Refer to the below table for further details on specific adjustments:

Unaudited Pro Forma Condensed Combined Balance Sheet Line Item	(in millions)
Cash and cash equivalents	$ 3
Accounts receivable	9
Accounts payable	1
Accrued expenses	4

Refer to Note 2 —Basis of Presentation of our unaudited condensed combined financial statements for further discussion of the Company's attribution of assets and liabilities.

(c) Reflects the transfer of assets and liabilities related to the GXO Businesses from XPO and the related impact to the statements of operations. Refer to the below table for further details on specific adjustments:

Unaudited Pro Forma Condensed Combined Balance Sheet Line Item	(in millions)
Other current assets	$ 5
Property and equipment, net	18
Operating lease assets	2
Long-term debt and finance lease liabilities	2
Operating lease liabilities	2

(d) Reflects the amendment of the existing securitization program to exclude XPO trade receivables. In connection with this amendment, $85 million of trade receivables previously purchased from XPO are expected to be returned to XPO with an offsetting adjustment of the XPO investment.

(e) Reflects the settlement of $457 million of outstanding loans with XPO. In connection with the spin-off, $135 million of loans with our European subsidiaries will be cash settled and $322 million of loans with our North American subsidiary will be eliminated.

(f) Reflects the incurrence of $800 million of indebtedness, net of debt issuance costs of $8 million. The indebtedness is assumed to consist of $800 million term notes with a weighted average interest rate of 2%. A 0.125% change to the annual interest rate would change interest expense by $1 million for the year ended December 31, 2020.

(g) Reflects the assumption of 100% of the plan assets and obligations related to the United Kingdom pension plan. The net plan liability and related deferred tax assets of $13 million and $3 million, respectively, will be transferred from XPO to GXO, with the obligations associated with such plans resulting in GXO recognizing accumulated other comprehensive loss of $107 million, net of tax and reducing noncontrolling interest by $4 million. Reflects an adjustment to include income associated with the plan of $10 million, $8 million and $34 million for the three months ended March 31, 2021 and 2020 and the year ended December 31, 2020, respectively.

(h) Reflects the income tax impact of the pro forma adjustments. For March 31, 2021 and 2020, the tax impact was calculated using a forecasted full-year effective tax rate of approximately 24.2% and 41.9%, respectively. For December 31, 2020, the tax impact was calculated using the jurisdictional tax rate associated with each adjustment. The final income tax impact may be materially different as more detailed information will become available after the consummation of the spin-off and related transactions.

(i) Represents the reclassification of XPO's net investment in GXO, including the additional net assets expected to be contributed by XPO and other pro forma adjustments, into Additional paid-in capital and Common stock, par value $0.01, to reflect the number of shares of GXO common stock expected to be outstanding at the distribution date.

(j) Reflects the adjustment to interest expense included in the unaudited pro forma Condensed Combined Statement of Operations of $2 million for both the three months ended March 31, 2021 and 2020 and $8 million for the year ended December 31, 2020, respectively, for the settlement of intercompany loans and issuance of the notes.

(k) Reflects the number of shares of GXO common stock which are expected to be outstanding upon completion of the distribution. We have assumed the number of outstanding shares of common stock based on the number of XPO common shares outstanding at March 31, 2021 and an assumed pro-rata distribution ratio of one share of GXO common stock for each share of XPO common stock. The actual number of shares of GXO common stock outstanding upon completion of the Distribution may be different from this estimated amount.

(l) Reflects the estimated number of shares of GXO common stock that are expected to be outstanding upon completion of the distribution and reflects the potential issuance of shares of our common stock under our equity plans, based on the distribution ratio of one share of GXO common stock for every share of XPO common stock. The actual number of shares of GXO common stock outstanding upon completion of the Distribution may be different from this estimated amount.

Autonomous Entity Adjustments:

(m) Reflects the impact of new lease agreements with XPO for corporate offices. These adjustments recognize operating lease assets and liabilities of $16 million based on the estimated present value of the lease payments over the lease term. There is no impact to the condensed combined statements of operations as lease expense is consistent with the lease expense previously allocated to GXO.

(n) Reflects the net impact of new compensation agreements for current executives of GXO. These adjustments relate primarily to increases in salary and bonus and stock-based compensation of $1 million for both the three months ended March 31, 2021 and 2020 and $3 million for the year ended December 31, 2020.

(o) Reflects the impact of the transition services agreement, which results in incremental corporate and administrative costs not included in the Company's historical combined financial statements. An adjustment of $3 million to increase Sales, general and administrative expense were recorded in the Unaudited Pro Forma Combined Statement of Operations for the year ended December 31, 2020.

Non-recurring costs:

We currently estimate that GXO will incur additional one-time expenses of between $45 million and $65 million associated with becoming a stand-alone public company. The accompanying unaudited pro forma combined financial statements are not adjusted for these estimated expenses. These expenses include, among other things, costs related to legal, accounting and other professional fees, along with transitional costs such as those to convert to a standalone public company.

BUSINESS

This section discusses GXO's business assuming the completion of all of the transactions described in this information statement, including the separation. All monetary amounts discussed in this section are in millions of U.S. dollars, unless otherwise indicated.

Company Overview

GXO is the largest pure-play contract logistics provider in the world, and a foremost innovator in an industry propelled by strong secular tailwinds. Our total potential addressable market across North America and Europe is approximately $430 billion, including the $130 billion of logistics spend that is currently outsourced and the opportunity for another $300 billion of spend that is currently insourced.

In 2020, we generated $6.2 billion of revenue. Our revenue is diversified across numerous verticals and customers, including many multinational corporations. We provide our customers with high-value-add warehousing and distribution, order fulfillment, e-commerce and reverse logistics, and other supply chain services differentiated by our ability to deliver technology-enabled, customized solutions at scale. We have one of the largest platforms for outsourced e-commerce logistics globally, including the largest e-fulfillment platform in Europe.

Our customers rely on us to move their goods with high efficiency through their supply chains — from the moment inbound goods arrive at our logistics sites, through fulfillment and distribution and, in a growing number of cases, the management of returned products. Our customer base includes many blue-chip leaders in attractive sectors that demonstrate high growth or durable demand over time.

We strive to provide all of our customers with consistently high levels of service and cutting-edge automation managed by our proprietary technology. We also collaborate with our largest customers on planning and forecasting, and provide assistance with network optimization, working with these customers to design or redesign their supply chains to meet specific goals, such as sustainability metrics. Our multidisciplinary, consultative approach to customer service has led to many of our key customer relationships extending for years and growing in scope.

Drivers of value creation

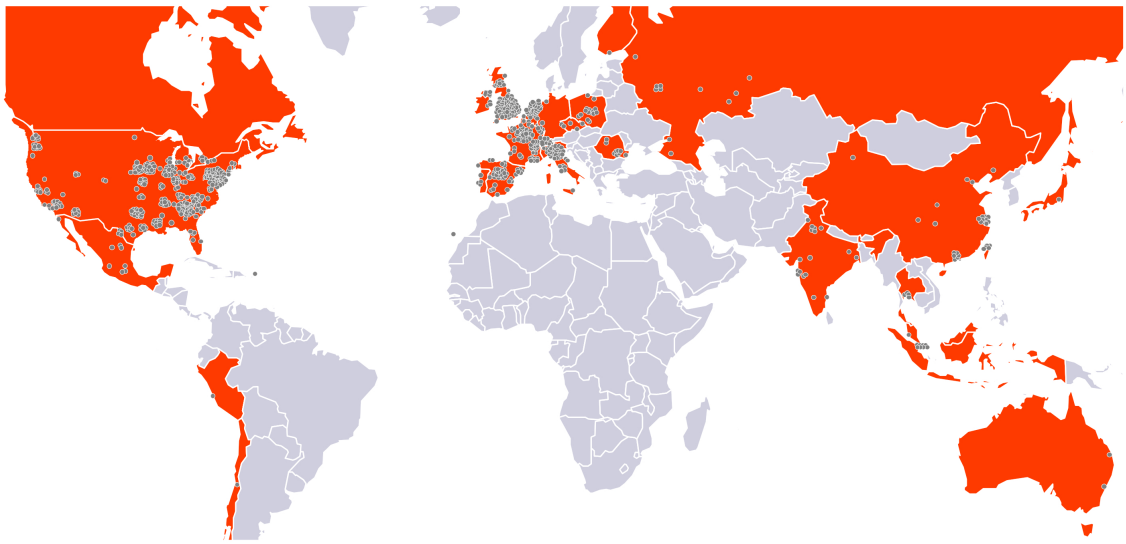
We have identified five key drivers of value creation in our business:

- *Critical Scale in a Fast-Growing Industry with Strong Tailwinds:* Our significant scale makes us well-positioned to benefit from the logistics industry's predominant tailwinds — the growth in consumer demand for e-commerce and omnichannel retail, the rapidly increasing customer demand for warehouse automation and other digital supply chain capabilities, and the secular shift in logistics toward outsourcing;
- *Robust Technological Differentiation:* We are strongly differentiated by our technology as an innovative provider of sophisticated logistics solutions that enhance visibility, speed, accuracy and cost effectiveness for our customers, and by our ability to customize our technology-enabled services to each customer's requirements;
- *Long-Term Customer Relationships in Attractive Verticals:* We have a large opportunity to grow our share in verticals with durable fundamentals and high-growth outsourcing opportunities, where we have strong partnerships with preeminent customers, longstanding track records and deep expertise;
- *Resilient Business Model with Multiple Drivers of Profitable Growth:* We have numerous avenues for profitable growth, including a long runway for margin expansion through the ongoing deployment of our technology in areas such as labor productivity, warehouse management, inventory management, demand forecasting and advanced automation, as well as an asset-light business model that historically has given us agility across cycles and generated strong free cash flow; and
- *Experienced and Cohesive Leadership:* Our company is led by highly experienced executives who are recognized as leading practitioners in their respective fields, and who will work together to create sustainable value through operational excellence and a purposeful culture.

Critical Scale in a Fast-Growing Industry with Strong Tailwinds

We operate at the forefront of a rapidly expanding industry that represents a total potential addressable market of $430 billion across North America and Europe, including the $130 billion of logistics spend that is currently outsourced and the opportunity for another $300 billion of spend that is currently insourced. We expect that the industry will continue to grow faster than GDP, with increased demand for outsourced logistics propelled by strong secular tailwinds, such as the consumer shift to e-commerce, customer demand for warehouse automation and the ongoing trend toward outsourcing logistics management. Our technology and scale provide us with competitive advantages and strategically position us to capitalize on these substantial growth opportunities.

Our locations span the globe, with our operating sites located primarily in North America and Europe:



GXO's 885 operating sites are focused primarily in North America and Europe

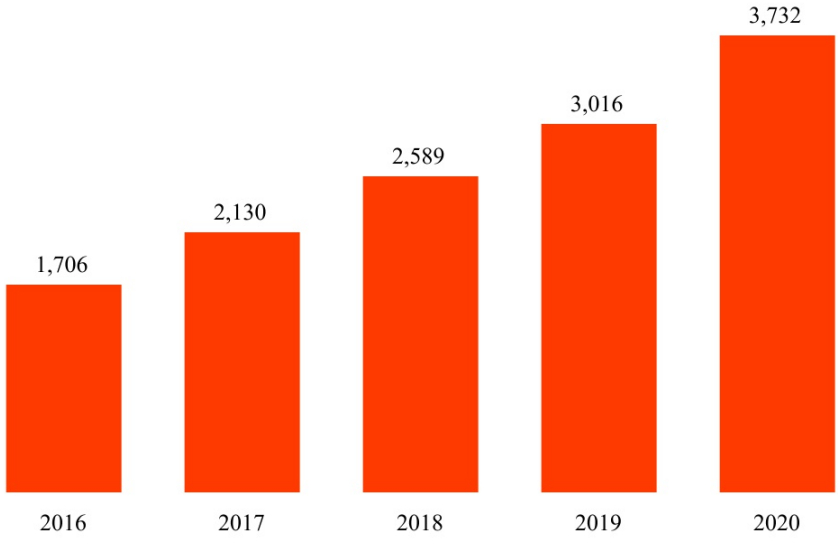
As of March 31, 2021, we operated 210 million square feet (20 million square meters) of logistics warehouse space worldwide at 885 locations and operated with approximately 93,000 team members (comprised of approximately 66,000 full-time and part-time employees and 27,000 temporary workers).

	Pro Forma Combined			Historical				
	Three Months Ended March 31,		Year Ended December 31,	Three Months Ended March 31,		Years Ended December 31,		
(in millions)	2021	2020	2020	2021	2020	2020	2019	2018
Revenue	$ 1,823	$ 1,442	6,203	$ 1,822	$ 1,440	$ 6,195	$ 6,094	$ 6,065
Operating income	29	—	8	30	2	16	150	143
Adjusted EBITDA	140	102	442	132	96	417	469	433

Our significant scale gives us a competitive advantage in the growing logistics industry. The most dramatic growth in demand for logistics services in recent years has come from e-commerce and related sectors, including omnichannel retail and direct-to-consumer channels established by manufacturers. Prior to 2020, e-commerce was

already growing globally at a double-digit rate; COVID-19 has accelerated that growth by encouraging more consumers to purchase a wide variety of goods online:

Global e-commerce, $ in billions



The rapid pace of growth and the necessary reliance on technology make it difficult for many companies to provide consistently high levels of service while handling e-commerce logistics in-house. This is a secular growth driver for our business on two fronts: more companies are turning to outsourcing to manage high volumes of e-commerce fulfillment and returns, and their supply chains are becoming increasingly complex, requiring sophisticated warehouse automation that is difficult to achieve on their own.

GXO's positioning as a technology leader and one of the largest providers of outsourced e-fulfillment globally — including the largest e-fulfillment platform in Europe — are significant competitive advantages for us. In addition, we have expertise with numerous verticals and SKU types in the e-commerce space, with an ability to produce replicable outcomes at scale. These are major reasons why our e-fulfillment services are equally attractive to longstanding e-commerce companies and new entrants.

We engineer customized, end-to-end solutions for our customers: storage, inventory management, staffing, peak management, demand forecasting, fulfillment, aftermarket support, high-value-add services, such as order personalization, and reverse logistics — the merchandise returns that have become a fast-growing byproduct of e-fulfillment. We are a major provider of integrated reverse logistics services, including the inspection, repackaging, refurbishment and resale or disposal of returned merchandise, as well as refunding and warranty management. Reverse logistics expertise is highly valued by companies with consumer end-markets, as shoppers increasingly "test-drive" the merchandise they buy online.

Robust Technological Differentiation

Logistics processes of all kinds are ripe for transformation through advanced automation and digital management. We anticipated this nearly a decade ago, and prioritized the development of proprietary technologies that make logistics smarter, faster and more responsive to changes in demand. Our customers see the depth of our commitment to innovation, and they value our ability to meet their current objectives and future needs. Many of our larger customers consider us a strategic partner — they view our technology and expertise as critical to their success. Our reputation as an innovator also supports our capacity to develop new capabilities by attracting world-class technology talent to our organization.

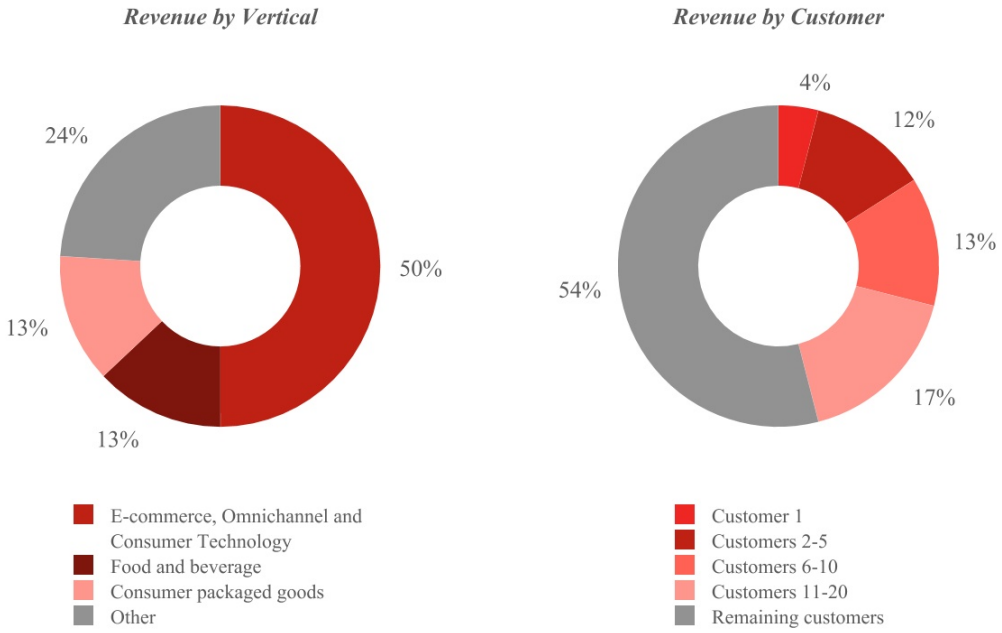
The most significant impacts of our technology to date are in three areas: our "Smart" suite of intelligent productivity tools, advanced warehouse automation and predictive analytics, all of which are integrated into our operations. See "Technology and Intellectual Property" for more information.

Another type of innovation that further differentiates GXO from our competitors is our "Direct" shared-space distribution network for B2C and B2B customers in North America. This network increases utilization of our existing warehouses and other resources, and it offers our customers the option of a flexible "fulfillment as a service" ("FaaS") model. Our facilities serve as strategically located stockholding sites and cross-docks that can be utilized by multiple customers at the same time. The network gives retailers, e-tailers and manufacturers access to our scale, expertise and technology without the high fixed costs of traditional distribution center models.

Our "Direct" network enables our customers to position inventory within one- and two-day ground delivery range of approximately 99% of the U.S. population and in close proximity to retail stores for inventory replenishment. As demand patterns change, we reposition the inventory around our network, managed and tracked by our technology. This responds directly to consumer expectations for shorter fulfillment times, and consequently, it enhances consumer loyalty for our customers. The customers who use this network have the use of our technology for ease of doing business at both ends of distribution, as well as our predictive analytics to help plan inventory flows.

Long-Term Customer Relationships in Attractive Verticals

We have a large opportunity to grow our share in verticals with durable fundamentals and high-growth outsourcing opportunities, where we have strong partnerships with preeminent customers, longstanding track records and deep expertise. Our revenue is diversified across numerous verticals and customers with different demand patterns and seasonality, including over 30% of Fortune 100 companies and 24% of the Fortune Global 100. In 2020, our revenue profile reflected a healthy mix of verticals and customers, with low concentration risk:

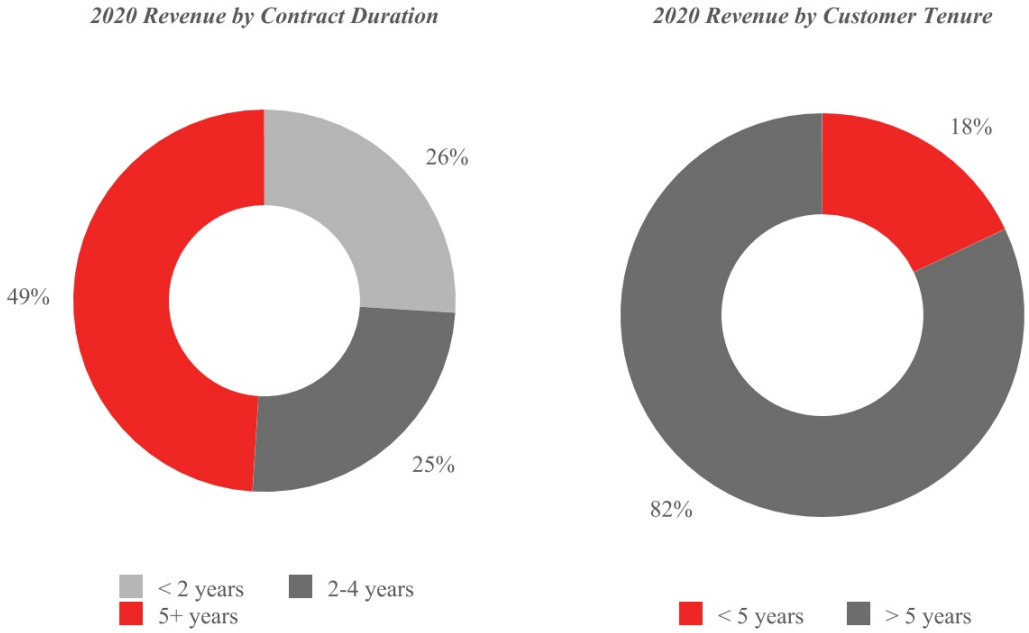


Our customers include numerous long-term relationships with blue-chip market leaders and world-class brands, operating primarily in e-commerce and retail, food and beverage, consumer packaged goods, technology, aerospace, consumer technology, industrial and manufacturing, chemicals, agribusiness, life sciences and healthcare. These are

all verticals where we have decades of expertise and understand the unique supply chain requirements, such as complex stock-keeping, time-assured distribution and surge management.

We are strongly positioned with large customers because we can provide the technology and customization required for their complex supply chains. GXO's ability to produce reliable outcomes at scale resonates with these customers, as does our expansive capacity and leading ability to manage tight labor markets.

By partnering with our customers for the long term, we further our differentiation as a highly valued supply chain partner. The average relationship tenure for our top 20 customers in 2020, based on revenue, was approximately 15 years. GXO's growth is also propelled by long-cycle projects and long-term contractual relationships:



Resilient Business Model with Multiple Drivers of Profitable Growth

Our business has numerous drivers of profitable growth, including the ability to expand our margins through continuous deployment of our technology in areas such as labor productivity, warehouse management, inventory management, demand forecasting and advanced automation, as well as our asset-light business model, which has historically been resilient across cycles.

Our business relationships are characterized by long-term contractual agreements structured with either a fixed-variable or cost-plus mechanism to cover our base expenses across the economic cycle, with a historical customer retention rate of approximately 93%. Additionally, our business requires limited maintenance capital spending, which provides us with the flexibility to adjust our overall capital spending to changes in the macro environment. Our long-term contracts and flexible operating model allow us to adapt across the cycle, reducing costs during downturns and putting us in a position to expand quickly in growing markets. The result is expected to be strong, macro-independent free cash flow generation. We are committed to continuing to deploy capital with discipline and agility to maximize shareholder value.

Experienced and Cohesive Leadership

Our company is led by Malcolm Wilson, chief executive officer and Baris Oran, chief financial officer. Each of our executives has decades of experience in their respective fields, having previously served in leadership roles in businesses around the globe.

Malcolm Wilson has three decades of executive experience managing multinational supply chain operations. Prior to GXO, he served as Chief Executive Officer of XPO's European operations, where he led the European logistics business to unprecedented growth and efficiencies. Earlier, he was head of the logistics division for industry leader Norbert Dentressangle and grew that logistics division to global scale as Norbert Dentressangle's largest revenue-producing unit. XPO acquired Norbert Dentressangle in 2015.

Baris Oran has more than two decades of finance experience, including most recently serving as chief financial officer of the Sabanci Group, one of Turkey's largest publicly traded companies. Oran also has significant board experience, having served as chairman, vice chairman or board member of eight public companies and four private companies over the course of his career.

Our leaders prioritize developing a company culture that is, among other things:

- *Safe*: In 2020, our recordable incident rate ("RIR") in the U.S. was once again significantly better than the industry average. While the most recent industry average RIR for General Warehousing and Storage was 4.9, as reported by OSHA, our RIR in 2020 was significantly better at 1.3;
- *Diverse*: In 2020, approximately 8,840 of our global hires were women, representing over 30% of all hires. In the U.S., approximately 78% of our 2020 hires were diverse based on self-identification as a person of color, military veteran, member of the LGBTQ+ community or a person with a disability; and
- *Sustainable*: A number of our warehouse facilities are ISO 14001-certified, which ensures environmental and other regulatory compliance. We also monitor fuel emissions from forklifts, with protocols in place to take immediate corrective action if needed. Our packaging engineers ensure that the optimal carton size is used for each product slated for distribution, and when feasible, we purchase recycled packaging. As a byproduct of managing returned merchandise, we recycle millions of electronic components and batteries each year.

Our Strategy

Our strategy is to help our customers manage their supply chains most efficiently, using our network of people, technology and physical assets. We deliver value to customers in the form of technological innovations, process efficiencies, cost efficiencies and reliable outcomes. Our services are both highly responsive to customer goals — such as increasing visibility in the supply chain, decreasing fulfillment times and mitigating environmental impacts over time — and proactive in identifying potential improvements.

Management's growth and optimization strategy for GXO is to:

- Develop additional business in verticals where we already have deep expertise, relationships with prominent customers and a strong track record of performance, by successfully selling to new customers and by expanding the services we provide to existing customers through new projects, thus earning more of their external and internal logistics spend;
- Market the advantages of our proprietary technology for warehouse operations, which we use to manage advanced automation, robotics, labor productivity, inventory management, safety, seasonal changes in demand and other aspects of complex logistics environments;
- Partner with our customers in meeting their goals for supply chain performance, risk mitigation, cost efficiency, growth management and stakeholder satisfaction by helping them overcome challenges specific to their business; and

- Integrate industry best practices into our operations to drive productivity and share gains, with a focus on automation and other levers of profitable growth.

Our growth and optimization strategy is geared toward consumer-related sectors that demonstrate enduring demand over time and where we already have a deep presence. In 2020, 50% of our revenue came from e-commerce, omnichannel and consumer technology, 13% came from food and beverage, and 13% from consumer packaged goods. These top three verticals accounted for 76% of our revenue, with the vast majority of revenue generated in the U.S., the U.K., France and Spain.

To aid us in executing our strategy, we have instilled a culture that focuses our efforts on delivering mutually beneficial results for our customers and our company.

Technology and Intellectual Property

Our industry is evolving, and logistics processes are ripe for innovative, disruptive thinking. Customers want to reduce risk and increase the productivity of their supply chains. We are well-positioned to meet these expectations because we prioritized visibility, quality control and automation early in our technological development.

Our highly scalable platform is built on the cloud to speed the deployment of new ways to increase efficiency and leverage our footprint. We can implement innovations across multiple geographies in a relatively short time, or take an innovation developed for one vertical and apply it to other verticals to enhance the value we offer our customers.

The most significant impacts of our proprietary technology to date are in three areas: labor and inventory management productivity, intelligent warehouse automation and predictive analytics, all of which are integrated through our proprietary warehouse management platform.

Labor and Inventory Management

Our productivity is driven by our comprehensive “Smart” suite of intelligent tools and analytics designed to optimize labor and inventory management. This technology incorporates dynamic data science, predictive analytics and machine learning to aid in decision-making. Our site managers use these tools to improve productivity in site-specific ways in a safe, disciplined and cost-effective manner.

As of year-end 2020, we had implemented these tools and analytics in approximately 85% of our North American logistics sites and 50% of our European logistics sites, with further roll-outs underway. This technology is delivering an average labor productivity improvement of 5% to 7%, and we expect to see further increases in productivity as we fully utilize these tools in all of our operations.

Intelligent Warehouse Automation

Our intelligent warehouse automation includes our deployments of autonomous robots and cobots (collaborative robots), automated sortation systems, automated guided vehicles, goods-to-person systems and wearable smart devices — these are all effective ways to deliver critical improvements in speed, accuracy and productivity. Importantly, automation also enhances safety and the overall quality of employment. Our warehouse management system creates a synchronized environment across automation platforms to control these technologies holistically as part of an integrated solution.

Other technologies that differentiate our logistics environments are our proprietary warehouse module for order management, which gives customers deep visibility into fulfillment flows, and our analytics dashboard, which gives customers valuable business intelligence to manage their supply chains. Our connection management software module facilitates integration with SAP, Oracle and other external systems, enabling our customers to get the most benefit from our technology in areas such as visibility, demand planning and continuous improvement.

We have found that autonomous goods-to-person systems can improve labor productivity by four to six times, and that cobots, which assist workers with the inventory picking process, can improve productivity by two times on average. Stationary robot arms can repeat demanding tasks with precision three times faster than is possible

manually. Robots are particularly valuable in tight labor markets where wage inflation and labor shortages can erode customer margins.

Our ability to employ our technologies for our customers' benefit is highlighted by our innovative partnership with Nestle, the world's largest food and beverage company. In mid-2020, we opened our Digital Distribution Warehouse of the Future in partnership with Nestlé in the U.K. This flagship site has the capacity to process the highest throughput of any facility in Nestlé's global network.

The Digital Distribution Warehouse of the Future brings together the latest systems architecture and intelligent applications under one roof, with sophisticated robotics, advanced sortation systems and data analysis using machine learning. Our European innovation lab is based on the premises, where it functions as both a think tank and an innovation incubator, giving us the ability to test new technologies under real-life operating conditions.

Predictive Analytics

Our predictive analytics add significant value for customers, particularly in e-commerce and omnichannel retail, where seasonality drives high volumes through outbound and inbound logistics processes. For example, about 15% to 35% of consumer goods bought online are returned, based on the product category, and this creates reverse peaks of returned merchandise at certain times of year. We have developed analytics that predict future surges in demand using a combination of data histories and customer forecasting.

As an industry leader that makes substantial investments in technology, we have access to an immense amount of data, as well as the analytical processing capabilities to capitalize on that data by incorporating our learnings into customer solutions. We believe our ability to process and act upon data is a key competitive advantage and differentiator versus our competitors.

Properties

As of March 31, 2021, we operated 885 locations, primarily in North America and Europe. These sites included locations in 27 countries.

Location	Leased Facilities	Owned Facilities	Customer Facilities[2]	Total
North America	187	1	143	331
Europe	278	9	203	490
Other[1]	49	—	15	64
Total	514	10	361	885

(1) Locations not in North America or Europe; primarily in Asia.
(2) Locations owned or leased by customers.

We lease our current executive office located in London, England, our U.S. headquarters in Greenwich, Connecticut, our U.S. operations center in North Carolina and our various office facilities in France, the U.K. and India, to support our global executive and shared-services functions. We believe that our facilities are sufficient for our current needs.

Customers and Markets

GXO provides services to over 1,000 customers globally, including Fortune 100 companies in the U.S., European multinational market leaders and renowned global brands. The customers we serve span every major industry and touch every part of the economy. The diversification of our customer base minimizes concentration risk: in 2020, our top five customers combined accounted for approximately 16% of our revenue, with our largest customer accounting for approximately 4% of revenue.

Our revenue is highly diversified due to our expertise across a range of key verticals. We derive our revenue from retail and e-commerce, food and beverage, consumer packaged goods, consumer technology and other verticals where we have longstanding positioning and prominent customers.

We market to domestic and international customers and primarily perform services in North America and Europe. In 2020, approximately 36% of our total revenue was generated in the U.S., 27% in Europe (excluding the U.K. and France), 25% in the U.K. and 10% in France.

Competition

GXO operates in a highly fragmented marketplace with thousands of companies competing domestically and internationally. The top five contract logistics providers across North America and Europe, in total, hold less than 25% of the $130 billion of outsourced logistics spend, with GXO holding approximately 5% share. We compete based on our ability to deliver quality of service, reliability, scope and scale of operations, technological capabilities, expertise and price.

Our competitors include local, regional, national and international companies that offer the same services we provide; some have larger customer bases, significantly more resources and more experience than we have. Some of our competitors include Clipper Logistics, DHL, DSV Panalpina, ID Logistics, and Kuehne + Nagel. Additionally, some of our customers have sufficient internal resources to perform the services we offer. Due to the competitive nature of our marketplaces, we strive daily to strengthen existing business relationships and forge new relationships.

Environmental and Other Government Regulations

Our operations are regulated and licensed by various governmental agencies in the U.S. at the local, state and federal levels and in other countries where we conduct business. These regulations impact us directly, and also indirectly when they regulate third parties with which we arrange or contract services. In addition, we are subject to a variety of other U.S. and foreign laws and regulations, including, but not limited to, the Foreign Corrupt Practices Act and other anti-bribery and anti-corruption statutes.

Moreover, we are subject to various environmental laws and regulations in the jurisdictions where we operate. From time to time, we receive inquiries from governmental authorities about potential environmental exposure related to the operations of our facilities. Historically, we have successfully resolved such inquiries without a material effect on our business or operations. We believe that our operations are in substantial compliance with current laws and regulations and we do not know of any existing environmental condition that reasonably would be expected to have a material adverse effect on our business or operating results.

A number of GXO's sites are ISO 14001-certified to high standards for environmental management, and we have implemented numerous programs to manage environmental risks and maintain compliance in our business. U.S. federal and state governments, as well as governments in certain foreign jurisdictions where we operate, have also proposed environmental legislation that could, among other things, potentially limit carbon, exhaust and greenhouse gas emissions. If enacted, such legislation could result in reduced productivity and efficiency and increased operating expenses, all of which could adversely affect our results of operations.

Seasonality

Our revenue and profitability are typically lower in the first quarter of the calendar year relative to other quarters. We believe this is due in part to the post-holiday reduction in demand experienced by many of our customers, which leads to less use of the logistics services we provide. Our business benefits from strong positioning in the e-commerce sector, where demand is characterized by seasonal surges in activity, with the fourth quarter holiday peak typically being the most dramatic.

Human Capital

Our success relies in large part on our robust governance structure and Code of Business Ethics, our good corporate citizenship and, importantly, engaged employees who embrace our values.

As a customer-centric company with a strong service culture, we constantly work to maintain our position as an employer of choice. This requires an unwavering commitment to workplace inclusion and safety, as well as competitive total compensation that meets the needs of our employees and their families.

Employee Profile

As of March 31, 2021, we operated with approximately 93,000 team members (comprised of approximately 66,000 full-time and part-time employees and 27,000 temporary workers) in 27 countries: 32% of our employees were based in North America, 65% were based in Europe and 3% were based in Latin America and Asia combined. Of our North American employees, 83% were in hourly roles and 17% were in salaried positions. In Europe, 72% of our employees were covered by collective bargaining agreements, while none of our employees in North America were covered by collective bargaining agreements.

We have made significant investments in the safety, well-being and satisfaction of our employees in numerous areas, including:

Diversity, Equity and Inclusion

We take pride in having an inclusive workplace that encourages a diversity of backgrounds and perspectives and mandates fair treatment for all individuals — these attributes of our culture make us a stronger organization and a better partner to all GXO stakeholders. We welcome employees of every gender identity, sexual orientation, race, ethnicity, national origin, religion, life experience, veteran status and disability.

Health and Safety

Our frontline employees provide essential services that keep goods flowing to the people who need them. Their protection is always our foremost priority, and we have numerous protocols in place to ensure a safe workplace environment. We aim to maintain an OSHA recordable incident rate that is less than half the published rate for the General Warehousing and Storage sector, based on the "Industry Injury and Illness Data" of the U.S. Bureau of Labor Statistics.

Amid the onset of COVID-19 in 2020, we deployed a combination of protective measures, technology and virtual communications to maintain a safe workplace environment. We have taken many risk-mitigating actions to protect our employees, including offering 100% paid pandemic sick leave for eligible employees, providing frontline employee appreciation pay to approximately 18,500 workers in the U.S. and Canada, procuring personal protective equipment for employees in all of our workplaces, and providing expanded access to mental health counseling services for employees and their dependents.

Talent Development and Engagement

Our employees are critically important to our ability to provide best-in-class service. We ask our employees for feedback through engagement surveys, roundtables and town halls, and we use periodic engagement surveys to gauge our progress, assess satisfaction and ask for constructive suggestions. In this way, our employees help drive the continuous improvement of our business. We seek to identify top talent in all aspects of the recruitment process, and we emphasize training and development.

We tailor our recruitment efforts by geography and job function using an array of channels to ensure a diverse candidate pool. Our talent development infrastructure provides resources to employees throughout their career path, such as tailored skills development, training and mentoring for employees who aspire to grow into higher-paying positions with more responsibility. In addition, we maintain a robust pipeline of future operations leaders by using structured sponsorships and incidental learning techniques to develop internal candidates who demonstrate high potential in supervisory roles into positions as site leaders. The programs also serve to retain top talent by defining personalized development paths, and they attract new talent by differentiating GXO as an employer.

Expansive Total Rewards

We appreciate that our employees choose to work for GXO from among the many different options available to them inside and outside our industry. We offer a total compensation package that is both competitive and progressive to help attract and retain outstanding talent.

We offer competitive wages and a comprehensive suite of benefits to all employees to maintain our positioning as an employer of choice in the talent marketplace. A number of the benefits we offer were introduced in response to employee feedback — in the U.S., examples include our pregnancy care policy, family bonding policy, tuition reimbursement program for continuing education, and benefits such as diabetes management, supplemental insurance and short-term loans. In Europe, the benefits offered vary by country and are tailored to the needs of the local markets. Examples include comprehensive healthcare and risk insurance, employee assistance programs covering mental, physical and financial wellbeing, pension plans, profit sharing schemes, and local and global bonus schemes structured to offer competitive pay in each country.

Legal Proceedings

In the ordinary course of conducting our business activities, we and our subsidiaries become involved in judicial, administrative and regulatory proceedings involving both private parties and governmental authorities. These proceedings include insured and uninsured matters that are brought on an individual, collective, representative and class action basis, and other proceedings involving personal injury claims arising from the transportation and handling of goods, contractual disputes, employment-related claims, including alleged violations of wage and hour laws, and general and commercial liability matters.

Based on facts currently available, we do not expect any of these proceedings to have a material effect, individually or in the aggregate, on our reputation, business, financial position, results of operations or cash flows; however, we can give no assurance that the results of any such proceedings will not materially affect our reputation, business, financial position, results of operations and cash flows.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") in conjunction with the audited Combined Financial Statements and corresponding notes and the Unaudited Pro Forma Condensed Combined Financial Information and corresponding notes included elsewhere in this information statement. This MD&A contains forward-looking statements. The matters discussed in these forward-looking statements are subject to risk, uncertainties, and other factors that could cause actual results to differ materially from those projected or implied in the forward-looking statements. Please see "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" for a discussion of the uncertainties, risks and assumptions associated with these statements.

Business Overview

GXO Logistics, Inc. ("GXO" or "we") is the largest pure-play contract logistics provider in the world and a foremost innovator in an industry propelled by strong secular tailwinds. Our total potential addressable market across North America and Europe is approximately $430 billion, including the $130 billion of logistics spend that is currently outsourced and the opportunity for another $300 billion of spend that is currently insourced.

Our customers rely on us to move their goods with high efficiency through their supply chains — from the moment inbound goods arrive at our logistics sites, through fulfillment and distribution and, in a growing number of cases, the management of returned products. Our customer base includes many blue-chip leaders in attractive sectors that demonstrate high growth or durable demand over time, with significant growth potential through customer outsourcing of logistics services.

We strive to provide all of our customers with consistently high levels of service and cutting-edge automation managed by our proprietary technology. We also collaborate with our largest customers on planning and forecasting, and provide assistance with network optimization, working with these customers to design or redesign their supply chains to meet specific goals, such as sustainability metrics. Our multidisciplinary, consultative approach has led to many of our key customer relationships extending for years and growing in scope.

The most dramatic growth in secular demand in recent years has been in e-commerce and related sectors, including omnichannel retail and other direct-to-consumer channels. As part of our growth strategy, we intend to develop additional business in consumer and other verticals where we already have deep expertise, prominent customer relationships and a strong track record of successful performance. We also intend to expand into new verticals by leveraging our capacity and technological strengths, and by marketing the benefits of our proprietary platform for warehouse operations. We use this technology to manage advanced automation, labor productivity, safety and the complex flow of goods within sophisticated logistics environments.

Our business model is asset-light and historically resilient in cycles, with high returns, strong free cash flow and visibility into revenue and earnings. The vast majority of our contracts with customers are multi-year agreements, and our facility lease arrangements generally align with contract length. Most of our customer contracts contain both fixed and variable components. The fixed component is typically designed to cover facility, technology and equipment costs, and may cover management costs, while the variable component is determined based on expected volumes and associated labor costs.

The Spin-Off

In December 2020, our parent company, XPO Logistics, Inc. (together with its subsidiaries, "XPO"), announced its intention to separate into two independent, publicly traded companies. The spin-off is expected to be completed through a tax-free pro rata distribution of all the outstanding shares of common stock of GXO. The proposed spin-off is complex in nature, and unanticipated developments or changes, including changes in law, the macroeconomic environment, competitive conditions of our markets, regulatory approvals or clearances, the uncertainty of the financial markets, and challenges in executing the separation, could delay or prevent the completion of the proposed spin-off, or cause the spin-off to occur on terms or conditions that are different or less favorable than expected, including, without limitation, the failure of the spin-off to qualify as a transaction that is tax-free for U.S. federal

income tax purposes to our shareholders. There can be no assurance that the spin-off will occur or, if it does occur, of its terms or timing.

In connection with the separation and distribution, GXO and XPO will enter into several agreements to implement the legal and structural separation between the two companies; govern the relationship between GXO and XPO after the completion of the separation; and allocate between GXO and XPO various assets, liabilities and obligations, including, among other things, employee benefits, intellectual property and tax-related assets and liabilities.

Impacts of COVID-19

As a global provider of supply chain solutions, our business can be impacted to varying degrees by factors beyond our control. The rapid escalation of COVID-19 into a pandemic in 2020 has affected, and will continue to affect, economic activity broadly and customer sectors served by our industry.

In response to the COVID-19 pandemic, the governments of many countries, states, cities and other geographic regions have taken and are continuing to take preventative or reactive actions, such as imposing restrictions on travel and business operations and establishing guidelines for social distancing and occupational safety. Due to the critical role we play in moving goods in the markets we serve, GXO is considered an “essential business,” providing supply chain solutions to crucial industries. As a result, our sites have generally remained open and operating, and we have continued to serve our customers while employing significant measures to protect our employees and keep them safe.

The COVID-19 pandemic and associated impacts on economic activity had an adverse effect on our results of operations and financial condition as of and for the year ended December 31, 2020, as discussed below. We experienced declines in demand for our services that began in the first quarter of 2020, had a substantial impact in the second quarter of 2020, and abated throughout the second half of 2020. These declines in demand meaningfully affected our results in both North America and Europe.

Due to the largely unprecedented and evolving nature of the COVID-19 pandemic, it remains very difficult to predict the extent of the impact on our industry generally and our business in particular. Furthermore, the extent and pace of a recovery remains uncertain and may differ significantly among the countries in which we operate. We expect our results of operations will continue to be impacted by this pandemic in 2021.

We have incurred net incremental costs related to COVID-19 to ensure that we meet the needs of our customers and employees; these include costs for personal protective equipment (“PPE”), temporary site closures, site cleanings and enhanced employee benefits. We also implemented supplemental “appreciation pay” programs for thousands of frontline employees who continued to work during the pandemic. We expect to continue to incur additional costs as we implement operational changes in response to the pandemic. However, the majority of our cost base is variable, and we have taken and, if appropriate, will continue to take aggressive actions to adjust our expenses to reflect changes in demand for our services. These actions include reduced use of contractors, reduced employee hours, furloughs, layoffs and required use of paid time off, consistent with applicable regulations. While we could not fully offset the decrease in demand for our services arising from the economic disruption of the pandemic in 2020, the actions we have taken, combined with the variable components of our cost structure, have helped to mitigate the impact on our profitability.

A further discussion of the potential impact of the COVID-19 pandemic on our business is set forth above in Risk Factors.

Basis of Presentation

The combined financial statements of the Company were prepared on a standalone basis and have been derived from the combined financial statements and accounting records of XPO. Historically, separate financial statements have not been prepared for the Company, and it has not operated as a standalone business separate from XPO. The combined financial statements include certain assets and liabilities that have historically been held by XPO or by other XPO subsidiaries but are specifically identifiable or otherwise attributable to the Company. Significant

intercompany balances and transactions between the operations of the GXO legal entities have been eliminated in the accompanying combined financial statements. All significant related party transactions between GXO and XPO have been included in these combined financial statements as components of XPO investment. We prepare our combined financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"), which requires us to make estimates and assumptions that impact the amounts reported and disclosed in our combined financial statements and the accompanying notes. We prepared these estimates based on the most current and best available information, but actual results could differ materially from these estimates and assumptions, particularly in light of the outbreak of a strain of coronavirus, COVID-19.

The Combined Balance Sheets include certain assets and liabilities directly attributable to GXO, and the Combined Statements of Operations include allocations of XPO costs and expenses, as described below.

XPO's corporate function ("Corporate") incurs a variety of expenses including, but not limited to, information technology, human resources, accounting, sales and sales operations, procurement, executive services, legal, corporate finance and communications. For purposes of the Combined Statements of Operations, an allocation of these expenses is included to burden all business units comprising XPO's historical operations. The charges reflected have either been specifically identified or allocated using drivers including proportional adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"), which includes adjustments for transaction and integration costs, as well as restructuring costs and other adjustments, or headcount. The majority of these allocated costs are recorded in Sales, general and administrative expense ("SG&A") and Depreciation and amortization expense in the Combined Statements of Operations. We believe the assumptions regarding allocations of XPO corporate expenses are reasonable. Nevertheless, the combined financial statements may not reflect the combined results of operations, financial position and cash flows had the Company been a standalone entity during the periods presented.

Direct operating expenses are comprised of both fixed and variable expenses and consist of operating costs related to our logistics facilities, including personnel costs, facility and equipment expenses, such as rent, utilities, equipment maintenance and repair, transportation costs, costs of materials and supplies and information technology expenses. SG&A, including the allocated costs of XPO, primarily consists of salary and benefit costs for executive and certain administration functions, professional fees, facility costs other than those related to our logistics facilities, bad debt expense and legal costs. We report depreciation and amortization expense as a separate line within operating income on our Combined Statements of Operations.

XPO investment represents XPO's historical investment in GXO, and includes the net effects of transactions with and allocations from XPO, as well as GXO's accumulated earnings. Certain transactions between GXO and XPO, including XPO's non-GXO subsidiaries, have been included in these combined financial statements, and are considered to be effectively settled at the time the transaction was recorded. The total net effect of the cash settlement of these transactions is reflected in the Combined Statements of Cash Flows as a financing activity and in the Combined Balance Sheets as XPO investment. The components of the net transfers to and from XPO include certain costs allocated from Corporate functions, income tax expense, certain cash receipts and payments made on behalf of GXO and general financing activities.

GXO has a single reportable segment.

Combined Summary Financial Table

(In millions)	Three Months Ended March 31,		Percent of Revenue	
	2021	2020	2021	2020
Revenue	$ 1,822	$ 1,440	100.0 %	100.0 %
Direct operating expense	1,520	1,203	83.4 %	83.5 %
Sales, general and administrative expense	171	142	9.4 %	9.9 %
Depreciation and amortization expense	79	76	4.3 %	5.3 %
Transaction and integration costs	18	17	1.0 %	1.2 %
Restructuring costs	4	—	0.2 %	— %
Operating income	$ 30	$ 2	1.7 %	0.1 %
Other income	(1)	(1)	— %	(0.1)%
Interest expense	5	7	0.3 %	0.5 %
Income (loss) before income taxes	$ 26	$ (4)	1.4 %	(0.3)%
Income tax provision	9	6	0.5 %	0.4 %
Net income (loss)	$ 17	$ (10)	0.9 %	(0.7)%

Three Months Ended March 31, 2021 Compared with Three Months Ended March 31, 2020

Our revenue increased 26.5% to $1.8 billion in first quarter of 2021, compared with $1.4 billion for the same quarter in 2020. The increase in revenue compared to the first quarter of 2020 reflects 38.4% growth in our European business and 8.6% growth in our North American business, driven by increases in revenues from our e-commerce/retail and food and beverage customers. Also impacting our revenue was the Kuehne + Nagel business we acquired in January 2021, which contributed approximately 13.6 percentage points to revenue growth in our European business and 8.2 percentage points to our total revenue growth. Foreign currency movement increased revenue by approximately 5.5 percentage points in 2021.

Direct operating expense in the first quarter of 2021 was $1.5 billion, or 83.4% of revenue, compared with $1.2 billion, or 83.5% of revenue, for the same quarter in 2020. As a percentage of revenue, compensation costs and third-party transportation costs decreased direct operating expense by approximately 1.1% and 0.7%, respectively. These decreases were offset by higher temporary labor and maintenance costs, which increased direct operating expense by approximately 0.7% and 0.6%, respectively, as a percentage of revenue.

SG&A was $171 million for the first quarter of 2021, or 9.4% of revenue, compared with $142 million, or 9.9% of revenue, for the same quarter in 2020. The year-over-year decrease in SG&A as a percentage of revenue primarily resulted from lower compensation costs as a percentage of revenue due to the significant year-over-year increase in revenues.

Depreciation and amortization expense for the first quarter of 2021 was $79 million, compared with $76 million for the same quarter in 2020. Depreciation and amortization expense included amortization of acquisition-related intangible assets of $14 million in the first quarter of 2021 and 2020.

Transaction and integration costs for the first quarter in 2021 are primarily related to costs related to our planned spin-off.

We engage in restructuring actions as part of our ongoing efforts to best use our resources and infrastructure. We recorded restructuring charges of $4 million for severance costs in the first quarter of 2021. For further information on our restructuring actions, see Note 5—Restructuring Charges to the Condensed Combined Interim Financial Statements.

Other income for the first quarter of both 2021 and 2020 was $1 million and primarily consists of pension income.

Interest expense for the first quarter of 2021 decreased 28.6% to $5 million, from $7 million for the same quarter in 2020. The decrease in interest expense was primarily due to lower average total indebtedness.

Our effective income tax rate was 33.4% and (124.7)% in the first three months of 2021 and 2020, respectively. The effective tax rates for the first quarter of 2021 and 2020 were based on forecasted full-year effective tax rates. The negative effective income tax rate for the first quarter of 2020 was primarily driven by contribution- and margin-based taxes which we incurred even though our pretax income was negative.

Combined Summary Financial Table

(In millions)	Years Ended December 31,			Percent of Revenue		
	2020	2019	2018	2020	2019	2018
Revenue	$ 6,195	$ 6,094	$ 6,065	100.0 %	100.0 %	100.0 %
Direct operating expense	5,169	5,112	5,117	83.4 %	83.9 %	84.4 %
Sales, general and administrative expense	611	514	528	9.9 %	8.4 %	8.7 %
Depreciation and amortization expense	323	302	261	5.2 %	5.0 %	4.3 %
Transaction and integration costs	47	1	9	0.8 %	— %	0.1 %
Restructuring costs	29	15	7	0.5 %	0.2 %	0.1 %
Operating income	16	150	143	0.3 %	2.5 %	2.4 %
Other income	(2)	(1)	(13)	— %	— %	(0.2)%
Interest expense	24	33	30	0.4 %	0.5 %	0.5 %
Income (loss) before income taxes	(6)	118	126	(0.1)%	1.9 %	2.1 %
Income tax provision	16	37	36	0.3 %	0.6 %	0.6 %
Net income (loss)	$ (22)	$ 81	$ 90	(0.4)%	1.3 %	1.5 %

Year Ended December 31, 2020 Compared with Year Ended December 31, 2019

Our revenue increased 1.7% to $6.2 billion in 2020, compared with $6.1 billion in 2019. The increase in revenue compared to 2019 reflects 5.5% growth in our European business, partially offset by a 4.2% decline in our North American business. The growth in our European business was primarily driven by higher revenues from our e-commerce/retail customers, partially offset by the impact of COVID-19. The decline in our North America business was driven by the impact of COVID-19 and our elimination of certain low-margin business. Foreign currency movement increased revenue by approximately 0.8 percentage points in 2020.

Direct operating expense in 2020 was $5.2 billion, or 83.4% of revenue, compared with $5.1 billion, or 83.9% of revenue, in 2019. The year-over-year decrease as a percentage of revenue was primarily driven by lower temporary labor and third-party transportation costs, which decreased direct operating expense by approximately 1.0% and 0.6%, respectively, as a percentage of revenue. These decreases were partially offset by higher payroll costs, which increased direct operating expense by approximately 1.0%, as well as other incremental COVID-19-related costs. Additionally, 2020 and 2019 included $1 million and $9 million, respectively, from gains on sales of property and equipment.

SG&A was $611 million in 2020, or 9.9% of revenue, compared with $514 million, or 8.4% of revenue, in 2019. The year-over-year increase in SG&A as a percentage of revenue primarily resulted from higher compensation costs. Compensation costs were higher for the year ended December 31, 2020 in comparison to the prior-year period due to the strength of our operating performance in a challenging macro-environment.

Depreciation and amortization expense in 2020 was $323 million, compared with $302 million in 2019. The increase was primarily due to the impact of prior capital investments, new contract startups and accelerated depreciation due to contract modifications. Depreciation and amortization expense included amortization of acquisition-related intangible assets of $57 million in 2020, compared to $60 million in 2019.

Transaction and integration costs in 2020 are primarily related to XPO's previously announced exploration of strategic alternatives that was terminated in March 2020 and costs related to the acquisition of Kuehne + Nagel's U.K. logistics business, which was completed in 2021.

We engage in restructuring actions as part of our ongoing efforts to best use our resources and infrastructure, including actions in response to COVID-19. We expect the restructuring initiatives to which the 2020 charges relate

to be complete by December 31, 2021. Once complete, these initiatives are expected to generate annualized pre-tax savings of approximately $30 million. For further information on our restructuring actions, see Note 5—Restructuring Charges to the Combined Financial Statements.

Other income primarily consists of pension income. Other income for 2020 was $2 million, compared with $1 million in 2019.

Interest expense for 2020 decreased to $24 million, from $33 million in 2019. The decrease in interest expense was primarily due to lower average total indebtedness.

Our effective income tax rate was (264.5)% and 31.4% in 2020 and 2019, respectively. The decrease in our effective income tax rate for the year ended December 31, 2020 compared to the year ended December 31, 2019 was primarily driven by the incurrence of contribution- and margin-based taxes in both periods combined with a pretax loss in 2020 compared to pretax income in 2019.

The U.S. Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) enacted in March 2020 provides numerous tax provisions and other stimulus measures, including temporary changes regarding the prior and future utilization of net operating losses, temporary changes to the prior and future limitations on interest deductions, and technical corrections from prior tax legislation for tax depreciation of certain qualified improvement property. We have applied the provisions of the CARES Act relating to income taxes and there was no material income tax benefit on our Consolidated Statements of Operations in 2020. Additionally, our cash flows benefited from the ability to defer the payment of certain payroll taxes that would otherwise have been due in 2020. We have not applied for any government loans under the CARES Act or similar laws.

Year Ended December 31, 2019 Compared with Year Ended December 31, 2018

Our revenue for 2019 increased by 0.5% to $6.09 billion, from $6.07 billion in 2018. The increase in revenue compared to 2018 was primarily driven by 5.0% growth of our North American business, partially offset by a 2.2% decline in revenue in Europe, primarily due to foreign currency movement. The growth of our North American business was led by higher revenues from our food and beverage, consumer packaged goods and aerospace customers. Foreign currency movement reduced revenue growth by approximately three percentage points in 2019.

Direct operating expense in 2019 was $5.1 billion, or 83.9% of revenue, compared with $5.1 billion, or 84.4% of revenue, in 2018. The year-over-year decrease as a percentage of revenue was primarily driven by lower temporary labor and third-party transportation costs, which decreased direct operating expense by approximately 1.6% and 0.3%, respectively, as a percentage of revenue. These decreases were partially offset by higher personnel costs to support growth in the North American business, which increased direct operating expense by approximately 1.6% as a percentage of revenue. Additionally, 2019 and 2018 included $9 million and $2 million, respectively, from gains on sales of property and equipment.

SG&A was $514 million in 2019, or 8.4% of revenue, compared with $528 million, or 8.7% of revenue, in 2018. The year-over-year decrease in SG&A as a percentage of revenue primarily resulted from lower bad debt and overhead expenses, which in aggregate decreased SG&A by approximately 0.6% as a percentage of revenue.

Depreciation and amortization expense in 2019 was $302 million, compared with $261 million in 2018. The increase was primarily due to the impact of prior capital investments and new contract startups.

Transaction and integration costs in 2018 are primarily related to litigation expenses.

Other income for 2019 was $1 million, compared with $13 million in 2018. Included in Other income for 2018 was a gain of $9 million related to a terminated swap.

Interest expense for 2019 increased to $33 million, from $30 million in 2018. The increase in interest expense was primarily due to higher average total indebtedness.

Our effective income tax rate was 31.4% and 28.9% in 2019 and 2018, respectively. The increase in our effective income tax rate for 2019 compared to 2018 was primarily driven by changes in our valuation allowances.

Liquidity and Capital Resources

Our principal existing sources of cash are cash generated from operations and funding from XPO.

Treasury activities at XPO are generally centralized, while certain balances are managed locally, except as noted below. To the extent cash and cash equivalents are legally owned by GXO, they are reflected in the combined financial statements.

Our European subsidiaries use a centralized notional pooling approach to cash management and the financing of their operations. To the extent additional financing is required, XPO, including its affiliates, funds the European subsidiaries' operating and investing activities. This arrangement is not reflective of the manner in which the Company would have financed its operations had it been a standalone business separate from XPO during the periods presented. All cash management accounts and transactions are reflected in the Combined Balance Sheets as cash and cash equivalents and in the Combined Statements of Cash Flows as operating activities. For our European subsidiaries, none of the cash and cash equivalents or debt at the corporate level has been assigned to the Company in the Combined Financial Statements. Under the notional pooling arrangements, since there is no immediate contractual obligation for us to cover any negative cash positions of these pooling arrangements related to other members, including other XPO affiliates, no obligation or guarantee to cover any such negative cash positions has been included in the Combined Balance Sheets.

We continually evaluate our liquidity requirements in light of our operating needs, growth initiatives and capital resources. We believe that our existing liquidity and sources of capital are sufficient to support our operations over the next 12 months. In conjunction with the planned spin-off, we expect to further evaluate our liquidity needs, capital structure and sources of capital on a standalone basis.

Financial Condition

The following table summarizes our asset and liability balances as of March 31, 2021, December 31, 2020 and December 31, 2019:

	March 31,	December 31,	
(In millions)	**2021**	**2020**	**2019**
Total current assets	2,034	1,836	1,488
Total long-term assets	5,086	4,712	4,663
Total current liabilities	1,894	1,738	1,483
Total long-term liabilities	2,183	1,862	1,971

Total assets increased $397 million from December 31, 2019 to December 31, 2020 primarily due to higher cash and cash equivalents and accounts receivable, the latter of which is due to higher revenues and reduced factoring of our receivables. Total liabilities increased $146 million from December 31, 2019 to December 31, 2020 due to an increase in accrued expenses in 2020, primarily due to the deferral of payroll tax payments as a result of the CARES Act.

The increase in our assets and liabilities from December 31, 2020 to March 31, 2021 primarily reflects the impact of the Kuehne + Nagel business acquired in January 2021.

Trade Receivables Securitization and Factoring Programs

We sell certain of our trade accounts receivable on a non-recourse basis to third-party financial institutions under factoring agreements. We account for these transactions as sales of receivables and present cash proceeds as cash provided by operating activities in the Combined Statements of Cash Flows. We also sell certain European trade accounts receivable under a securitization program described below. We use trade receivables securitization and factoring programs to help manage our cash flows and offset the impact of extended payment terms for some of our customers.

XPO Logistics Europe, one of our majority-owned subsidiaries, participates in a trade receivables securitization program co-arranged by three European banks (the "Purchasers"). Under the program, a wholly-owned bankruptcy-remote special purpose entity of XPO Logistics Europe sells trade receivables that originate with wholly-owned subsidiaries of XPO Logistics Europe to unaffiliated entities managed by the Purchasers. The special purpose entity is a variable interest entity and has been presented within these combined financial statements based on our control of the entity's activities.

We account for transfers under our securitization and factoring arrangements as sales because we sell full title and ownership in the underlying receivables and control of the receivables is considered transferred. For these transfers, the receivables are removed from our Combined Balance Sheets at the date of transfer. In the securitization and factoring arrangements, our continuing involvement is limited to servicing the receivables. The fair value of any servicing assets and liabilities is immaterial. Our current trade receivables securitization program also permits us to borrow, on an unsecured basis, cash collected in a servicing capacity on previously sold receivables, which we report within short-term debt on our Combined Balance Sheets. In addition to selling trade receivables which originate with GXO, the special purpose entity also purchases trade receivables from XPO and sells assets to the Purchasers. The trade receivables which have been purchased from XPO have been reflected within Other current assets in the Combined Balance Sheets, and the related cash flows have been reflected within Purchase and sale of affiliate trade receivables, net, within investing activities in the Combined Statements of Cash Flows. See Note 10—Debt to the Combined Financial Statements and Note 6—Debt to the Interim Condensed Combined Financial Statements for additional information related to our receivables securitization secured borrowing program and these borrowings.

Under a prior securitization program that was terminated in July 2019, we accounted for transfers as either sales or secured borrowings based on an evaluation of whether control has transferred. For the transfers that did not meet the criteria for surrender of control, the transaction was accounted for as a secured borrowing. These secured borrowings were repaid when the program was terminated. For transfers that were accounted for as sales, the consideration received included a simultaneous cash payment and a deferred purchase price receivable. The cash payment which we received on the date of the transfer was reflected within Net cash provided by operating activities on our Combined Statement of Cash Flows. As we received cash payments on the deferred purchase price receivable, it was reflected as an investing activity. The current program does not include a deferred purchase price mechanism.

The maximum amount of net cash proceeds available at any one time under the current program, inclusive of any unsecured borrowings, is €400 million (approximately $469 million as of March 31, 2021). As of March 31, 2021, €82 million (approximately $96 million) was available under the program, subject to having sufficient receivables available to sell to the Purchasers.

Information related to the trade receivables sold was as follows:

	Three Months Ended March 31,		Years Ended December 31,		
(In millions)	**2021**	**2020**	**2020**	**2019**	**2018**
Securitization programs [1]					
Receivables sold in period	$ 347	$ 319	$ 1,491	$ 1,023	$ 146
Cash consideration	347	319	1,491	943	113
Deferred purchase price	—	—	—	80	33
Factoring programs					
Receivables sold in period	100	246	612	794	612
Cash consideration	100	245	611	790	609

(1) Receivable transfers under the securitization programs are accounted for as either sales or secured borrowings. In the prior program, a portion of the transfers were accounted for as secured borrowings while under the current program, all transfers are accounted for as sales. This change had the effect of increasing the amount of trade receivables we reported as sold beginning in 2019.

Cash Flow Activity for the Three Months Ended March 31, 2021 and 2020

Our cash flows from operating, investing and financing activities, as reflected on our Condensed Combined Statements of Cash Flows, are summarized as follows:

	Three Months Ended March 31,	
(In millions)	**2021**	**2020**
Net cash provided by operating activities	$ 47	$ 41
Net cash used in investing activities	(38)	(37)
Net cash provided by financing activities	80	81
Effect of exchange rates on cash, cash equivalents and restricted cash	(3)	(13)
Net increase in cash, cash equivalents and restricted cash	$ 86	$ 72

During the first quarter of 2021, we: (i) generated cash from operating activities of $47 million and (ii) received net transfers from XPO of $138 million. We used cash during this period primarily to: (i) purchase property and equipment of $67 million and (ii) make payments on debt and finance leases of $26 million.

During the first quarter of 2020, we: (i) generated cash from operating activities of $41 million; (ii) received net transfers from XPO of $55 million; and (iii) received net proceeds related to secured borrowing activity of $84 million. We used cash during this period primarily to: (i) make payments on debt and finance leases of $62 million and (ii) purchase property and equipment of $48 million.

Cash flows from operating activities for the first quarter of 2021 increased by $6 million compared with 2020. The increase reflects higher net income, partially offset by the impact of operating assets and liabilities generating $38 million less in cash in 2021.

Investing activities used $38 million of cash for the first quarter of 2021, compared with $37 million used for the same quarter in 2020. During for the first quarter of 2021, we used $67 million of cash to purchase property and equipment and received $20 million, net, in connection with the purchase and sale of affiliate trade receivables. During the same quarter in 2020, we used $48 million of cash to purchase property and equipment and received $8 million, net, in connection with the purchase and sale of affiliate trade receivables and received $3 million of cash from sales of property and equipment.

Financing activities generated $80 million of cash for the first quarter of 2021 and generated $81 million of cash for the same quarter in 2020. The primary source of cash from financing activities for the first quarter of 2021 were $138 million of net transfers from XPO. The primary uses of cash from financing activities for the first quarter of 2021 were $26 million used to repay debt and finance leases and $25 million from net borrowings related to our securitization program. By comparison, the primary sources of cash from financing activities in the first quarter of 2020 were $84 million of net proceeds related to secured borrowing activity and $55 million of net transfers from XPO. The primary uses of cash from financing activities in the first quarter of 2020 were $62 million used to repay debt and finance leases.

Cash Flow Activity for the Years Ended December 31, 2020, 2019 and 2018

Our cash flows from operating, investing and financing activities, as reflected on our Combined Statements of Cash Flows, are summarized as follows:

	Years Ended December 31,		
(In millions)	2020	2019	2018
Net cash provided by operating activities	$ 333	$ 145	$ 335
Net cash used in investing activities	(280)	(147)	(240)
Net cash provided by (used in) financing activities	67	(102)	(38)
Effect of exchange rates on cash, cash equivalents and restricted cash	8	3	(11)
Net increase (decrease) in cash, cash equivalents and restricted cash	$ 128	$ (101)	$ 46

During 2020, we: (i) generated cash from operating activities of $333 million and (ii) received net transfers from XPO of $168 million. We used cash during this period primarily to: (i) purchase property and equipment of $222 million and (ii) make payments on debt and finance leases of $123 million.

During 2019, we: (i) generated cash from operating activities of $145 million; (ii) collected $112 million on the deferred purchase price receivable as described above; (iii) received net transfers from XPO of $278 million; and (iv) received net proceeds related to secured borrowing activity of $261 million. We used cash during this period primarily to: (i) purchase property and equipment of $222 million; (ii) make payments on debt and finance leases of $376 million; and (iii) purchase noncontrolling interests of $258 million.

During 2018, we: (i) generated cash from operating activities of $335 million and (ii) received net transfers from XPO of $65 million. We used cash during this period primarily to: (i) purchase property and equipment of $270 million and (ii) make payments on debt and finance leases of $139 million.

Cash flows from operating activities for 2020 increased by $188 million compared with 2019. The increase reflects the impact of operating assets and liabilities generating $310 million more in cash in 2020, partially offset by lower net income. Within operating assets and liabilities, accrued expenses and other liabilities was a source of cash for 2020 as compared to a use of cash in 2019. This fluctuation reflects the deferral of certain tax payments and an increase in compensation and purchased transportation accruals in 2020.

Cash flows from operating activities for 2019 decreased by $190 million compared with 2018. The decrease primarily reflects the impact of operating assets and liabilities generating $240 million less cash in 2019. Within operating assets and liabilities, accounts receivable was a use of cash in 2019 compared to a source of cash in 2018, which reflected increased revenues in 2019.

Investing activities used $280 million of cash in 2020, compared with $147 million used in 2019 and $240 million used in 2018. During 2020, we used $222 million of cash to purchase property and equipment, received $12 million from sales of property and equipment and used $40 million, net, in connection with the purchase and sale of affiliate trade receivables. During 2019, we used $222 million of cash to purchase property and equipment, received $15 million of cash from sales of property and equipment, received proceeds of $112 million related to the realization of cash on deferred purchase price receivable and used $52 million, net, in connection with the purchase and sale of affiliate trade receivables. During 2018, we used $270 million of cash to purchase property and equipment and received $30 million of cash from sales of property and equipment.

Financing activities generated $67 million of cash in 2020, used $102 million of cash in 2019 and used $38 million of cash in 2018. The primary sources of cash from financing activities in 2020 were $168 million of net transfers from XPO and $24 million from net borrowings related to our securitization program. The primary uses of cash from financing activities in 2020 were $123 million used to repay debt and finance leases. By comparison, the primary sources of cash from financing activities in 2019 were $278 million of net transfers from XPO and $261 million of net proceeds related to secured borrowing activity on our securitization program. The primary uses of cash from financing activities in 2019 were $376 million used to repay debt and finance leases and $258 million

used to purchase a shareholder's noncontrolling interest in XPO Logistics Europe SA. The primary uses of cash from financing activities in 2018 were $139 million used to repay debt and finance leases. The primary sources of cash from financing activities in 2018 were $65 million of net transfers from XPO and $47 million of net proceeds related to secured borrowing activity on our securitization program.

Off-Balance Sheet Arrangements

We do not engage in any off-balance sheet financial arrangements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Contractual Obligations

The table below reflects our contractual obligations as of December 31, 2020. As of March 31, 2021, the Company's future contractual obligations have not materially changed.

	Payments Due by Period				
(In millions)	**Total**	**2021**	**2022-2023**	**2024-2025**	**Thereafter**
Contractual obligations					
Finance leases	$ 206	$ 34	$ 61	$ 36	$ 75
Operating leases [1]	1,632	381	605	333	313
Debt (excluding finance leases)	515	26	2	351	136
Interest on related-party debt [2]	39	18	20	1	—
Total contractual obligations	$ 2,392	$ 459	$ 688	$ 721	$ 524

(1) As of December 31, 2020, we had additional operating leases that have not yet commenced with future undiscounted lease payments of $143 million. These operating leases will commence in 2021 through 2022 with initial lease terms of 2 years to 10 years.
(2) Estimated interest payments have been calculated based on the outstanding amount of debt and the applicable interest rates as of December 31, 2020.

As of December 31, 2020, our Combined Balance Sheet reflects a long-term liability of $54 million for deferred taxes. Additionally, our Combined Balance Sheet reflects gross unrecognized tax benefits of $4 million, which are primarily included in long-term liabilities. As the timing of future cash outflows for these liabilities is uncertain, they are excluded from the above table. Actual amounts of contractual cash obligations may differ from estimated amounts due to changes in foreign currency exchange rates. We anticipate net capital expenditures to be between $225 million and $275 million in 2021, funded by cash on hand and available liquidity.

The above table also excludes the principal amount of indebtedness expected to be incurred in connection with the separation and distribution of approximately $800 million and associated interest payments of $16 million per year. See "Description of Material Indebtedness" for additional discussion.

Critical Accounting Policies

We prepare our combined financial statements in accordance with U.S. generally accepted accounting principles. The methods, assumptions, and estimates that we use in applying our accounting policies may require us to apply judgments regarding matters that are inherently uncertain and may change based on changing circumstances or changes in our analysis. Material changes in these assumptions, estimates and/or judgments have the potential to materially alter our results of operations. We have identified below our accounting policies that we believe could potentially produce materially different results if we were to change underlying assumptions, estimates and/or judgments. Although actual results may differ from estimated results, we believe the estimates are reasonable and appropriate.

Corporate Expense Allocation

The Combined Financial Statements of GXO include general corporate expenses for certain support functions that are provided on a centralized basis, such as expenses related to information technology, human resources, accounting, sales and sales operations, procurement, executive services, legal, corporate finance and

communications. For purposes of the Combined Statements of Operations, an allocation of these expenses is included to burden all business units comprising XPO's historical operations. The charges reflected have either been specifically identified or allocated using drivers including proportional adjusted EBITDA, which includes adjustments for transaction and integration costs, as well as restructuring costs and other adjustments, or headcount. All such costs have been deemed to have been incurred and settled through XPO investment in the period when the costs were recorded.

Evaluation of Goodwill

We measure goodwill as the excess of consideration transferred over the fair value of net assets acquired in business combinations. We allocate goodwill to our reporting units for the purpose of impairment testing. We evaluate goodwill for impairment annually, or more frequently if an event or circumstance indicates an impairment loss may have been incurred. We measure goodwill impairment, if any, at the amount a reporting unit's carrying amount exceeds its fair value, not to exceed the carrying amount of goodwill. We have two reporting units. Application of the goodwill impairment test requires judgment, including the identification of the reporting unit, the assignment of assets and liabilities to the reporting unit, the assignment of goodwill to the reporting unit, and a determination of the fair value of the reporting unit.

For our 2020 and 2019 goodwill assessments, we performed a quantitative analysis for both of our reporting units using a combination of income and market approaches, with the assistance of a third-party valuation specialist. As of August 31, 2020 and 2019, we completed our annual impairment tests for goodwill and both of our reporting units had fair values in excess of their carrying values, resulting in no impairment of goodwill.

The income approach of determining fair value is based on the present value of estimated future cash flows, discounted at an appropriate risk-adjusted rate. The discount rates reflect management's judgment and are based on a risk adjusted weighted-average cost of capital utilizing industry market data of businesses similar to the reporting units. Inherent in our preparation of cash flow projections are assumptions and estimates derived from a review of our operating results, business plans, expected growth rates, cost of capital and tax rates. Our forecasts also reflect expectations concerning future economic conditions, interest rates and other market data. The market approach of determining fair value is based on comparable market multiples for companies engaged in similar businesses, as well as recent transactions within our industry. We believe this approach, which utilizes multiple valuation techniques, yields the most appropriate evidence of fair value.

Many of the factors used in assessing fair value are outside the control of management, and these assumptions and estimates may change in future periods. Changes in assumptions or estimates could materially affect the estimate of the fair value of a reporting unit, and therefore could affect the likelihood and amount of any potential impairment.

New Accounting Standards

Information related to new accounting standards is included in Note 2—Basis of Presentation and Significant Accounting Policies to the Combined Financial Statements and Note 2—Basis of Presentation to the Condensed Combined Financial Statements.

MANAGEMENT

Executive Officers Following the Distribution

The following table sets forth information as of [ ], 2021 regarding the individuals who are expected to serve as executive officers of GXO following the completion of the distribution. We are in the process of identifying the other persons who will be our executive officers following the completion of the distribution and will include information concerning those persons in an amendment to this information statement.

Name	Age	Position
Malcolm Wilson	62	Chief Executive Officer
Baris Oran	47	Chief Financial Officer
Maryclaire Hammond	55	Chief Human Resources Officer
Karlis Kirsis	41	Chief Legal Officer
[ ]	[ ]	[ ]

Malcolm Wilson currently serves as chief executive officer of XPO Logistics Europe. Under his leadership of XPO Logistics Europe, XPO's European logistics business achieved unprecedented growth and efficiencies. Mr. Wilson has three decades of executive experience managing multinational supply chain operations in North America, Europe and Asia. He joined XPO in 2015 through the company's acquisition of industry leader Norbert Dentressangle, where he led the logistics division and served on the executive board. Mr. Wilson grew the logistics division to global scale as Norbert Dentressangle's largest revenue-producing unit.

Baris Oran currently serves as chief financial officer of XPO's Logistics segment. Mr. Oran joined XPO on May 14, 2021, having previously served as chief financial officer of the Sabanci Group, one of Turkey's largest publicly traded companies. Mr. Oran served as chief financial officer of Sabanci from 2016 to 2021, prior to which he held other senior finance roles at the company. Mr. Oran was previously employed by Kordsa Global, Ernst and Young, Sara Lee Corp, and Price Waterhouse Coopers. Mr. Oran also has significant board experience, including serving as executive chairman of Teknosa since 2019.

Maryclaire Hammond currently serves as senior vice president, human resources – Americas and Asia Pacific for XPO's North American logistics business, a role she has held since September 2019. In this capacity, Ms. Hammond oversees the employment culture of more than 22,000 XPO employees at over 300 locations in the America's and Asia Pacific. Prior to her time with XPO, Ms. Hammond was employed by Marathon Petroleum Company (formerly Andeavor) as a senior human resources director from August 2017 – September 2019, and before that as human resources director for BP North America. Additionally, she served as a Global Vice President of Human Resources with Honeywell in Rolle, Switzerland.

Karlis Kirsis currently serves as senior vice president, European Chief Legal Officer, Corporate Secretary for XPO, a role he has held since February 2020. In this role, Mr. Kirsis is responsible for advising senior executives and XPO's board of directors on a wide range of strategic initiatives. Mr. Kirsis previously served in various roles at XPO, including senior vice president, Corporate Counsel, from July 2017 to February 2020, and vice president, Corporate and Securities Counsel, from September 2016 to July 2017. Prior to his time with XPO, Mr. Kirsis was a corporate associate with Skadden, Arps, Slate, Meagher & Flom LLP from 2007 to 2016.

DIRECTORS

Board Structure and Directors Following the Distribution

Our amended and restated certificate of incorporation will provide for a classified board of directors, with members of each class serving staggered three-year terms. We will have [ ] directors in Class I, [ ] directors in Class II and [ ] directors in Class III. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the directors. The terms of directors in Classes I, II and III end at the annual meetings in 2022, 2023 and 2024, as indicated below.

Following the completion of the distribution, commencing with the first annual meeting of stockholders following the distribution, directors for each class will be elected at the annual meeting of stockholders held in the year in which the term for that class expires and thereafter will serve for a term of three years. Commencing with the second annual meeting of stockholders after the completion of the distribution, directors for each class will be elected at the annual meeting of stockholders held in the year in which the term for that class expires and thereafter each director will serve for a term of one year and until his or her successor is duly elected and qualified, or until his or her earlier resignation or removal. Consequently, by 2025, all of our directors will stand for election each year for one-year terms, and our board will therefore no longer be divided into three classes.

The following table sets forth information as of [ ], 2021 regarding the individuals who are expected to serve on GXO's board of directors following completion of the distribution and until their respective successors are duly elected and qualified. We are in the process of identifying the other persons who are expected to serve on GXO's board of directors following the completion of the distribution and will include information concerning those persons in an amendment to this information statement.

Name	Age	Position	Class
Brad Jacobs	64	Chairman of the Board	Class [ ]—Expiring 202[ ]
Oren Shaffer	78	Lead Independent Director	Class [ ]—Expiring 202[ ]
Marlene Colucci	58	Vice Chair	Class [ ]—Expiring 202[ ]
Gena Ashe	59	Director	Class [ ]—Expiring 202[ ]
Malcolm Wilson	62	Director	Class [ ]—Expiring 202[ ]
[ ]	[ ]	Director	Class [ ]—Expiring 202[ ]
[ ]	[ ]	Director	Class [ ]—Expiring 202[ ]
[ ]	[ ]	Director	Class [ ]—Expiring 202[ ]

Brad Jacobs, chairman and chief executive officer of XPO Logistics, has started five companies from scratch and led each of them to become a billion dollar or multi-billion dollar enterprise. These include XPO Logistics (NYSE: XPO) and two other publicly traded companies: United Rentals (NYSE: URI) and United Waste Systems. XPO Logistics and United Rentals were among the 20 best-performing stocks of the last decade. Prior to starting XPO in 2011, Mr. Jacobs founded United Rentals in 1997 and led the company for 10 years as chairman, including six years as chief executive officer. He founded United Waste Systems in 1989 and served eight years as chairman and chief executive officer.

Oren Shaffer served as a director of XPO from September 2, 2011 until the separation. From 2002 to 2007, Mr. Shaffer was vice chairman and chief financial officer of Qwest Communications International, Inc. (now CenturyLink, Inc.). Previously, Mr. Shaffer was president and chief operating officer of Sorrento Networks, Inc., executive vice president and chief financial officer of Ameritech Corporation, and held senior executive positions with The Goodyear Tire & Rubber Company, where he also served on the board of directors. Additionally, Mr. Shaffer served as a director on the board of Terex Corporation from 2007 until May 2019.

Marlene Colucci served as a director of XPO from February 7, 2019 until the separation. She has served as the executive director of The Business Council in Washington, D.C. since July 2013. Previously, from September 2005 to June 2013, she was executive vice president of public policy for the American Hotel & Lodging Association. From September 2003 to June 2005, she served in the White House as special assistant to President George W. Bush in the Office of Domestic Policy. In this role, she developed labor, transportation and postal reform policies and advised the president and his staff on related matters. Earlier, Ms. Colucci served as deputy assistant secretary with the U.S. Department of Labor's Office of Congressional and Intergovernmental Affairs. Her law career includes more than 12 years with the firm of Akin Gump Strauss Hauer & Feld LLP, where she served as senior counsel.

Gena Ashe served as a director of XPO from March 21, 2016 until the separation. She has served as the general counsel and corporate secretary of Anterix Inc. since July 2019, and as the president and chief executive officer of GLA Legal Advisory Group, LLC since February 2018. She was senior vice president, chief legal officer and corporate secretary of Adtalem Global Education Inc. from May 2017 to February 2018, and executive vice president, chief legal officer, and corporate secretary of BrightView Landscapes, LLC (formerly The Brickman Group, Ltd. LLC) from December 2012 to June 2016. Ms. Ashe served as vice-chairman of the Supervisory Board of XPO Logistics Europe S.A., XPO's majority-owned subsidiary, from February 2017 until June 2021. In addition, she has served as a director of the Executive Leadership Council since February 2020 and American Landscape Partners, LLC since January 2021. Ms. Ashe also sits on the Board of Trustees of Spelman College.

Malcolm Wilson currently serves as chief executive officer of XPO Logistics Europe. Under his leadership of XPO Logistics Europe, XPO's European logistics business achieved unprecedented growth and efficiencies. Mr. Wilson has three decades of executive experience managing multinational supply chain operations in North America, Europe and Asia. He joined XPO in 2015 through the company's acquisition of industry leader Norbert Dentressangle, where he led the logistics division and served on the executive board. Mr. Wilson grew the logistics division to global scale as Norbert Dentressangle's largest revenue-producing unit.

Director Independence

Under our Corporate Governance Guidelines ("Guidelines"), our board of directors will be responsible for making independence determinations annually with the assistance of the Nominating, Corporate Governance and Sustainability Committee. Such independence determinations will be made by reference to the independence standard under the Guidelines and the definition of "independent director" under Section 303A.02 of the NYSE Listed Company Manual.

In addition to the independence standards provided in the Guidelines, our board of directors will be responsible for determining that each director who serves on our Audit Committee satisfies standards established by the SEC providing that, to qualify as "independent" for the purposes of membership on that committee, members of audit committees may not: (i) accept directly or indirectly any consulting, advisory or other compensatory fee from GXO other than their director compensation, or (ii) be an affiliated person of GXO or any of its subsidiaries. Our board of directors will also determine that each member of the Compensation Committee satisfies the NYSE standards for independence of Compensation Committee members. Additionally, our board of directors will determine that each member of the Nominating, Corporate Governance and Sustainability Committee satisfies the NYSE standards for independence. In making the independence determinations for each director, our board of directors and the Nominating, Corporate Governance and Sustainability Committee will analyze certain relationships of the directors that are not required to be disclosed pursuant to Item 404(a) of Regulation S-K.

The board is expected to affirmatively determine that all the directors are independent except Mr. Jacobs. In the course of its determination regarding independence, the board is expected not to find any material relationships between GXO and any of the directors, other than Mr. Jacobs' role as the Chief Executive Officer of XPO.

Committees of the Board of Directors

Effective upon the completion of the distribution, our board of directors will have the following three standing committees: an Audit Committee, Compensation Committee, and a Nominating, Corporate Governance and Sustainability Committee. The board is expected to adopt written charters for each committee, which will be available on our website.

Each of the Audit Committee, the Compensation Committee, and the Nominating, Corporate Governance and Sustainability Committee is expected to be composed solely of directors who have been determined by the board to be independent in accordance with SEC regulations, NYSE listing standards and the independence standards under our Guidelines (including the heightened independence standards for members of the Audit Committee and the Compensation Committee).

Audit Committee. Our Audit Committee will be established in accordance with Section 3(a)(58)(A) of the Exchange Act, to assist our board in fulfilling its responsibilities in a number of areas, including, without limitation, oversight of: (i) our accounting and financial reporting processes, including our systems of internal controls and disclosure controls, (ii) the integrity of our financial statements, (iii) our compliance with legal and regulatory requirements, (iv) the qualifications and independence of our independent registered public accounting firm, (v) the performance of our independent registered public accounting firm and internal audit function and (vi) related party transactions. Each member of the Audit Committee will be required to: (i) satisfy all applicable independence standards, (ii) not have participated in the preparation of our financial statements at any time during the past three years and (iii) be able to read and understand fundamental financial statements.

Compensation Committee. The primary responsibilities of the Compensation Committee will be, among other things: (i) to oversee the administration of our compensation programs, (ii) to review and approve the compensation of our executive management, (iii) to review company contributions to qualified and non-qualified plans, (iv) to prepare any report on executive compensation required by SEC rules and regulations and (v) to retain independent compensation consultants and oversee the work of such consultants.

Nominating, Corporate Governance and Sustainability Committee. The primary responsibilities of the Nominating, and Corporate Governance and Sustainability Committee will be, among other things: (i) to identify individuals qualified to become directors and recommend that our board select such individuals to be presented for stockholder consideration at the annual meeting or to be appointed by the board to fill a vacancy, (ii) to make recommendations to our board concerning committee appointments, (iii) to develop, recommend to our board and annually review the Guidelines and oversee corporate governance matters and (iv) to oversee an annual evaluation of our board and committees.

How We Make Pay Decisions and Assess Our Compensation Programs

During our fiscal year ended December 31, 2020, GXO was not an independent company and did not have a compensation committee or any other committee serving a similar function. Decisions as to the compensation of those who currently serve as our executive officers were made by XPO, as described in the section of this information statement titled “Compensation Discussion and Analysis.”

Corporate Governance

Our Commitment to Sound Corporate Governance

GXO will be committed to strong corporate governance practices designed to maintain high standards of independent oversight, accountability, integrity and ethics while promoting long-term growth in stockholder value.

Our governance structure will enable independent, experienced and accomplished directors to provide advice, insight and oversight to advance the interests of GXO and our stockholders. GXO will strive to maintain sound governance standards, to be reflected in our Code of Business Ethics, Corporate Governance Guidelines, our systematic approach to risk management and our commitment to transparent financial reporting and strong internal controls.

The following documents, as well as additional corporate governance information and materials, will be available on our website at [ ]:

- Amended and Restated Certificate of Incorporation
- Amended and Restated Bylaws

- Corporate Governance Guidelines
- Insider Trading Policy
- Code of Business Ethics
- Related Person Transaction Approval Policy
- [ ]

In addition, the following documents will be available on our website at [ ]:

- Charters of each of our board committees

Copies of these documents will also available in print form at no charge by sending a request to GXO, [ ].

The GXO website and the information contained therein or connected thereto are not incorporated into this information statement or the registration statement of which this information statement forms a part, or in any other filings with, or any information furnished or submitted to, the SEC.

Role of the Board and Board Leadership Structure

The Nominating, Corporate Governance and Sustainability Committee is expected to routinely review our governance practices and board leadership structure to ensure that it continues to serve GXO's best interests and the best interests of our stockholders.

As of the completion of the distribution, it is expected that Brad Jacobs will serve as GXO's Chairman. To ensure independent oversight and decision-making, GXO will also have a Lead Independent Director and a Vice Chair.

Under our Corporate Governance Guidelines to be adopted in connection with the distribution, the independent directors will designate a Lead Independent Director to, among other things, preside over meetings of the board of directors at which the Chairman is not present and at executive sessions of the independent directors, and to serve as a liaison between the Chairman and the independent directors. It is expected that Oren Shaffer will serve as the Lead Independent Director as of the completion of the distribution.

Additionally, the board of directors will appoint a Vice Chair responsible for, among other things, presiding at meetings of the board of directors where the Chairman and Lead Independent Director are not present; assisting the Chairman, when appropriate, in carrying out his or her duties; assisting the Lead Independent Director, when appropriate, in carrying out his or her duties; and such other duties, responsibilities and assistance as the board of directors or the Chairman may determine. It is expected that Marlene Colucci will serve as the Vice Chair as of the completion of the distribution.

Executive Sessions

Following the completion of the distribution, our board of directors will hold regular and special meetings throughout each calendar year. In conjunction with those meetings, executive sessions, which are meetings of the independent directors, will be regularly scheduled throughout the year. Our Lead Independent Director will preside over the executive sessions of the board.

Board, Committee and Director Evaluations

The board will annually assess the effectiveness of the full board, the operations of its committees and the contributions of director nominees. The Nominating, Corporate Governance and Sustainability Committee will oversee the evaluation of the board as a whole and its committees, as well as individual evaluations of those directors who are being considered for possible re-nomination to the board.

Director Selection Process

The Nominating, Corporate Governance and Sustainability Committee will be responsible for recommending to our board all nominees for election to the board, including nominees for re-election to the board, in each case, after consultation with the Chairman of the board. Subject to the foregoing, in considering new nominees for election to our board, the Nominating, Corporate Governance and Sustainability Committee will consider, among other things, breadth of experience, financial expertise, wisdom, integrity, an ability to make independent analytical inquiries, an understanding of our company's business environment, knowledge and experience in such areas as technology and marketing, and other disciplines relevant to our company's businesses, the nominee's ownership interest in our company, and a willingness and ability to devote adequate time to board duties, all in the context of the needs of the board at that point in time and with the objective of ensuring diversity in the background, experience and viewpoints of board members. When searching for new directors, our board will endeavor to actively seek out highly qualified women and individuals from underrepresented minorities to include in the pool from which board nominees are chosen. Our board will aim to create a team of directors with diverse experiences and perspectives to provide our global company with thoughtful and engaged board oversight. The Nominating, Corporate Governance and Sustainability Committee will assess the effectiveness of its diversity efforts through periodic evaluations of the board's composition.

The Nominating, Corporate Governance and Sustainability Committee will be able to identify potential nominees for election to our board from a variety of sources, including recommendations from current directors or management, recommendations from our stockholders or any other source the committee deems appropriate, including engaging a third-party consulting firm to assist in identifying independent director nominees.

Our board will consider nominees submitted by our stockholders, subject to the same factors that are brought to bear when it considers nominees referred by other sources. Our stockholders will be permitted to nominate candidates for election as directors by following the procedures set forth in our amended and restated bylaws, which are summarized below.

Our amended and restated bylaws will provide that a stockholder who wishes to nominate an individual for election as a director at our annual meeting must give us advance written notice. The notice will be required to be delivered to or mailed and received by the secretary of our company not less than 90 days, and not more than 120 days, prior to the earlier of the date of the annual meeting and the first anniversary of the preceding year's annual meeting. As more specifically provided in our amended and restated bylaws, any nomination will be required to include, among other information: (i) the nominator's name and address and the number of shares of each class of our capital stock that the nominator owns, (ii) the name and address of any person with whom the nominator is acting in concert and the number of shares of each class of our capital stock that any such person owns, (iii) the information with respect to each such proposed director nominee that would be required to be provided in a proxy statement prepared in accordance with applicable SEC rules and (iv) the consent of the proposed candidate to serve as a member of our board.

Any stockholder who wishes to nominate a potential director candidate will be required to follow the specific requirements set forth in our amended and restated bylaws, a copy of which will be available in print form at no charge by sending a request to GXO, [ ].

Board Risk Oversight

Our board will provide overall risk oversight, with a focus on the most significant risks facing our company. In addition, our board will be responsible for ensuring that appropriate crisis management and business continuity plans are in place. The management of risks to our business, and the execution of contingency plans, will be primarily the responsibility of our senior management team.

Our board and senior management team will regularly discuss the company's business strategy, operations, policies, controls, prospects and current and potential risks. Our board will delegate responsibility for the oversight of specific risks special to committees as follows:

Audit Committee. The Audit Committee will oversee the policies that govern the process by which our exposure to risk is assessed and managed by management. In that role, the Audit Committee will be responsible for discussing with our management major financial risk exposures and the steps taken by management to monitor and control these exposures. The Audit Committee will also be responsible for reviewing risks arising from related party transactions involving our company and for overseeing our company-wide Code of Business Ethics and overall compliance with legal and regulatory requirements.

Compensation Committee. The Compensation Committee will monitor the risks associated with our compensation philosophy and programs to ensure that the company has a compensation structure that strikes an appropriate balance between motivating our senior executives to deliver long-term results for the company's stockholders and simultaneously holding our senior leadership team accountable.

Nominating, Corporate Governance and Sustainability Committee. The Nominating, Corporate Governance and Sustainability Committee will oversee risks related to our governance structure and processes.

Corporate Governance Guidelines and Code of Business Ethics

Our board of directors will remain committed to sound corporate governance principles and practices. The Chairman of the board will provide support on key governance matters and stockholder engagement to the board as well as providing strategic guidance to GXO's executive management team.

The Guidelines will serve as a framework within which our board will conduct its operations. Among other things, the Guidelines will include criteria for determining the qualifications and independence of the members of our board, requirements for the standing committees of our board, responsibilities for members of our board and an annual evaluation of the effectiveness of our board and its committees. The Nominating, Corporate Governance and Sustainability Committee will be responsible for reviewing the Guidelines annually, or more frequently as appropriate, and recommending to our board appropriate changes in light of applicable laws and regulations, the governance standards identified by leading governance authorities and our company's evolving needs.

Our Code of Business Ethics will apply to our directors and executive officers. This code will be designed to deter wrongdoing, to promote the honest and ethical conduct of all employees and to promote compliance with applicable governmental laws, rules and regulations, as well as to provide clear channels for reporting concerns. The Code of Business Ethics will constitute a "code of ethics" as defined in Item 406(b) of Regulation S-K. We intend to satisfy the disclosure requirements under applicable SEC rules relating to amendments to the Code of Business Ethics or waivers from any provision thereof applicable to our principal executive officer, our principal financial officer and our principal accounting officer by posting such information on our website pursuant to SEC rules.

The Guidelines and our Code of Business Ethics will be available on our website at www.[ ].com. Copies of these documents will also be available in print form at no charge by sending a request to GXO, [ ].

Stockholder Communication with the Board

GXO's Corporate Governance Guidelines will include procedures by which stockholders and other interested parties may communicate with our board of directors, any board committee, any individual director, including our Lead Independent Director and Vice Chair, or any group of directors (such as our independent directors) by sending written correspondence to: board of directors c/o Secretary, GXO, [ ]. We will not forward communications to the board that qualify as spam, junk mail, mass mailings, resumes or other forms of job inquiries, surveys, business solicitations or advertisements.

Procedures for Approval of Related Persons Transactions

GXO will have a written Related Person Transaction Approval Policy regarding the review, approval and ratification of transactions between GXO and related persons. The policy will apply to any transaction in which GXO or a GXO subsidiary is a participant, the amount involved exceeds $120,000 and a related person has a direct or indirect material interest. A related person will mean any director or executive officer of GXO, any nominee for

director, any stockholder known to GXO to be the beneficial owner of more than 5% of any class of GXO's voting securities, and any immediate family member of any such person.

Under this policy, reviews will be conducted by management to determine which transactions or relationships should be referred to the Audit Committee for consideration. The Audit Committee will then review the material facts and circumstances regarding a transaction and determine whether to approve, ratify, revise or reject a related person transaction, or to refer it to the full board or another committee of the board for consideration. GXO's Related Person Transaction Approval Policy will operate in conjunction with other aspects of GXO's compliance program, including its Business Conduct Policies, which will require that all directors, officers and employees have a duty to be free from the influence of any conflict of interest when they represent GXO in negotiations or make recommendations with respect to dealings with third parties, or otherwise carry out their duties with respect to GXO.

The board is expected to consider the following types of potential related person transactions and pre-approve them under GXO's Related Person Transaction Approval Policy as not presenting material conflicts of interest:

- employment of GXO executive officers (except employment of a GXO executive officer that is an immediate family member of another GXO executive officer, director, or nominee for director) as long as the Compensation Committee has approved the executive officers' compensation;
- director compensation that the board has approved;
- any transaction with another entity in which the aggregate amount involved does not exceed the greater of $1,000,000 or 2% of the other entity's total annual revenues, if a related person's interest arises only from:
  - such person's position as an employee or executive officer of the other entity; or
  - such person's position as a director of the other entity; or
  - the ownership by such person, together with his or her immediate family members, of less than a 10% equity interest in the aggregate in the other entity (other than a partnership); or
  - both such position as a director and ownership as described above; or
  - such person's position as a limited partner in a partnership in which the person, together with his or her immediate family members, have an interest of less than 10%;
- charitable contributions in which a related person's only relationship is as an employee (other than an executive officer), or a director or trustee, if the aggregate amount involved does not exceed the greater of $250,000 or 2% of the charitable organization's total annual receipts;
- transactions, such as the receipt of dividends, in which all stockholders receive proportional benefits;
- transactions involving competitive bids;
- transactions involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority; and
- transactions with a related person involving services as a bank depositary of funds, transfer agent, registrar, trustee under a trust indenture or similar services.

EXECUTIVE COMPENSATION

As discussed elsewhere in this information statement, XPO is separating into two publicly traded companies, XPO and GXO. GXO is currently a subsidiary of XPO and is not yet an independent company, and its compensation committee has not yet been formed. Following the separation and distribution, GXO will have its own executive officers and its own compensation committee of the GXO Board (the "GXO Compensation Committee"). As of the date of this information, the following individuals are expected to serve as executive officers of GXO in the positions set forth below effective as of the separation and distribution:

- Malcolm Wilson, Chief Executive Officer
- Baris Oran, Chief Financial Officer
- Maryclaire Hammond, Chief Human Resources Officer

This section discusses the compensation policies and practices that are expected to apply to the identified GXO executive officers after the separation and distribution. These policies and practices remain subject to the review and approval by the GXO Compensation Committee after the separation and distribution. This section also contains a description of certain GXO executive compensation arrangements that are expected to become effective upon the occurrence of separation and distribution.

Compensation Discussion & Analysis

Compensation Philosophy and Executive Compensation Program Objectives

XPO's executive compensation philosophy is founded on the following core objectives, which we expect to be the core objectives of GXO's compensation philosophy:

- Attract high-impact, results-oriented executives in a competitive job market who will contribute to our goal of maximizing stockholder value.
- Ensure that each executive receives total compensation that encourages his or her long-term retention through business and individual performance assessments, coupled with market benchmarking.
- Maintain executive focus on the company's top priorities of profitable growth, innovation, operational excellence and customer satisfaction, as well as increased focus on ESG matters including employee safety and engagement.
- Set ambitious targets that incentivize our executives to drive long-term stockholder value creation without unnecessary risk.
- Align the interests of our executives with those of our stockholders by emphasizing high growth and high returns in our long-term, performance-based incentives.
- Incorporate stockholder feedback into our Compensation Committee's decision-making process.

Executive Compensation Governance Framework

Stock Ownership Policies

We believe that executive equity ownership in the company mitigates a number of risks, including risks related to executive attrition and undue risk-taking. It is expected that GXO's executive stock ownership guidelines will initially be consistent with XPO's executive stock ownership guidelines and will therefore be expressed as a multiple of each GXO named executive officer's annual base salary as follows:

- Chief Executive Officer: 6x annual base salary
- Other GXO Named Executive Officers: 3x annual base salary

Compliance with GXO's stock ownership guidelines will be determined using the aggregate count of shares of common stock held directly or indirectly by the GXO named executive officer, plus unvested restricted stock units subject solely to time-based vesting. Stock options, whether vested or unvested, and equity-based awards subject to performance-based vesting conditions, will not be counted toward meeting stock ownership guidelines until they have settled or been exercised, as applicable.

Until the stock ownership guidelines are met, a named executive officer is required to retain 70% of the net shares (after tax withholding) received upon settlement of equity-based awards. A newly appointed executive is required to reach his or her stock ownership guideline no later than five years from the date of appointment.

Clawback Policy

XPO's named executive officers are subject to clawback restrictions with respect to long-term and annual short-term incentive compensation as described below. The Compensation Committee of XPO's Board of Directors (the "XPO Compensation Committee") is focused on mitigating risk associated with XPO's compensation program for XPO named executive officers and believes that clawback provisions are an important tool to achieve this. We expect that GXO will adopt a clawback policy with similar terms, which will be set forth in the GXO equity award agreements.

The XPO named executive officer employment agreements include a clawback provision under which the XPO named executive officer may be required, upon certain triggering events, to repay all or a portion of long-term incentive compensation that was previously paid (including proceeds from previously-exercised and vested equity-based awards) and to forfeit unvested equity-based awards during the term of the employment agreements. These clawback provisions are generally triggered if any of the following conditions apply—the XPO named executive officer:

- Has engaged in fraud or other willful misconduct that contributes materially to any significant financial restatement or material loss to XPO or any of XPO's affiliates;
- Is terminated for cause, as defined in the employment agreement; or
- Breaches the restrictive covenants that are applicable under the employment agreement.

In addition, if an XPO named executive officer has engaged in fraud or other willful misconduct that contributes materially to any financial restatement or material loss to the company or any of its affiliates, XPO may: (i) require repayment by the XPO named executive officer of any cash bonus or annual bonus previously paid, net of any taxes paid by the XPO named executive officer on such bonus; (ii) cancel any earned but unpaid cash bonus or annual bonus; and/or (iii) adjust the XPO named executive officer's future compensation in order to recover an appropriate amount with respect to the restated financial results or the material loss.

Process for Determining Executive Compensation

Role of the Compensation Committee

We expect that the GXO Compensation Committee will adopt a similar role to the role of the XPO Compensation Committee following the separation and distribution. The XPO Compensation Committee is responsible for approving XPO's compensation practices and overseeing XPO's executive compensation program in a manner consistent with XPO's compensation philosophy. The XPO Compensation Committee is tasked with: (i) reviewing the annual and long-term performance goals for XPO Executive Officers (ii) approving awards under incentive compensation and equity-based plans; and (iii) approving all other compensation and benefits for XPO Executive Officers. The XPO Compensation Committee acts independently but works closely with the full Board of Directors of XPO and executive management in making many of its decisions. To assist it in discharging its responsibilities, the XPO Compensation Committee has retained the services of an independent compensation consultant.

Role of Management

We expect GXO management will adopt a similar role in determination of executive compensation to the role of XPO management following the separation and distribution. Executive management provides input to the XPO Compensation Committee, including with respect to the XPO Compensation Committee's evaluation of executive compensation practices. The XPO Compensation Committee carefully and independently reviews the recommendations of management without members of management present and consults its independent advisor before making final determinations. XPO believes this process ensures that its executive compensation program effectively aligns with XPO's compensation philosophy and stockholder interests.

Peer Group

It is expected that the initial GXO peer group will be as set forth below, subject to the review and approval of the GXO Compensation Committee after the separation and distribution. This peer group reflects a group of companies with similar or adjacent business models, and that source talent from the same labor pools as GXO. In determining the peer group, the following factors were considered: (i) whether company is publicly-traded on a major U.S. stock exchange, (ii) whether company is within a reasonable size range of GXO, (iii) whether company is operating in similar or adjacent industry to logistics, and (iv) whether company has displayed a degree of peer similarity.

Aspen Technology, Inc.
C.H. Robinson Worldwide, Inc.
Cintas Corporation
The Descartes Systems Group, Inc.
Expeditors International of Washington, Inc.
FedEx Corporation
Iron Mountain Inc.
Pitney Bowes Inc.
Rockwell Automation, Inc.
Rollins, Inc.
Sanmina Corporation
Shopify Inc.
United Parcel Service, Inc.

Executive Compensation Elements

It is expected that GXO's executive compensation program will consist of four principal elements: (i) annual base salary, (ii) annual short-term incentive, (iii) annual long-term incentive, and (iv) employee benefits and limited executive perquisites.

Annual Base Salary

Annual base salary provides a fixed incentive that corresponds to an executive's experience and job scope. We expect that the GXO Compensation Committee will review annual base salaries for GXO's executive officers each year in order to ensure alignment with current market levels. The 2021 annual base salary of each identified GXO executive officer is set forth in the table below.

Executive Officer		Annual Base Salary
Malcolm Wilson, Chief Executive Officer	£	468,000
Baris Oran, Chief Financial Officer	$	600,000
Maryclaire Hammond, Chief Human Resources Officer	£	288,000

Annual Short-Term Incentive

Each GXO named executive officer is eligible for an annual short-term incentive payment. The table below reflects the 2021 annual short-term incentive opportunity of each identified GXO executive officer.

Executive Officer	Base Salary	Target Opportunity (as a percentage of base salary)	Target Opportunity	Maximum Bonus Opportunity
Malcolm Wilson, Chief Executive Officer	£468,000	115%	£538,200	2x target
Baris Oran, Chief Financial Officer	$600,000	100%	$600,000	2x target
Maryclaire Hammond, Chief Human Resources Officer	£288,000	75%	£216,000	2x target

We expect that, subject to review and approval by the GXO Compensation Committee, GXO will maintain a 2021 short-term incentive program that utilizes a balanced scorecard of three weighted metrics:

- 50% adjusted EBITDA;
- 30% Revenue; and
- 20% Free Cash Flow, as adjusted to exclude certain items.

We expect that for the 2021 performance year, each performance metric must equal or exceed 90% of target performance in order for each named executive officer to become eligible for a short term incentive award, assuming they remained employed on the payment date. We expect that 2021 short-term incentives would pay out at 50% of the target opportunity at a 90% target performance level with upward potential up to a maximum of 200% of the target opportunity for a 120% target performance level. The actual performance goals for each metric and the corresponding payout curve will be confirmed by the GXO Compensation Committee after the separation and distribution.

Long-Term Incentives

We expect that GXO will maintain a long-term incentive program designed to retain key executives and to align the interests of GXO executives with the achievement of sustainable long-term growth and performance. Subject to the review and approval of the GXO Compensation Committee after the separation and distribution, we expect that annual long-term incentive grants made in 2022 in respect of the 2021 performance year will be composed of 70% performance-based restricted stock units and 30% time-based restricted stock units for key positions, including the CEO and CFO; all other executive officer positions will have awards comprised of 50% performance-based stock units and 50% restricted stock units. We expect that, subject to the review and approval of the GXO Compensation Committee after the separation and distribution, the initial performance awards granted by GXO to executive officers in 2022 will have a four-year performance period, with awards vesting at end of the performance period based on the achievement of performance goals, using the following three performance measures:

- 60% total shareholder return vs. the S&P MidCap 400 Index
- 25% adjusted Cash Flow per Share
- 15% ESG scorecard measures

Employee Benefits and Limited Executive Perquisites

We expect GXO to offer a variety of health and welfare programs to all eligible employees, including the GXO named executive officers. The GXO named executive officers will be eligible for the same health and welfare benefit programs that apply to, on the same basis as, the rest of our employees, including medical and dental care coverage, life insurance coverage and short and long-term disability, with the exception of our CEO who is entitled to the UK pension allowance described below since he does not participate in the GXO UK pension scheme.

We expect to limit the use of perquisites as a method of compensation and provide executive officers with only those perquisites that we believe are reasonable and consistent with our compensation goal of enabling us to attract and retain superior executives for key positions.

Going Forward GXO Compensation Arrangements

XPO or GXO has entered into, or expects to enter into, offer letters and service agreements with each of the identified GXO executive officers with respect to their GXO executive positions following the occurrence of the separation and distribution. These offer letters and service agreements will become effective, and to the extent applicable, GXO will assume such agreements, as of the separation and distribution. The material terms of these letters and agreements are described below.

In connection with the separation and distribution, it is expected that GXO will adopt an executive severance plan (described below) and the 2021 Omnibus Incentive Compensation Plan (which is described in this information statement under the heading "GXO 2021 Omnibus Incentive Compensation Plan"), each of which will be effective for GXO upon the separation and distribution. Following the separation and distribution, the GXO Compensation Committee will consider and develop GXO's compensation programs, plans, philosophy and practices, consistent with GXO's business needs and goals.

Offer Letter and Service Agreement with GXO Chief Executive Officer

The offer letter and service agreement with Malcolm Wilson would become effective upon, and subject to the occurrence of, the separation and distribution and provides for Mr. Wilson to serve as Chief Executive Officer of GXO and to receive an annual compensation package consisting of a base salary of £468,000, a target annual bonus award of 115% of base salary, an annual equity award consisting of 30% restricted stock units and 70% performance-based restricted stock units with a total target value of $850,000 for the 2021 performance year and a pension allowance equal to 17.79% of base salary. In addition, the offer letter and service agreement provide for an XPO equity award of 120,000 stock options relating to XPO common stock that will vest in installments over the five-year period following the grant date, subject to (i) the occurrence of the separation and distribution by March 31, 2022 and (ii) Mr. Wilson's continuous employment with XPO (and GXO after the separation and distribution) through each applicable vesting date. Treatment of such XPO stock option award will be consistent with the treatment of other outstanding XPO equity-based compensation awards held by GXO employees in connection with the separation and distribution, as described under "The Separation and Distribution—Treatment of Equity-Based Compensation."

Offer Letter with GXO Chief Financial Officer

The offer letter with Baris Oran will become effective upon, and subject to the occurrence of, the separation and distribution and provides for Mr. Oran to serve as Chief Financial Officer of GXO and to receive an annual compensation package consisting of a base salary of $600,000, a target annual bonus award of 100% of base salary, and an annual equity award consisting of 30% restricted stock units and 70% performance-based restricted stock units with a total target value of $800,000 for the 2021 performance year. In addition, the offer letter provides for an XPO equity award of 100,000 stock options relating to XPO common stock that will vest in installments over the five-year period following the grant date, subject to (i) the occurrence of the separation and distribution by March 31, 2022 and (ii) Mr. Oran's continuous employment with XPO (and GXO after the separation and distribution) through each applicable vesting date. Treatment of such XPO stock option award will be consistent with the treatment of other outstanding XPO equity-based compensation awards held by GXO employees in connection with the separation and distribution, as described under "The Separation and Distribution—Treatment of Equity-Based Compensation."

Offer Letter and Service Agreement with GXO Chief Human Resources Officer

The offer letter and service agreement with Maryclaire Hammond would become effective upon, and subject to the occurrence of, the separation and distribution and provides for Ms. Hammond to serve as the Chief Human Resources Officer of GXO effective as of the separation and distribution and to receive an annual compensation package consisting of a base salary of £288,000, a target annual bonus award of 50% of base salary, and an annual equity award consisting of 50% restricted stock units and 50% performance-based restricted stock units with a total target value of $350,000 for the 2021 performance year. In addition, the offer letter and service agreement provide for an XPO equity award of 20,000 stock options relating to XPO common stock that will vest in installments over the five-year period following the grant date, subject to (i) the occurrence of the separation and distribution by

March 31, 2022 and (ii) Ms. Hammond's continuous employment with XPO (and GXO after the separation and distribution) through each applicable vesting date. Treatment of such XPO stock option award will be consistent with the treatment of other outstanding XPO equity-based compensation awards held by GXO employees in connection with the separation and distribution, as described under "The Separation and Distribution—Treatment of Equity-Based Compensation." Ms. Hammond also entered into a UK pension top-up agreement with XPO in connection with her role with GXO following the separation and distribution, which states that XPO will provide a top up to her pension account of 4% of base salary, subject to her individual contribution of at least 8% of base salary (which additional contribution will be grossed up to offset any additional tax impact).

GXO Severance Plan

It is expected that GXO will adopt a severance plan that will become effective upon, and subject to, the occurrence of, the separation and distribution. The eligible participants under the severance plan would include the named executive officers of GXO and its other executive officers and key members of executive management.

Pursuant to the severance plan, any GXO executive officer whose employment is terminated without "cause" at any time other than within the two years following a "change in control" (as such terms are defined in the severance plan) of GXO, would be entitled to receive (subject to the officer's execution of a release of claims in favor of GXO and continuing compliance with the officer's confidential information protection agreement that includes restrictive covenants relating to confidentiality, ownership of intellectual property, non-hire and non-solicitation of employees, non-solicitation of customers, non-competition and non-disparagement):

- continuation of annual base salary for 18 months (for the Chief Executive Officer) or 12 months (for other executive officers);
- a prorated target annual bonus for the year of termination (the "Prorated Bonus"); and
- up to 18 months (for the Chief Executive Officer) or 12 months (for other executive officers) of healthcare benefit coverage continuation at the active employee rate for healthcare benefit coverage or a cash payment in lieu thereof (the "Healthcare Benefit").

Pursuant to the severance plan, any GXO executive officer whose employment is terminated without "cause" or who resigns for "good reason" on, or within the two years following, a "change in control" (as such terms are defined in the severance plan) of GXO, would be entitled to receive (subject to the officer's execution of a release of claims in favor of GXO and continuing compliance with the officer's confidential information protection agreement, service agreement, or other similar contractual obligations):

- a lump sum cash severance payment equal to two and one-half times (for the Chief Executive Officer) and two times (for other executive officers) the sum of (a) the officer's annual base salary and (b) the officer's target annual bonus;
- the Prorated Bonus; and
- the Healthcare Benefit.

The severance plan provides that, in the event that the payments and benefits to a named executive officer in connection with a change in control, whether pursuant to the severance plan or otherwise, would be subject to the golden parachute excise tax imposed under Sections 280G and 4999 of the Code, then the officer will either receive all such payments and benefits and pay the excise tax, or such payments and benefits will be reduced to the extent necessary so that the excise tax does not apply, whichever approach results in a higher after-tax amount of the payments and benefits being retained by the officer.

Cash severance payable under the severance plan will be offset by any other severance payments to which the officer is entitled in respect of the applicable termination of employment, including pursuant to the GXO confidential information protection agreement, as applicable, which provides for payments of the GXO executive officer's base salary for the duration of his or her post-termination non-compete period with a minimum payment of base salary for 12 months following termination if the officer is terminated without cause before January 1, 2022.

Executive Compensation Tables

As none of our executive officers were previously serving as executive officers of XPO in 2020, there are no executive compensation tables provided.

DIRECTOR COMPENSATION

The initial GXO non-employee director compensation program is designed to enable ongoing attraction and retention of highly qualified directors and to address the time, effort, expertise and accountability required of active GXO Board membership. This program is described in further detail below. Following the separation and distribution, the director compensation program will be subject to the review and approval of the GXO Board or a committee thereof.

Treatment of outstanding XPO equity-based compensation awards held by GXO non-employee directors in connection with the distribution is described under “The Separation and Distribution—Treatment of Equity-Based Compensation.”

The GXO annual non-employee director compensation program will initially be consistent of the following: (i) an annual cash retainer of $80,000, payable quarterly in arrears; and (ii) an annual grant of time-based restricted stock units with a target value of $190,000, which will generally be granted on the first business day of the calendar year (starting with calendar year 2022) and vest on the later of the first anniversary of grant or the first business day of the following calendar year, subject to continued service on the GXO Board on the vesting date. It is expected that the number of shares of GXO common stock subject to each award will be determined by dividing $190,000 by the average of the closing prices of GXO’s common stock on the ten trading days immediately preceding the grant date.

The vice chair of the Board will receive an additional annual cash retainer of $25,000, payable quarterly in arrears. The lead independent director also will receive an additional $25,000 annual cash retainer, payable quarterly in arrears. The chairperson of each of the GXO Audit Committee, the GXO Compensation Committee and the GXO Nominating, Corporate Governance and Sustainability Committee each will receive an additional cash retainer of $25,000, $20,000 and $20,000, respectively, payable quarterly in arrears.

No other fees will be paid to directors for their attendance at or participation in meetings of the GXO Board or its committees. GXO will reimburse directors for expenses incurred in the performance of their duties, including reimbursement for air travel and hotel expenses.

GXO 2021 OMNIBUS INCENTIVE COMPENSATION PLAN

The material terms of the GXO Logistics, Inc. 2021 Omnibus Incentive Compensation Plan (the "Plan") are summarized below. This summary does not contain all information about the Plan. This summary is qualified in its entirety by reference to, and should be read together with the full text of the Plan.

Types of Awards

The Plan provides for the grant of options intended to qualify as incentive stock options ("ISOs") under Section 422 of the Code, nonqualified stock options ("NSOs"), stock appreciation rights ("SARs"), restricted share awards, restricted stock units ("RSUs"), performance awards, cash incentive awards, deferred share units and other equity-based and equity-related awards, as well as cash-based awards.

Plan Administration

The Plan is administered by the Compensation Committee of the GXO Board or such other committee the GXO Board designates to administer the Plan (the "Committee"). Subject to the terms of the Plan and applicable law, the Committee has sole authority to administer the Plan, including, but not limited to, the authority to (i) designate plan participants, (ii) determine the type or types of awards to be granted to a participant, (iii) determine the number of shares of GXO common stock to be covered by awards, (iv) determine the terms and conditions of awards, (v) determine the vesting schedules of awards and, if certain performance criteria were required to be attained in order for an award to vest or be settled or paid, establish such performance criteria and certify whether, and to what extent, such performance criteria have been attained, (vi) interpret, administer, reconcile any inconsistency in, correct any default in and/or supply any omission in, the Plan, (vii) establish, amend, suspend or waive such rules and regulations and appoint such agents as it should deem appropriate for the proper administration of the Plan, (viii) accelerate the vesting or exercisability of, payment for or lapse of restrictions on, awards, and (ix) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan.

Shares Available For Awards

Subject to adjustment for changes in capitalization, there are [ ] shares of GXO common stock, in the aggregate, that are currently authorized for delivery pursuant to awards granted under the Plan, [ ] shares of which may be granted pursuant to ISOs. Awards that are settled in cash do not reduce the number of shares available for delivery under the Plan. If any award granted under the Plan is forfeited, or otherwise expires, terminates or is canceled without the delivery of all shares subject thereto, then the number of shares subject to such award that were not issued are not treated as issued for purposes of reducing the maximum aggregate number of shares that may be delivered pursuant to the Plan.

Notwithstanding the foregoing, and for the avoidance of doubt, shares that were surrendered or tendered to us in payment of the exercise price of an award (including with respect to stock-settled SARs) or any taxes required to be withheld in respect of an award and awards based on the fair market value of a share that are settled other than by the delivery of shares (including cash settlement) do not become available again to be delivered pursuant to awards under the Plan or increase the number of shares that may be delivered pursuant to ISOs under the Plan. The maximum value of shares of GXO common stock that are available to be granted pursuant to awards to any non-employee director in the Plan in any fiscal year is $[●] as of the date of grant.

Changes in Capitalization

In the event of any extraordinary dividend or other extraordinary distribution, recapitalization, rights offering, stock split, reverse stock split, split-up or spin-off affecting the shares of GXO common stock, the Committee shall make equitable adjustments and other substitutions to the Plan and awards under the Plan in the manner it determined to be appropriate or desirable. In the event of any reorganization, merger, consolidation, combination, repurchase or exchange of GXO common stock or other similar corporate transactions, the Committee in its discretion is permitted to make such adjustments and other substitutions to the Plan and awards under the Plan as it deems appropriate or desirable.

Substitute Awards

The Committee is permitted to grant awards in assumption of, or in substitution for, outstanding awards previously granted by GXO or any of its affiliates or a company that GXO acquired or with which GXO combined. Any shares issued by GXO through the assumption of or substitution for outstanding awards granted by a company that GXO acquired do not reduce the aggregate number of shares of GXO common stock available for awards under the Plan, except that awards issued in substitution for ISOs will reduce the number of shares of GXO common stock available for ISOs under the Plan.

Source of Shares

Any shares of GXO common stock issued under the Plan consist, in whole or in part, of authorized and unissued shares or of treasury shares.

Eligible Participants

Directors, officers, employees and consultants (including any prospective directors, officers, employees and consultants) of GXO and its affiliates are eligible to receive awards under the Plan.

Stock Options

The Committee is permitted to grant both ISOs and NSOs under the Plan. The exercise price for stock options may not be less than the fair market value (as defined in the Plan) of GXO common stock on the grant date. The Committee may not reprice any stock option granted under the Plan without the approval of GXO stockholders. All stock options granted under the Plan are NSOs unless the applicable award agreement expressly stated that the stock option was intended to be an ISO. Subject to the provisions of the Plan (including the minimum vesting period described below) and the applicable award agreement, the Committee determines, at or after the grant of a stock option, the vesting criteria, term, methods of exercise and any other terms and conditions of any stock option. Unless otherwise set forth in the applicable award agreement, each stock option expires upon the earlier of (i) the tenth anniversary of the date the stock option was granted and (ii) three months after the participant who was holding the stock option ceased to be a director, officer, employee or consultant for GXO, or one of its affiliates. The exercise price is permitted to be paid with cash (or its equivalent) or, in the sole discretion of the Committee, with previously acquired shares of GXO common stock or through delivery of irrevocable instructions to a broker to sell GXO common stock otherwise deliverable upon the exercise of the stock option (provided that there was a public market for GXO common stock at such time), or, in the sole discretion of the Committee, a combination of any of the foregoing, provided that the combined value of all cash and cash equivalents and the fair market value of any such shares so tendered to us as of the date of such tender, together with any shares withheld by us in respect of taxes relating to a stock option, was at least equal to such aggregate exercise price.

Stock Appreciation Rights

The Committee is permitted to grant SARs under the Plan. The exercise price for SARs may not be less than the fair market value (as defined in the Plan) of GXO common stock on the grant date. The Committee may not reprice any SAR granted under the Plan without the approval of GXO stockholders. Upon exercise of a SAR, the holder receives cash, shares of GXO common stock, other securities, other awards, other property or a combination of any of the foregoing, as determined by the Committee, equal in value to the excess, if any, of the fair market value of a share of GXO common stock on the date of exercise of the SAR over the exercise price of the SAR. Subject to the provisions of the Plan (including the minimum vesting period described below) and the applicable award agreement, the Committee determines, at or after the grant of a SAR, the vesting criteria, term, methods of exercise, methods and form of settlement and any other terms and conditions of any SAR. Unless otherwise set forth in the applicable award agreement, each SAR expires upon the earlier of (i) the tenth anniversary of the date the SAR was granted and (ii) three months after the participant who was holding the SAR ceased to be a director, officer, employee or consultant for GXO or one of its affiliates. Under certain circumstances, the GXO Committee has the ability to substitute, without the consent of the affected participant, SARs for outstanding NSOs. No SAR granted under the Plan could be exercised more than 10 years after the date of grant.

Restricted Shares and Restricted Stock Units

Subject to the provisions of the Plan, the Committee is permitted to grant restricted shares and RSUs. Restricted shares and RSUs are not permitted to be sold, assigned, transferred, pledged or otherwise encumbered except as provided in the Plan or the applicable award agreement, except that the Committee may determine that restricted shares and RSUs are permitted to be transferred by the participant for no consideration. Restricted shares may be evidenced in such manner as the Committee determines.

An RSU is granted with respect to one share of GXO common stock or has a value equal to the fair market value of one such share. Upon the lapse of restrictions applicable to an RSU, the RSU may be paid in cash, shares of GXO common stock, other securities, other awards or other property, as determined by the Committee, or in accordance with the applicable award agreement. In connection with each grant of restricted shares, except as provided in the applicable award agreement, the holder is entitled to the rights of a stockholder (including the right to vote and receive dividends) in respect of such restricted shares. The Committee is permitted to, on such terms and conditions as it might determine, provide a participant who holds RSUs with dividend equivalents, payable in cash, shares of GXO common stock, other securities, other awards or other property.

Performance Awards

Subject to the provisions of the Plan, the Committee is permitted to grant awards under the Plan that are conditioned on the achievement of performance goals established by the Committee. In its discretion, the Committee sets performance goals that, depending on the extent to which they were met during a specified performance period, determine the number of shares of GXO common stock and/or amount of cash or other property that are paid out to the participant. The Committee, in its sole discretion, is permitted to pay earned performance awards in the form of cash, shares of GXO common stock or other property or any combination thereof that has an aggregate fair market value equal to the value of the earned performance units at the close of the applicable performance period. The determination of the Committee with respect to the form and timing of payout of performance units is set forth in the applicable award agreement. The Committee is permitted to, on such terms and conditions as it might determine, provide a participant who holds performance units with dividends or dividend equivalents, payable in cash, shares of GXO common stock, other securities, other awards or other property.

Cash Incentive Awards

Subject to the provisions of the Plan, the Committee is permitted to grant cash incentive awards to participants. In its discretion, the Committee determines the number of cash incentive awards to be awarded, the duration of the period in which, and any condition under which, the cash incentive awards vest or are forfeited, and any other terms and conditions applicable to the cash incentive awards. Subject to the provisions of the Plan, the holder of a cash incentive award may receive payment based on the number and value of the cash incentive award earned, which is determined by the Committee, in its discretion, based on the extent to which performance goals or other conditions applicable to the cash incentive award have been achieved.

Other Stock-Based Awards

Subject to the provisions of the Plan, the Committee is permitted to grant to participants other equity-based or equity-related compensation awards, including vested stock, which shall be granted pursuant to the five percent limit described below under the header “Minimum Vesting Period.” The Committee is permitted to determine the amounts and terms and conditions of any such awards.

Assumed XPO Awards

Notwithstanding any provisions in the Plan to the contrary, each XPO equity award that is assumed by GXO in the distribution shall be subject to the terms and conditions of the equity compensation plan and award agreement to which such equity award was subject immediately prior to the distribution, subject to the adjustment of such equity award by the Compensation Committee of XPO and the terms of the employee matters agreement.

Clawbacks

The Company may clawback awards provided to eligible employees to the extent required by applicable law and as otherwise determined by the Compensation Committee and set forth in an award agreement.

Minimum Vesting Period

The Plan is subject to a designated vesting period of at least one year following the date of grant, except that up to five percent of shares available for grant under the Plan may be granted without regard to this requirement. Such minimum vesting period does not apply to equity-based compensation awards issued in connection with the adjustment of outstanding XPO equity-based compensation awards upon the distribution.

Amendment and Termination

Subject to any applicable law or government regulation and to the rules of the applicable national stock exchange or quotation system on which the shares of GXO common stock may be listed or quoted, the Plan may be amended, modified or terminated by the GXO Board without the approval of GXO stockholders, except that stockholder approval is required for any amendment that (i) increases the maximum number of shares of GXO common stock available for awards under the Plan or increases the maximum number of shares of GXO common stock that could be delivered pursuant to ISOs granted under the Plan, (ii) changes the class of employees or other individuals eligible to participate in the Plan, (iii) amends or decreases the exercise price of any option or SAR, (iv) cancels or exchanges any option or SAR at a time when its exercise price exceeds the fair market value of the underlying shares, (v) allows repricing of any option or SAR without stockholder approval, or (vi) constitutes a material increase in the benefits to be provided to eligible employees within the meaning of the New York Stock Exchange rules as of the date hereof. Under these provisions, stockholder approval is not to be required for all possible amendments that might increase the cost of the Plan. No modification, amendment or termination of the Plan that materially and adversely impairs the rights of any participant is effective without the consent of the affected participant, unless otherwise provided by the Committee in the applicable award agreement.

The Committee is permitted to waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate any award previously granted under the Plan, the Prior Plan or the Stock Option Plan (as defined below), prospectively or retroactively. However, unless otherwise provided by the Committee in the applicable award agreement or in the Plan, any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that materially and adversely impairs the rights of any participant to any award previously granted is not effective without the consent of the affected participant.

The Committee is authorized to make adjustments in the terms and conditions of awards in the event of any unusual or nonrecurring corporate event (including the occurrence of a change of control of GXO) affecting GXO, any of its affiliates or the financial statements of GXO or any of its affiliates, or of changes in applicable rules, rulings, regulations or other requirements of any governmental body or securities exchange, accounting principles or law whenever the GXO Committee, in its discretion, determined that those adjustments were appropriate or desirable, including providing for the substitution or assumption of awards, accelerating the exercisability of, lapse of restrictions on, or termination of, awards or providing for a period of time for exercise prior to the occurrence of such event and, in its discretion, the GXO Committee is permitted to provide for a cash payment to the holder of an award in consideration for the cancellation of such award.

Change of Control

The Plan provides that, unless otherwise provided in an award agreement, in the event of a change of control of GXO, awards will be assumed and replaced by awards of equivalent value in connection with the change of control and such assumed awards will have so-called “double trigger” vesting provisions, such that the awards will vest in full and become immediately exercisable upon qualifying terminations of employment during the two-year period following the change of control. However, in the event that awards are not replaced with awards of equivalent value the vesting of the awards will generally accelerate immediately prior to the change of control.

Unless otherwise provided pursuant to an award agreement, a change of control is defined to mean any of the following events, generally:

- during any period, a change in the composition of a majority of the board of directors, as constituted on the first day of such period, that was not supported by a majority of the incumbent board of directors;
- consummation of certain mergers or consolidations of GXO with any other corporation following which GXO stockholders hold 50% or less of the combined voting power of the surviving entity;
- the stockholders approve a plan of complete liquidation or dissolution of GXO; or
- an acquisition by any individual, entity or group of beneficial ownership of a percentage of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors that was equal to or greater than 30%.

Although award agreements may provide for a different definition of change of control than is provided for in the Plan, except in the case of a transaction described in the third bullet above, any definition of change of control set forth in any award agreement must provide that a change of control will not occur until consummation or effectiveness of a change of control of GXO, rather than upon the announcement, commencement, stockholder approval or other potential occurrence of any event or transaction that, if completed, will result in a change of control of GXO.

Term of the Plan

Prior to the distribution, it is expected that the Plan will be approved by the GXO Board and by XPO as the sole shareowner of GXO. No award may be granted under the Plan more than ten years after the distribution.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Agreements with XPO

Following the separation and distribution, GXO and XPO will each operate separately as an independent public company. In connection with the separation, GXO will enter into a separation agreement with XPO to effect the separation and to provide a framework for GXO's relationship with XPO after the separation and will enter into certain other agreements, including a transition services agreement, a tax matters agreement, an employee matters agreement and an intellectual property license agreement. These agreements will provide for the allocation between GXO and XPO of the assets, employees, liabilities and obligations (including, among others, investments, property and employee benefits and tax-related assets and liabilities) of XPO and its subsidiaries attributable to periods prior to, at and after the separation and will govern the relationship between GXO and XPO subsequent to the completion of the separation.

The material agreements described below will be filed as exhibits to the registration statement on Form 10 of which this information statement is a part. The summaries of each of these agreements set forth below are qualified in their entireties by reference to the full text of the applicable agreements, which are incorporated by reference into this information statement.

Separation Agreement

Transfer of Assets and Assumption of Liabilities

The separation agreement will identify the assets to be transferred, the liabilities to be assumed and the contracts to be transferred to each of GXO and XPO as part of the separation of XPO into two independent companies, and will provide for when and how these transfers and assumptions will occur. In particular, the separation agreement will provide that, among other things, subject to the terms and conditions contained therein:

- certain assets related to the GXO Businesses, which we refer to as the "GXO Assets," will be retained by or transferred to GXO or one of its subsidiaries, including:
  - equity interests in certain GXO subsidiaries that hold assets of the GXO Businesses;
  - the GXO brands, certain other trade names and trademarks, and certain other intellectual property (including patents, know-how and trade secrets), software, information and technology allocated to GXO pursuant to the separation agreement;
  - facilities owned or leased by GXO;
  - certain contracts exclusively related to the GXO Businesses;
  - with respect to certain contracts primarily but not exclusively related to the GXO Businesses, those portions of such contracts to the extent related to the GXO Businesses;
  - other assets and rights expressly allocated to GXO pursuant to the terms of the separation agreement or certain other agreements entered into in connection with the separation;
  - cash in an amount equal to $100 million (after giving effect to the cash true-up adjustments set forth in the separation agreement);
  - permits that primarily relate to the GXO Businesses; and
  - other assets that are included in GXO's pro forma balance sheet, included in GXO's Unaudited Pro Forma Condensed Combined Financial Information, which appear in the section titled "Unaudited Pro Forma Condensed Combined Financial Information";
- certain liabilities related to the GXO Businesses or the GXO Assets, which we refer to as the "GXO Liabilities," will be retained by or transferred to GXO; and

- all of the assets (including cash and cash equivalents) and liabilities (including whether accrued, contingent or otherwise) other than the GXO Assets and the GXO Liabilities (such assets and liabilities, other than the GXO Assets and the GXO Liabilities, we refer to as the "XPO Assets" and "XPO Liabilities," respectively) will be retained by or transferred to XPO.

It is anticipated that, on the distribution date, GXO will have approximately $100 million of cash. The separation agreement will provide for an adjustment payment to potentially be made following the distribution from GXO to XPO, or from XPO to GXO, so that GXO's final cash balance as of the effective time of the distribution is equal to $100 million.

Except as expressly set forth in the separation agreement or any ancillary agreement, neither of GXO nor XPO will make any representation or warranty as to the assets, business or liabilities transferred or assumed as part of the separation, as to any approvals or notifications required in connection with the transfers, as to the value of or the freedom from any security interests of any of the assets transferred, as to the absence or presence of any defenses or right of setoff or freedom from counterclaim with respect to any claim or other asset of either of GXO or XPO, or as to the legal sufficiency of any document or instrument delivered to convey title to any asset or thing of value to be transferred in connection with the separation. All assets will be transferred on an "as is," "where is" basis, and the respective transferees will bear the economic and legal risks that any conveyance will prove to be insufficient to vest in the transferee good and marketable title, free and clear of all security interests, that any necessary consents or governmental approvals are not obtained, or that any requirements of law, agreements, security interests or judgments are not complied with.

Information in this information statement with respect to the assets and liabilities of the parties following the distribution is presented based on the allocation of such assets and liabilities pursuant to the separation agreement, unless the context otherwise requires. The separation agreement will provide that in the event that the transfer of certain assets and liabilities (or a portion thereof) to GXO or XPO, as applicable, does not occur prior to the separation, then until such assets or liabilities (or a portion thereof) are able to be transferred, GXO or XPO, as applicable, will hold such assets on behalf and for the benefit of the transferee and will pay, perform and discharge such liabilities, for which the transferee will reimburse GXO or XPO, as applicable, for all commercially reasonable payments made in connection with the performance and discharge of such liabilities.

The Distribution

The separation agreement will also govern the rights and obligations of the parties regarding the distribution following the completion of the separation. On the distribution date, XPO will distribute to its stockholders that hold XPO common stock as of the record date for the distribution all of the issued and outstanding shares of GXO common stock on a pro rata basis. XPO will not distribute any fractional shares of GXO common stock.

Conditions to the Distribution

The separation agreement will provide that the distribution is subject to satisfaction (or waiver by XPO in its sole and absolute discretion) of certain conditions. These conditions are described under "The Separation and Distribution—Conditions to the Distribution." XPO will have the sole and absolute discretion to determine (and change) the terms of, and to determine whether to proceed with, the distribution and, to the extent that it determines to so proceed, to determine the record date for the distribution, the distribution date and the distribution ratio.

Claims

In general, each party to the separation agreement will assume liability for all pending, threatened and unasserted legal matters related to its own business or its assumed or retained liabilities and will indemnify the other party for any liability to the extent arising out of or resulting from such assumed or retained legal matters.

Releases

The separation agreement will provide that GXO and its affiliates will release and discharge XPO and its affiliates from all liabilities assumed by GXO as part of the separation, from all acts and events occurring or failing

to occur, and all conditions existing, on or before the distribution date relating to the GXO Businesses, except as expressly set forth in the separation agreement. XPO and its affiliates will release and discharge GXO and its affiliates from all liabilities retained by XPO and its affiliates as part of the separation, from all acts and events occurring or failing to occur, and all conditions existing, on or before the distribution date relating to the businesses conducted by XPO, except the GXO Businesses, and from all liabilities existing or arising in connection with the implementation of the separation, except as expressly set forth in the separation agreement.

These releases will not extend to obligations or liabilities under any agreements between the parties that remain in effect following the separation, which agreements include the separation agreement and the other agreements described under "Certain Relationships and Related Party Transactions."

Indemnification

In the separation agreement, GXO will agree to indemnify, defend and hold harmless XPO, each of XPO's controlled affiliates and each of their respective directors, officers and employees, from and against all liabilities to the extent relating to, arising out of or resulting from:

- the GXO Liabilities;
- GXO's failure or the failure of any other person to pay, perform or otherwise promptly discharge any of the GXO Liabilities, in accordance with their respective terms, whether prior to, at or after the distribution;
- except to the extent relating to an XPO Liability, any guarantee, indemnification or contribution obligation for the benefit of GXO by XPO that survives the distribution;
- any breach by GXO of the separation agreement or any of the ancillary agreements; and
- any untrue statement or alleged untrue statement or omission or alleged omission of material fact in the Form 10 or in this information statement (as amended or supplemented), except for any such statements or omissions made explicitly in XPO's name.

XPO will agree to indemnify, defend and hold harmless GXO, each of GXO's controlled affiliates and each of their respective directors, officers and employees from and against all liabilities to the extent relating to, arising out of or resulting from:

- the XPO Liabilities;
- the failure of XPO or any other person to pay, perform or otherwise promptly discharge any of the XPO Liabilities in accordance with their respective terms whether prior to, at or after the distribution;
- except to the extent relating to a GXO Liability, any guarantee, indemnification or contribution obligation for the benefit of XPO by GXO that survives the distribution;
- any breach by XPO of the separation agreement or any of the ancillary agreements; and
- any untrue statement or alleged untrue statement or omission or alleged omission of a material fact made explicitly in XPO's name in the Form 10 or in this information statement (as amended or supplemented).

The separation agreement will also establish procedures with respect to claims subject to indemnification and related matters.

Indemnification with respect to taxes, and the procedures related thereto, will be governed by the tax matters agreement.

Non-Compete

The separation agreement will contain a covenant not to compete, prohibiting, subject to certain customary exceptions, (1) GXO and its subsidiaries from engaging in the XPO retained businesses and (2) XPO and its

subsidiaries from engaging in the GXO Businesses, in each case for a period of two years following the distribution date.

Insurance

The separation agreement will provide for the allocation between the parties of rights and obligations under existing insurance policies with respect to claims covered by XPO's insurance prior to the distribution and set forth procedures for the administration of insured claims and related matters.

Further Assurances

In addition to the actions specifically provided for in the separation agreement, except as otherwise set forth therein or in any ancillary agreement, GXO and XPO will agree in the separation agreement to use reasonable best efforts, prior to, on and after the distribution date, to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws, regulations and agreements to consummate and make effective the transactions contemplated by the separation agreement and the ancillary agreements.

Dispute Resolution

The separation agreement will contain provisions that govern, except as otherwise provided in any ancillary agreement, the resolution of disputes, controversies or claims that may arise between GXO and XPO related to the separation or distribution and that are unable to be resolved through good faith discussions between GXO and XPO. These provisions will contemplate that efforts will be made to resolve disputes, controversies and claims by escalation of the matter to executives of the parties in dispute. If such efforts are not successful, one of the parties in dispute may submit the dispute, controversy or claim to binding alternative dispute resolution, subject to the provisions of the separation agreement.

Expenses

Except as expressly set forth in the separation agreement or in any ancillary agreement, XPO will be responsible for all costs and expenses incurred in connection with the separation incurred prior to the distribution date, including costs and expenses relating to legal and tax counsel, financial advisors and accounting advisory work related to the separation. Except as expressly set forth in the separation agreement or in any ancillary agreement, or as otherwise agreed in writing by GXO and XPO, all costs and expenses incurred in connection with the separation after the distribution will be paid by the party incurring such cost and expense.

Amendment and Termination

The separation agreement will provide that it may be terminated, and the separation and distribution may be modified or abandoned, at any time prior to the distribution date in the sole and absolute discretion of the XPO board of directors without the approval of any person, including GXO or XPO stockholders. In the event of a termination of the separation agreement, no party, nor any of its directors, officers or employees, will have any liability of any kind to the other parties or any other person. After the distribution date, the separation agreement may not be amended or terminated, except by an agreement in writing signed by both GXO and XPO.

Transition Services Agreement

GXO and XPO will enter into a transition services agreement in connection with the separation pursuant to which GXO and XPO and their respective affiliates will provide each other, on an interim, transitional basis, various services, such as, treasury administration, employee benefits administration, information technology services, regulatory services, general administrative services and other support services. The agreed-upon charges for such services are generally intended to allow the servicing party to charge a price comprised of out-of-pocket costs and expenses and a predetermined profit in the form of a mark-up of such out-of-pocket expenses. The party receiving each transition service will be provided with reasonable information that supports the charges for such transition service by the party providing the service.

The services generally will commence on the distribution date and terminate no later than [ ] months following the distribution date. The receiving party may terminate any services by giving prior written notice to the provider of such services and paying any applicable wind-down charges.

Subject to certain exceptions, the liabilities of each party providing services under the transition services agreement will generally be limited to the aggregate charges actually paid to such party by the other party pursuant to the transition services agreement. The transition services agreement also will provide that the provider of a service will not be liable to the recipient of such service for any special, indirect, incidental or consequential damages.

Tax Matters Agreement

In connection with the separation, GXO and XPO will enter into a tax matters agreement that will govern the parties' respective rights, responsibilities and obligations with respect to taxes (including responsibility for taxes, entitlement to refunds, allocation of tax attributes, preparation of tax returns, control of tax contests and other tax matters).

Under the tax matters agreement, XPO generally will be responsible for all U.S. federal income taxes imposed on the XPO consolidated tax return group and state and foreign income, franchise, capital gain, withholding and similar taxes imposed on a consolidated, combined or unitary tax return group (or similar tax group under non-U.S. law) that includes XPO or one of its subsidiaries with respect to taxable periods (or portions thereof) that end on or prior to the distribution date, except (i) special rules will apply with respect to certain taxes imposed in connection with the internal reorganization or the separation and distribution, and (ii) GXO will be responsible for (x) taxes resulting from any breach of certain covenants made by GXO in the tax matters agreement or other separation-related agreements and (y) certain other taxes attributable to GXO's business. GXO generally will be responsible for all federal, state, or foreign income, franchise, capital gain, withholding or similar taxes imposed on a separate return basis on GXO (or any of its subsidiaries or any subgroup consisting solely of GXO and its subsidiaries), as applicable, with respect to taxable periods (or portions thereof) that end on or prior to the date of the relevant distribution, except (i) special rules will apply with respect to certain taxes imposed in connection with the internal reorganization or the separation and distribution and (ii) XPO will be responsible for taxes resulting from any breach of any covenant made by XPO in the tax matters agreement or other separation-related agreements.

The tax matters agreement will provide special rules that allocate tax liabilities in the event either (i) the distribution, together with certain related transactions, fails to qualify as a transaction that is generally tax-free for U.S. federal income tax purposes under Sections 355 and 368(a)(1)(D) of the Code or (ii) any internal separation transaction that is intended to qualify as a transaction that is generally tax-free fails to so qualify. Under the tax matters agreement, each party will be responsible for any taxes and related amounts imposed on XPO or GXO as a result of the failure to so qualify, to the extent that the failure to so qualify is attributable to actions, events or transactions relating to such party's respective stock, assets or business, or a breach of the relevant covenants made by that party in the tax matters agreement. Further, under the tax matters agreement, each of XPO and GXO would be responsible for a specified portion of any taxes (and any related costs and other damages) arising as a result of the failure of the distribution and certain related transactions to qualify as a transaction that is generally tax-free (including as a result of Section 355(e) of the Code) or a failure of any internal separation transaction that is intended to qualify as a transaction that is generally tax-free to so qualify, in each case, to the extent such amounts did not result from a disqualifying action by, or acquisition of equity securities of, XPO or GXO.

In addition, the tax matters agreement will impose certain restrictions on GXO and its subsidiaries during the two-year period following the distribution that will be intended to prevent the distribution, together with certain related transactions, from failing to qualify as a transaction that is generally tax-free for U.S. federal income tax purposes under Sections 355 and 368(a)(1)(D) of the Code. Specifically, during such period, except in specific circumstances, GXO and its subsidiaries will be prohibited from: (i) ceasing to conduct certain businesses; (ii) entering into certain transactions or series of transactions pursuant to which all or a portion of the shares of GXO common stock would be acquired or all or a portion of certain assets of GXO and its subsidiaries would be acquired; (iii) liquidating, merging or consolidating with any other person; (iv) issuing equity securities beyond certain thresholds; (v) repurchasing GXO stock other than in certain open-market transactions or (vi) taking or failing to take any other action that would cause the distribution, together with certain related transactions, to fail to qualify as

a transaction that is generally tax-free for U.S. federal income tax purposes under Sections 355 and 368(a)(1)(D) of the Code. Further, the tax matters agreement will impose similar restrictions on us and our subsidiaries during the two-year period following the distribution that are intended to prevent certain transactions undertaken as part of the internal reorganization from failing to qualify as transactions that are generally tax-free for U.S. federal income tax purposes under Sections 355 and 368(a)(1)(D) of the Code or for applicable non-U.S. income tax purposes.

Employee Matters Agreement

GXO and XPO will enter into an employee matters agreement in connection with the separation to allocate liabilities and responsibilities relating to employment matters, employee compensation and benefits plans and programs, and other related matters. The employee matters agreement will govern certain compensation and employee benefit obligations with respect to the current and former employees and non-employee directors of each company.

The employee matters agreement will provide that, unless otherwise specified, each party will be responsible for liabilities associated with current employees of such party and its subsidiaries and former employees of such party's business for purposes of post-separation compensation and benefit matters. The employee matters agreement will also provide, subject to customary exceptions, that neither XPO nor GXO nor their respective subsidiaries will solicit for employment or hire any individual who is a salaried employee of the other party or its subsidiaries for a period of two years following the distribution date.

The employee matters agreement will also govern the terms of equity-based awards granted by XPO prior to the separation. See "The Separation and Distribution—Treatment of Equity-Based Compensation."

Intellectual Property License Agreement

GXO and XPO will enter into an intellectual property license agreement in connection with the separation to facilitate and provide for an orderly transition in connection with the transaction. Under the intellectual property license agreement, each of GXO and XPO will be the owner of a copy of the XPO Smart Software for use in its business. The intellectual property license agreement will also provide GXO a non-exclusive license to certain XPO software platforms for use in the operation of the GXO Businesses, and XPO will retain a non-exclusive license to certain GXO software platforms for use in the operation of XPO's retained businesses. Further, the intellectual property license agreement will also provide the parties with reciprocal, non-exclusive licenses under certain intellectual property rights transferred to GXO and certain intellectual property rights retained by XPO in order to provide the parties freedom to operate their respective businesses.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a discussion of material U.S. federal income tax consequences of the distribution to "U.S. holders" (as defined below) of XPO common stock. This discussion is based on the Code, Treasury Regulations promulgated thereunder, rulings and other administrative pronouncements issued by the IRS, and judicial decisions, in each case as in effect and available as of the date of this information statement and all of which are subject to differing interpretations and change at any time, possibly with retroactive effect. Any such change could affect the accuracy of the statements and conclusions set forth in this document. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences described below.

This discussion applies only to U.S. holders (as defined below) of shares of XPO common stock who hold such shares as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion is based upon the assumption that the separation and the distribution, together with certain related transactions, were or will be consummated in accordance with the separation agreement and the other agreements related to the separation and as described in this information statement. Holders of XPO common stock that are not U.S. holders should consult their own tax advisors as to the tax consequences of the distribution.

This discussion does not address all aspects of U.S. federal income taxation that may be relevant to particular holders of XPO common stock in light of their particular circumstances nor does it address tax consequences applicable to holders that are or may be subject to special treatment under the U.S. federal income tax laws (such as, for example, insurance companies, tax-exempt organizations, financial institutions, mutual funds, certain former U.S. citizens or long-term residents of the United States, broker-dealers, partnerships (or entities or arrangements treated as partnerships for U.S. federal income tax purposes), or other pass-through entities or owners thereof, traders in securities who elect a mark-to-market method of accounting, holders who hold their XPO common stock as part of a "hedge," "straddle," "conversion," "synthetic security," "integrated investment" or "constructive sale transaction," holders who acquired XPO common stock upon the exercise of employee stock options or otherwise as compensation, or U.S. holders whose functional currency is not the U.S. dollar). This discussion also does not address any tax consequences arising under the alternative minimum tax, the Medicare tax on net investment income or the Foreign Account Tax Compliance Act (including the Treasury Regulations promulgated thereunder and intergovernmental agreements entered into pursuant thereto or in connection therewith). In addition, no information is provided with respect to any tax consequences under state, local, or foreign laws or U.S. federal laws other than those pertaining to the U.S. federal income tax. This discussion does not address the tax consequences to any person who actually or constructively owns 5% or more of XPO common stock.

If a partnership (or any other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds XPO common stock, the tax treatment of a partner in such partnership will generally depend upon the status of the partner and the activities of the partnership. Holders of XPO common stock that are partnerships and partners in such partnerships should consult their own tax advisors as to the tax consequences of the distribution.

For purposes of this discussion, a "U.S. holder" is a beneficial owner of XPO common stock that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust, if (1) a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of the substantial decisions of such trust or (2) it has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

THE FOLLOWING DISCUSSION IS A SUMMARY OF MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE DISTRIBUTION UNDER CURRENT LAW AND IS FOR GENERAL INFORMATION ONLY. ALL HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE DISTRIBUTION, INCLUDING THE APPLICABILITY AND EFFECT OF U.S. FEDERAL, STATE, LOCAL AND NON-U.S. AND OTHER TAX LAWS, IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES AND THE EFFECT OF POSSIBLE CHANGES IN LAW THAT MIGHT AFFECT THE TAX CONSEQUENCES DESCRIBED HEREIN.

It is a condition to the distribution that XPO receives an opinion of its outside counsel, satisfactory to the XPO board of directors, regarding the qualification of the distribution, together with certain related transactions, as a "reorganization" within the meaning of Sections 355 and 368(a)(1)(D) of the Code. The opinion of counsel will be based upon and rely on, among other things, various facts and assumptions, as well as certain representations, statements and undertakings of GXO and XPO (including those relating to the past and future conduct of GXO and XPO). If any of these facts, assumptions, representations, statements or undertakings is, or becomes, inaccurate or incomplete, or if GXO or XPO breaches any of its respective representations or covenants contained in the separation agreement and certain other separation-related agreements and documents or in any documents relating to the opinion of counsel, such opinion of counsel may be invalid and the conclusions reached therein could be jeopardized.

Notwithstanding receipt by XPO of the opinion of counsel, the IRS could determine that the distribution and/or certain related transactions should be treated as taxable transactions for U.S. federal income tax purposes if it determines that any of the facts, representations, assumptions, statements or undertakings upon which the opinion of counsel was based is false or has been violated, or that the distribution and/or certain related transactions should be taxable for other reasons, including as a result of certain transactions occurring after the distribution. In addition, an opinion of counsel represents the judgment of such counsel and is not binding on the IRS or any court and the IRS or a court may disagree with the conclusions in the opinion of counsel. Accordingly, notwithstanding receipt by XPO of the opinion of counsel, there can be no assurance that the IRS will not assert that the distribution and/or certain related transactions do not qualify for tax-free treatment for U.S. federal income tax purposes or that a court would not sustain such a challenge. In the event the IRS were to prevail with such challenge, XPO, GXO and XPO stockholders could be subject to significant U.S. federal income tax liability or tax indemnification obligations. Please refer to "—Material U.S. Federal Income Tax Consequences if the Distribution Is Taxable" below.

Material U.S. Federal Income Tax Consequences if the Distribution, Together with Certain Related Transactions, Qualifies as a Transaction That is Generally Tax-Free under Sections 355 and 368(a)(1)(D) of the Code.

If the distribution, together with certain related transactions, qualifies as a transaction that is generally tax-free for U.S. federal income tax purposes under Sections 355 and 368(a)(1)(D) of the Code, the U.S. federal income tax consequences of the distribution generally are as follows:

- no gain or loss will be recognized by (and no amount will be includible in the income of) XPO as a result of the distribution, other than gain or income arising in connection with certain internal restructurings undertaken in connection with the separation and distribution (including with respect to any portion of the borrowing proceeds transferred to XPO from GXO that is not used for qualifying purposes) with respect to any "excess loss account" or "intercompany transaction" required to be taken into account by XPO under Treasury Regulations relating to consolidated U.S. federal income tax returns;

- no gain or loss will be recognized by (and no amount will be includible in the income of) U.S. holders of XPO common stock upon the receipt of GXO common stock in the distribution;

- the aggregate tax basis in the XPO common stock and the GXO common stock received in the distribution in the hands of each U.S. holder of XPO common stock immediately after the distribution will equal the aggregate basis of XPO common stock held by such U.S. holder immediately before the distribution,

allocated between the XPO common stock and the GXO common stock in proportion to the relative fair market value of each on the date of the distribution; and

- the holding period of GXO common stock received by each U.S. holder of XPO common stock in the distribution will generally include the holding period at the time of the distribution for the XPO common stock with respect to which the distribution is made.

If a U.S. holder of XPO common stock holds different blocks of XPO common stock (generally shares of XPO common stock acquired on different dates or at different prices), such holder should consult its own tax advisor regarding the determination of the basis and holding period of shares of GXO common stock received in the distribution in respect of particular blocks of XPO common stock.

Material U.S. Federal Income Tax Consequences if the Distribution Is Taxable.

As discussed above, notwithstanding receipt by XPO of an opinion of counsel, the IRS could assert that the distribution does not qualify for tax-free treatment for U.S. federal income tax purposes. If the IRS were successful in taking this position, some or all of the consequences described above would not apply, and XPO, GXO and XPO stockholders could be subject to significant U.S. federal income tax liability. In addition, certain events that may or may not be within the control of XPO or GXO could cause the distribution and certain related transactions not to qualify for tax-free treatment for U.S. federal income tax purposes.

If the distribution, together with certain related transactions, were to fail to qualify as a transaction that is generally tax-free for U.S. federal income tax purposes under Section 355 and 368(a)(1)(D) of the Code, in general, for U.S. federal income tax purposes, XPO would recognize taxable gain as if it had sold the GXO common stock in a taxable sale for its fair market value (unless XPO and GXO jointly make an election under Section 336(e) of the Code with respect to the distribution, in which case, in general, (i) the XPO group would recognize taxable gain as if GXO had sold all of its assets in a taxable sale in exchange for an amount equal to the fair market value of the GXO common stock and the assumption of all GXO's liabilities and (ii) GXO would obtain a related step up in the basis of its assets), and XPO stockholders who receive shares of GXO common stock in the distribution would be subject to tax as if they had received a taxable distribution equal to the fair market value of such shares.

Even if the distribution, together with certain related transactions, were otherwise to qualify as a tax-free transaction under Sections 355(a) and 368(a)(1)(D) of the Code, the distribution may result in taxable gain to XPO (but not its shareholders) under Section 355(e) of the Code if the distribution, together with certain related transactions, were deemed to be part of a plan (or series of related transactions) pursuant to which one or more persons acquire, directly or indirectly, shares representing a 50% or greater interest (by vote or value) in XPO or GXO. For this purpose, any acquisitions of XPO or GXO shares within the period beginning two years before, and ending two years after, the distribution are presumed to be part of such a plan, although XPO or GXO may be able to rebut that presumption (including by qualifying for one or more safe harbors under applicable Treasury Regulations).

In connection with the distribution, GXO and XPO will enter into a tax matters agreement that, among other things, will allocate between GXO and XPO the responsibility for tax liabilities incurred by them as a result of the failure of the distribution, together with certain related transactions, to qualify for tax-free treatment. For a discussion of the tax matters agreement, see "Certain Relationships and Related Person Transactions—Tax Matters Agreement."

THE FOREGOING IS INTENDED ONLY AS A SUMMARY OF MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE DISTRIBUTION UNDER CURRENT LAW. IT IS NOT A COMPLETE ANALYSIS OR DISCUSSION OF ALL POTENTIAL TAX CONSEQUENCES THAT MAY BE IMPORTANT TO PARTICULAR HOLDERS. ALL HOLDERS OF XPO COMMON STOCK SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF THE DISTRIBUTION, INCLUDING THE APPLICATION AND EFFECT OF U.S. FEDERAL, STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS.

DESCRIPTION OF MATERIAL INDEBTEDNESS

The material agreements described below are filed as exhibits to the registration statement on Form 10 of which this information statement is a part. The summaries set forth below of each such agreement are qualified in their entirety by reference to the full text of the applicable agreements, which are incorporated by reference into this information statement.

Notes

In July 2021, GXO Logistics, Inc. issued $800 million in aggregate principal amount of notes, consisting of $400 million in aggregate principal amount of notes due 2026 (the "2026 notes") and $400 million in aggregate principal amount of notes due 2031 (the "2031 notes", and together with the 2026 notes, the "notes"). The notes were issued pursuant to an indenture dated as of July 2, 2021 (the "Base Indenture") as supplemented by the First Supplemental Indenture dated as of July 2, 2021 (the "Supplemental Indenture", and the Base Indenture as amended or supplemented by the Supplemental Indenture, the "Indenture"), in each case between GXO Logistics, Inc. and Wells Fargo Bank, National Association, as trustee (the "Trustee").

The notes were offered in the United States only to qualified institutional buyers in reliance on Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and, outside the United States, only to non-U.S. investors pursuant to Regulation S under the Securities Act. The offering of the notes has not been registered under the Securities Act or any state securities laws and the notes may not be offered or sold in the United States absent an effective registration statement or an applicable exemption from registration requirements or in a transaction not subject to the registration requirements of the Securities Act or any state securities laws.

The 2026 notes will accrue interest at a rate of 1.65% per year, payable semi-annually in cash in arrears on January 15 and July 15 of each year, beginning on January 15, 2022. The 2026 notes will mature on July 15, 2026, unless earlier repurchased or redeemed, if applicable. The 2031 notes will accrue interest at a rate of 2.65% per year, payable semi-annually in cash in arrears on January 15 and July 15 of each year, beginning on January 15, 2022. The 2031 notes will mature on July 15, 2031, unless earlier repurchased or redeemed, if applicable.

GXO Logistics, Inc. may redeem some or all of the notes of each series at the applicable redemption price, as described in the Supplemental Indenture.

The Indenture contains customary events of default with respect to the notes, including failure to make required payments, failure to comply with certain agreements or covenants and certain events of bankruptcy and insolvency.

The net proceeds from the notes were placed in an escrow account to be released, subject to the satisfaction of certain terms and conditions, prior to the distribution. GXO Logistics, Inc. expects to use the net proceeds from the offering of the notes (i) to transfer approximately $[_____] million of the net proceeds of the notes to XPO Logistics, Inc., which net proceeds XPO Logistics, Inc. intends to use to repay existing indebtedness, (ii) to provide working capital to GXO and/or (iii) to pay fees, costs and expenses incurred in connection with the separation, distribution, such financing transactions and related transactions.

In connection with the issuance of the notes, GXO Logistics, Inc. entered into a registration rights agreement, pursuant to which GXO Logistics, Inc. agreed, for the benefit of the holders of the notes, to use commercially reasonable efforts to (i) file a registration statement on an appropriate registration form with respect to a registered offer to exchange each series of notes for new notes with terms substantially identical in all material respects to such series of notes (except that the exchange notes will not contain terms with respect to transfer restrictions or any increase in annual interest rate) and (ii) cause the registration statement to be declared effective under the Securities Act within 360 days of the issue date of the notes.

The foregoing description and the other information in this information statement regarding the notes is included in this information statement solely for informational purposes. Nothing in this information statement should be construed as an offer to sell, or the solicitation of an offer to buy, any such notes.

Revolving Credit Facility

In June 2021, GXO Logistics, Inc. entered a Revolving Credit Agreement with the lenders and other parties from time to time party thereto and Citibank, N.A., as administrative agent and an issuing lender (the "Revolving Credit Agreement").

The Revolving Credit Agreement is a five-year unsecured, multicurrency revolving facility. Initially, the aggregate commitment of all lenders under the Revolving Credit Agreement will be equal to $800 million, of which $60 million will be available for the issuance of letters of credit. The initial availability of revolving loans and letters of credit under the Revolving Credit Agreement is subject to the satisfaction (or waiver) of certain conditions set forth therein, including the consummation of the distribution (such date of initial availability, the "Closing Date").

On and following the Closing Date, GXO Logistics, Inc. may, subject to certain conditions set forth in the Revolving Credit Agreement, borrow, repay and reborrow revolving loans at any time prior to the fifth anniversary of the Closing Date. Revolving loans and letters of credit initially will be available, at the option of GXO Logistics, Inc., in U.S. dollars, Canadian dollars or Euros.

Loans under the Revolving Credit Agreement will bear interest at a fluctuating rate per annum equal to (i) with respect to borrowings in Dollars, at GXO Logistics, Inc.'s option the alternate base rate or the reserve adjusted LIBOR rate, (ii) with respect to borrowings in Canadian Dollars, the reserve adjusted CDOR rate and (iii) with respect to borrowings in Euros, the reserve adjusted EURIBOR rate, in each case, plus an applicable margin calculated based on GXO Logistics, Inc.'s credit ratings.

The Revolving Credit Agreement contains representations and warranties, affirmative and negative covenants and events of default customary for unsecured financings of this type, including negative covenants that, among other things, after the distribution, limit the ability of GXO Logistics, Inc. and its subsidiaries to incur liens, limit the ability of GXO Logistics, Inc. to make certain fundamental changes and limit the ability of certain of its subsidiaries to incur indebtedness, in each case subject to a number of important exceptions and qualifications. In addition, the Revolving Credit Agreement requires, after the distribution, GXO Logistics, Inc. to maintain a maximum consolidated leverage ratio.

Finance Leases

As of March 31, 2021, pro forma for the separation and distribution, GXO Logistics, Inc. and its subsidiaries had finance lease liabilities of $163 million.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Before the separation and distribution, all of the outstanding shares of GXO common stock will be owned beneficially and of record by XPO. Following the separation and distribution, GXO expects to have outstanding an aggregate of approximately [ ] shares of common stock based upon approximately [ ] shares of XPO common stock issued and outstanding on [ ], 2021, excluding treasury shares, assuming no exercise of XPO options and applying the distribution ratio.

Stock Ownership of Certain Beneficial Owners

The following table shows all holders known to GXO that are expected to be beneficial owners of more than 5% of the outstanding shares of GXO common stock immediately following the completion of the distribution, based on information available as of [ ], 2021 and based upon the assumption that, for every share of XPO common stock held by such persons, they will receive one share of GXO common stock.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
[ ]	[ ]	[ ]

Stock Ownership of Directors and Executive Officers

The following table shows the ownership or GXO common stock, deferred share units and deferred restricted share units expected to be beneficially owned by our directors, named executive officers, and our directors and current executive officers as a group immediately following the completion of the distribution, based on information available as of [ ], 2021 and based on the assumption that, for every share of XPO common stock held by such persons, they will receive one share of GXO common stock.

Name of Beneficial Owner	Shares of Common Stock(1)	Deferred Share Units(2)	Deferred Restricted Share Units(3)	Total
Brad Jacobs	[ ]	[ ]	[ ]	[ ]
Malcolm Wilson	[ ]	[ ]	[ ]	[ ]
Baris Oran	[ ]	[ ]	[ ]	[ ]
Maryclaire Hammond	[ ]	[ ]	[ ]	[ ]
Karlis Kirsis	[ ]	[ ]	[ ]	[ ]

(1) [ ]
(2) [ ]
(3) [ ]

DESCRIPTION OF CAPITAL STOCK

GXO's certificate of incorporation and bylaws will be amended and restated prior to the distribution. The following briefly summarizes the material terms of our capital stock that will be contained in our amended and restated certificate of incorporation and amended and restated bylaws. These summaries do not describe every aspect of these securities and documents and are subject to all the provisions of our amended and restated certificate of incorporation or amended and restated bylaws that will be in effect at the time of the distribution, and are qualified in their entirety by reference to these documents, which you should read (along with the applicable provisions of Delaware law) for complete information on our capital stock as of the time of the distribution. The amended and restated certificate of incorporation and amended and restated bylaws, each in a form expected to be in effect at the time of the distribution, will be included as exhibits to GXO's registration statement on Form 10, of which this information statement forms a part. We will include our amended and restated certificate of incorporation and amended and restated bylaws, as in effect at the time of the distribution, in a Current Report on Form 8-K filed with the SEC. The following also summarizes certain relevant provisions of the DGCL. Since the terms of the DGCL are more detailed than the general information provided below, you should read the actual provisions of the DGCL for complete information.

General

GXO's authorized capital stock will consist of 300,000,000 shares of common stock, par value $0.01 per share, and 10,000,000 shares of preferred stock, par value $0.01 per share.

Immediately following the distribution, we expect that approximately [ ] shares of our common stock will be issued and outstanding, based on approximately [ ] shares of XPO common stock issued and outstanding on [ ], 2021, and that no shares of our preferred stock will be issued and outstanding.

GXO's common stock is expected to be listed on the NYSE under the symbol "GXO."

Common Stock

Immediately following the distribution, we expect that approximately [ ] shares of our common stock will be issued and outstanding, all of which will be fully paid and non-assessable.

Common stockholders will be entitled to one vote for each share held on all matters submitted to a vote of stockholders. Except as otherwise required by law and except for director elections (see below), whenever any corporate action is to be taken, such action will be authorized by a majority of the votes cast at a meeting of stockholders by the stockholders entitled to vote thereon.

Common stockholders will be entitled to share equally in the dividends, if any, that may be declared by GXO's board of directors out of funds that are legally available to pay dividends, but only after payment of any dividends required to be paid on outstanding preferred stock, if any. Upon any voluntary or involuntary liquidation, dissolution or winding up of GXO, the common stockholders will be entitled to share ratably in all assets of GXO remaining after we pay all of our debts and other liabilities and any amounts we may owe to the holders of our preferred stock, if any.

Common stockholders will not have any preemptive, subscription, redemption or conversion rights. The rights, preferences and privileges of common stockholders will be subject to the rights of the stockholders of any series of preferred stock that we will or may designate and issue.

Delaware law and our amended and restated bylaws will permit us to issue uncertificated shares of common stock.

Preferred Stock

Pursuant to Delaware law and our amended and restated certificate of incorporation, our board of directors will have the authority, without further action by the stockholders, to issue shares of preferred stock in one or more series, and to fix the rights, preferences and privileges (including voting rights, dividend rights, conversion rights,

redemption privileges and liquidation preferences) of each series, which may be greater than the rights of the common stock.

Immediately following the distribution, we expect no shares of our preferred stock to be issued and outstanding.

Corporate Governance

We will institute strong corporate governance practices, as described below and elsewhere in this information statement. Responsible and appropriate corporate governance will ensure that our management always keeps stockholder interests in mind when crafting value-creating strategies at all levels of the organization.

Single Class Capital Structure. We will have a single class share capital structure with all stockholders entitled to vote for director nominees and each holder of common stock entitled to one vote per share.

Director Elections. The election of directors in an uncontested election will require the affirmative vote of a majority of the votes cast (the number of shares voted "for" a director's election exceeds fifty percent (50%) of the number of votes cast with respect to that director's election) by holders of shares of our common stock at the meeting at which a quorum is present. If any incumbent director standing for re-election receives a greater number of votes "against" his or her election than votes "for" such election, our amended and restated bylaws will require that such person promptly tender his or her resignation to our board of directors. Once an election is determined to be a contested election, directors will be elected by a plurality of the votes cast at the meeting at which a quorum is present.

Classified Board. As discussed further below, upon completion of the separation, we will have a classified board until 2025.

Majority Vote for Mergers and Other Business Combinations. Mergers and other business combinations involving GXO will generally be required to be approved by a majority of our outstanding shares of common stock where such stockholder approval is required.

Other Expected Corporate Governance Features. Governance features related to our board of directors are set forth in the section of this information statement captioned "Directors." In addition to the foregoing, it is expected that we will implement stock ownership guidelines for directors and senior executive officers, annual board performance evaluations, clawback and anti-hedging policies, prohibitions on option repricing in equity plans without stockholder approval, risk oversight procedures and other practices and protocols.

Anti-Takeover Effects of Various Provisions of Delaware Law, our Amended and Restated Certificate of Incorporation, and our Amended and Restated Bylaws

Provisions of the DGCL, our amended and restated certificate of incorporation and our amended and restated bylaws could make it more difficult to acquire GXO by means of a tender offer, a proxy contest or otherwise, or to remove incumbent officers and directors. These provisions, summarized below, are expected to discourage types of coercive takeover practices and inadequate takeover bids and to encourage persons seeking to acquire control of GXO to first negotiate with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure GXO outweigh the disadvantages of discouraging takeover or acquisition proposals because, among other things, negotiation of these proposals could result in an improvement of their terms.

Delaware Anti-Takeover Statute. Section 203 of the DGCL, an anti-takeover statute, generally prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years following the time the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner. A "business combination" generally includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. An "interested stockholder" generally is a person who, together with affiliates and associates, owns (or within three years prior to the determination of interested stockholder status did own) 15 percent or more of a corporation's voting stock. The existence of this

provision would be expected to have an anti-takeover effect with respect to transactions not approved in advance by our board of directors, including discouraging attempts that might result in a premium over the market price for the shares of common stock. A corporation may "opt out" of Section 203 of the DGCL in its certificate of incorporation. GXO will not "opt out" of, and will thus be subject to, Section 203 of the DGCL.

Classified Board. Upon completion of the separation, our board of directors will initially be divided into three classes, with Class I composed of [ ] directors, Class II composed of [ ] directors and Class III composed of [ ] directors. The directors designated as Class I directors will have terms expiring at the first annual meeting of stockholders following the distribution, which we expect to hold in 2022. The directors designated as Class II directors will have terms expiring at the following year's annual meeting of stockholders, which we expect to hold in 2023, and the directors designated as Class III directors will have terms expiring at the following year's annual meeting of stockholders, which we expect to hold in 2024. At the first annual meetings of stockholders following the distribution, the successors of Class I directors will be elected to serve for a term of three years each. Commencing with the second annual meeting of stockholders following the separation, directors for each class will be elected at the annual meeting of stockholders held in the year in which the term for that class expires and thereafter each director will serve for a term of one year and until his or her successor is duly elected and qualified, or until his or her earlier resignation or removal. Consequently, by 2025, all of our directors will stand for election each year for one year terms, and our board will therefore no longer be divided into three classes. Before our board of directors is declassified, it would take at least two elections of directors for any individual or group to gain control of our board of directors. Accordingly, while the classified board is in effect, these provisions could discourage a third-party from initiating a proxy contest, making a tender offer or otherwise attempting to gain control of our company.

Size of Board and Vacancies. Our amended and restated certificate of incorporation and bylaws will provide that the number of directors on our board of directors will be fixed exclusively by our board of directors. Our bylaws will also provide that the size of the board of directors will be not less than one nor more than twelve members. Any vacancies created in the board of directors resulting from any increase in the authorized number of directors or the death, resignation, retirement, disqualification, removal from office or other cause will be filled by a majority of the board of directors then in office, even if less than a quorum is present, or by a sole remaining director. Any director appointed to fill a vacancy on our board of directors will be appointed for a term expiring at the next annual meeting of stockholders, and until his or her successor has been elected and qualified.

Director Removal. Our amended and restated certificate of incorporation and/or bylaws will provide that (i) prior to the board being fully declassified, as discussed above, stockholders will be permitted to remove a director only for cause; and (ii) after the board has been fully declassified, stockholders may remove the Company's directors with or without cause. Removal will require the affirmative vote of at least a majority of the Company's voting stock.

Stockholder Action by Written Consent. Our amended and restated certificate of incorporation will expressly eliminate the right of our stockholders to act by written consent effective as of the distribution. Stockholder action must take place at the annual or at a special meeting of GXO stockholders.

Special Stockholder Meetings. Our amended and restated certificate of incorporation will provide that the Chairman of the board of directors or the board of directors pursuant to a resolution adopted by a majority of the entire board of directors may call special meetings of our stockholders. Stockholders may not call special meetings of stockholders.

Requirements for Advance Notification of Stockholder Nominations and Proposals. Our amended and restated certificate of incorporation will mandate that stockholder nominations for the election of directors be given in accordance with the bylaws. Our amended and restated bylaws will establish advance notice procedures with respect to stockholder proposals and nomination of candidates for election as directors as well as other requirements for stockholders making the proposals or nominations. Additionally, the bylaws will require that candidates for election as director disclose their qualifications and make certain representations.

No Cumulative Voting. The DGCL provides that stockholders are denied the right to cumulate votes in the election of directors unless a corporation's certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation will not provide for cumulative voting.

Undesignated Preferred Stock. Our amended and restated certificate of incorporation will authorize 10,000,000 shares of undesignated preferred stock. As a result, our board of directors will be permitted, without the approval of holders of our common stock, to issue shares of our preferred stock with super voting, special approval, dividend or other rights or preferences on a discriminatory basis that could impede the success of any attempt to acquire GXO. These and other provisions may have the effect of deferring, delaying or discouraging hostile takeovers or changes in control or management of GXO.

Limitation of Liability and Indemnification of Officers and Directors

The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties as directors, and our amended and restated certificate of incorporation will include such an exculpation provision. Our amended and restated certificate of incorporation and amended and restated bylaws will include provisions that indemnify, to the fullest extent allowable under the DGCL, the personal liability of directors or officers for monetary damages for actions taken as a director or officer of GXO, or for serving at our request as a director or officer or in another position at another corporation or enterprise, as the case may be. Our amended and restated certificate of incorporation and amended and restated bylaws will also provide that we must indemnify and advance expenses to our directors and officers, subject to our receipt of an undertaking from the indemnitee as may be required under the DGCL. We will also be expressly authorized to, and intend to, carry directors' and officers' insurance to protect GXO and our directors, officers, employees and agents from certain liabilities.

The limitation of liability and indemnification provisions that will be in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duties. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. We may be adversely affected to the extent that, in a class action or direct suit, we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

Authorized but Unissued Shares of Common Stock

Authorized but unissued shares of our common stock and preferred stock will be available for future issuance without approval by the holders of our common stock. We will be permitted to use additional shares for a variety of corporate purposes, including future public offerings to raise additional capital, employee benefit plans and as consideration for or to finance future acquisitions, investments or other purposes. The existence of authorized but unissued shares of our common stock and preferred stock could render more difficult or discourage an attempt to obtain control of GXO by means of a proxy contest, tender offer, merger or otherwise.

Exclusive Forum

Our amended and restated certificate of incorporation will provide that unless our board of directors otherwise determines, the state courts within the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware) will be the sole and exclusive forum for any derivative action or proceeding brought on behalf of GXO, any action asserting a claim for or based on a breach of a fiduciary duty owed by any current or former director or officer of GXO to GXO or to GXO stockholders, including a claim alleging the aiding and abetting of such a breach of fiduciary duty, any action asserting a claim against GXO or any current or former director or officer of GXO arising pursuant to any provision of the DGCL or our amended and restated certificate of incorporation or amended and restated bylaws, any action asserting a claim relating to or involving GXO governed by the internal affairs doctrine, or any action asserting an "internal corporate claim" as that term is defined in Section 115 of the DGCL.

Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. Accordingly,

both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation will further provide that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty of liability created by the Exchange Act or the rules and regulations thereunder, and as a result, the exclusive forum provision does not apply to actions arising under the Exchange Act or the rules and regulations thereunder. While the Delaware Supreme Court ruled in March 2020 that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court are "facially valid" under Delaware law, there is uncertainty as to whether other courts will enforce our federal forum provision described above. Our stockholders will not be deemed to have waived compliance with the federal securities laws and the rules and regulations thereunder.

Listing

We expect to list our shares of common stock on the NYSE under the symbol "GXO."

Sale of Unregistered Securities

On February 16, 2021, GXO issued 100 shares of its common stock to XPO for total consideration of $10. Pursuant to Section 4(a)(2) of the Securities Act, we did not register the issuance of the issued shares under the Securities Act because such issuance did not constitute a public offering.

Transfer Agent and Registrar

After the distribution, the transfer agent and registrar for our common stock will be Computershare.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form 10 with the SEC with respect to the shares of our common stock being distributed as contemplated by this information statement. This information statement is a part of, and does not contain all of the information set forth in, the registration statement and the exhibits and schedules to the registration statement. For further information with respect to GXO and GXO common stock, please refer to the registration statement, including its exhibits and schedules. Statements made in this information statement relating to any contract or other document filed as an exhibit to the registration statement include the material terms of such contract or other document. However, such statements are not necessarily complete, and you should refer to the exhibits attached to the registration statement for copies of the actual contract or document. You may review a copy of the registration statement, including its exhibits and schedules, on the internet website maintained by the SEC at *www.sec.gov*. **Information contained on or connected to any website referenced in this information statement is not incorporated into this information statement or the registration statement of which this information statement forms a part, or in any other filings with, or any information furnished or submitted to, the SEC**.

As a result of the distribution, GXO will become subject to the information and reporting requirements of the Exchange Act and, in accordance with the Exchange Act, will file periodic reports, proxy statements and other information with the SEC.

We intend to furnish holders of our common stock with annual reports containing combined financial statements prepared in accordance with U.S. generally accepted accounting principles and audited and reported on, with an opinion expressed, by an independent registered public accounting firm.

You should rely only on the information contained in this information statement or to which this information statement has referred you. We have not authorized any person to provide you with different information or to make any representation not contained in this information statement.

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Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors

XPO Logistics, Inc.:

Opinion on the Combined Financial Statements

We have audited the accompanying combined balance sheets of GXO Logistics, Inc. (the Company) as of December 31, 2020 and 2019, the related combined statements of operations, comprehensive income (loss), cash flow, and changes in equity for each of the years in the three-year period ended December 31, 2020, and the related notes (collectively, the combined financial statements). In our opinion, the combined financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

Change in Accounting Principle

As discussed in Note 7 to the combined financial statements, the Company changed its method of accounting for leases in 2019 due to the adoption of Accounting Standard Update (ASU) No. 2016-02, *Leases* and its related amendments (Topic 842).

Basis for Opinion

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

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

Critical Audit Matter

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

Assessment of the carrying value of goodwill

As discussed in Notes 2 and 8 to the combined financial statements of the Company, the goodwill balance as of December 31, 2020 was $2,063 million. The Company performs goodwill impairment testing annually, or more frequently if events or circumstances indicate the carrying value of a reporting unit that includes goodwill might exceed the fair value of that reporting unit. In assessing the carrying value of goodwill, the Company uses a third-party specialist, who uses a combination of an income approach and a market approach to estimate fair value. The

income approach is based on the present value of estimated future cash flows, discounted at a risk-adjusted rate to estimate the fair value of the Company's reporting units. The market approach is based on comparable market multiples for companies engaged in similar business, as well as recent transactions within the industry.

We identified the assessment of the carrying value of goodwill for each of the Company's two reporting units as a critical audit matter. Assessment of certain assumptions used to estimate fair value under the income approach, including the fair value model, long-term future growth rates, and the risk-adjusted discount rate, had estimation uncertainty which resulted in subjective auditor judgment and required specialized skills and knowledge. Additionally, assessment of the guideline public companies and transactions within the industry used to estimate fair value under the market approach required significant auditor judgment. Changes to these assumptions may have a significant effect on the Company's assessment of the carrying value of the goodwill.

The following are the primary procedures performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's goodwill impairment assessment process. This included controls related to the determination of the fair value of the reporting units, including the Company's estimate of long-term future growth rates, the assumptions used to develop the risk-adjusted discount rates, and the determination of the guideline public companies and transactions within the industry. We performed sensitivity analyses over the fair value model for long-term future growth rates to assess their impact on the Company's determination of the fair value of each reporting unit. We compared the Company's historical growth rate forecast to actual results to assess the Company's ability to accurately forecast. We involved valuation professionals with specialized skill and knowledge, who assisted in:

- comparing the valuation methodologies used by the Company to valuation standards
- comparing the Company's risk-adjusted discount rates to risk-adjusted discount rate ranges that were independently developed using publicly available third-party market data for comparable entities
- comparing the long-term growth rates to industry data, economic growth data, and long-term growth rates used by the Company in prior years' valuation analyses
- evaluating the guideline public companies and transactions used by the Company by reading the business descriptions, examining financial metrics of the comparable public companies and transactions within the industry, and considering market participant guidance and perspective.

/s/ KPMG LLP

We have served as the Company's auditor since 2021.

Stamford, Connecticut

March 19, 2021

GXO Logistics, Inc.

Combined Balance Sheets

(In millions)	December 31, 2020	December 31, 2019
ASSETS		
Current assets		
Cash and cash equivalents	$ 328	$ 200
Accounts receivable, net of allowances of $18 and $20, respectively	1,224	1,069
Other current assets	284	219
Total current assets	1,836	1,488
Long-term assets		
Property and equipment, net of $922 and $685 in accumulated depreciation, respectively	770	742
Operating lease assets	1,434	1,458
Goodwill	2,063	1,984
Identifiable intangible assets, net of $373 and $302 in accumulated amortization, respectively	299	343
Other long-term assets	146	136
Total long-term assets	4,712	4,663
Total assets	$ 6,548	$ 6,151
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	$ 415	$ 413
Accrued expenses	784	609
Short-term borrowings and current finance lease liabilities	58	31
Short-term operating lease liabilities	332	336
Other current liabilities	149	94
Total current liabilities	1,738	1,483
Long-term liabilities		
Long-term debt and finance lease liabilities	615	642
Deferred tax liability	54	85
Long-term operating lease liabilities	1,099	1,124
Other long-term liabilities	94	120
Total long-term liabilities	1,862	1,971
Equity		
XPO investment	2,765	2,633
Accumulated other comprehensive income (loss)	58	(66)
Total equity before noncontrolling interests	2,823	2,567
Noncontrolling interests	125	130
Total equity	2,948	2,697
Total liabilities and equity	$ 6,548	$ 6,151

See accompanying notes to combined financial statements.

GXO Logistics, Inc.

Combined Statements of Operations

(In millions)	Years Ended December 31, 2020	2019	2018
Revenue	$ 6,195	$ 6,094	$ 6,065
Direct operating expense	5,169	5,112	5,117
Sales, general and administrative expense	611	514	528
Depreciation and amortization expense	323	302	261
Transaction and integration costs	47	1	9
Restructuring costs	29	15	7
Operating income	16	150	143
Other income	(2)	(1)	(13)
Interest expense	24	33	30
Income (loss) before income taxes	(6)	118	126
Income tax provision	16	37	36
Net income (loss)	(22)	81	90
Net income attributable to noncontrolling interests	(9)	(21)	(20)
Net income (loss) attributable to GXO	$ (31)	$ 60	$ 70

See accompanying notes to combined financial statements.

GXO Logistics, Inc.

Combined Statements of Comprehensive Income (Loss)

(In millions)	Years Ended December 31, 2020	2019	2018
Net income (loss)	$ (22)	$ 81	$ 90
Other comprehensive income (loss), net of tax			
Foreign currency translation gain (loss), net of tax effect of $(3), $3 and $(1)	$ 129	$ (13)	$ (89)
Unrealized gain (loss) on financial assets/liabilities designated as hedging instruments, net of tax effect of $—, $— and $3	2	—	(7)
Defined benefit plans adjustment, net of tax effect of $—, $— and $—	1	1	(1)
Other comprehensive income (loss)	132	(12)	(97)
Comprehensive income (loss)	$ 110	$ 69	$ (7)
Less: Comprehensive income attributable to noncontrolling interests	17	23	3
Comprehensive income (loss) attributable to GXO	$ 93	$ 46	$ (10)

See accompanying notes to combined financial statements.

GXO Logistics, Inc.

Combined Statements of Cash Flow

(In millions)	Years Ended December 31, 2020	2019	2018
Operating activities			
Net income (loss)	$ (22)	$ 81	$ 90
Adjustments to reconcile net income (loss) to net cash from operating activities			
Depreciation, amortization and net lease activity	323	302	261
Other	(2)	38	20
Changes in assets and liabilities			
Accounts receivable	(122)	(173)	39
Other assets	4	51	(64)
Accounts payable	(13)	(41)	(39)
Accrued expenses and other liabilities	165	(113)	28
Net cash provided by operating activities	333	145	335
Investing activities			
Payment for purchases of property and equipment	(222)	(222)	(270)
Proceeds from sale of property and equipment	12	15	30
Cash collected on deferred purchase price receivable	—	112	—
Purchase and sale of affiliate trade receivables, net	(40)	(52)	—
Other	(30)	—	—
Net cash used in investing activities	(280)	(147)	(240)
Financing activities			
Proceeds from borrowings related to current trade securitization program	24	—	—
Repayment of debt and finance leases	(123)	(376)	(139)
Purchase of noncontrolling interests	(21)	(258)	—
Net proceeds related to secured borrowing activity on prior securitization program	—	261	47
Net transfers from XPO	168	278	65
Other	19	(7)	(11)
Net cash provided by (used in) financing activities	67	(102)	(38)
Effect of exchange rates on cash, cash equivalents and restricted cash	8	3	(11)
Net increase (decrease) in cash, cash equivalents and restricted cash	128	(101)	46
Cash, cash equivalents and restricted cash, beginning of year	200	301	255
Cash, cash equivalents and restricted cash, end of year	$ 328	$ 200	$ 301
Supplemental disclosure of cash flow information:			
Cash paid for interest	$ 32	$ 29	$ 33
Cash paid for income taxes	$ 27	$ 40	$ 21

See accompanying notes to combined financial statements.

GXO Logistics, Inc.

Combined Statements of Changes in Equity

For the Three Years Ended December 31, 2020, 2019 and 2018

(In millions)	XPO Investment	Accumulated Other Comprehensive Income (Loss)	Equity Before Noncontrolling Interests	Non-controlling Interests	Total Equity
Balance as of December 31, 2017	$ 2,202	$ 28	$ 2,230	$ 311	$ 2,541
Net income	70	—	70	20	90
Other comprehensive loss	—	(80)	(80)	(17)	(97)
Net transfers from XPO	40	—	40	—	40
Balance as of December 31, 2018	$ 2,312	$ (52)	2,260	$ 314	$ 2,574
Net income	60	—	60	21	81
Other comprehensive income (loss)	—	(14)	(14)	2	(12)
Purchase of noncontrolling interests	(3)	—	(3)	(255)	(258)
Other	(7)	—	(7)	(2)	(9)
Net transfers from XPO	271	—	271	50	321
Balance as of December 31, 2019	$ 2,633	$ (66)	$ 2,567	$ 130	$ 2,697
Net income (loss)	(31)	—	(31)	9	(22)
Other comprehensive income	—	124	124	8	132
Purchase of noncontrolling interests	(1)	—	(1)	(20)	(21)
Net transfers from XPO	164	—	164	(2)	162
Balance as of December 31, 2020	$ 2,765	$ 58	$ 2,823	$ 125	$ 2,948

See accompanying notes to combined financial statements.

GXO Logistics, Inc.

Notes to Combined Financial Statements

Years Ended December 31, 2020, 2019 and 2018

1. Organization

Nature of Operations

We are a leading global provider of logistics services, with operations primarily in North America and Europe. We provide high-value-add warehousing and distribution, order fulfillment and other supply chain services differentiated by our ability to deliver technology-enabled, customized solutions. In addition, we are a major provider of reverse logistics, which is also called returns management. We serve a broad range of customers in the e-commerce and retail, food and beverage, consumer packaged goods, aerospace, consumer technology, manufacturing and other industries. We present our operations in the Combined Financial Statements as one reportable segment.

The Proposed Distribution

In December 2020, the board of directors of our parent company, XPO Logistics, Inc. (together with its subsidiaries, "XPO"), unanimously approved a plan to pursue a spin-off of 100% of its Logistics segment as a separate publicly traded company named GXO Logistics, Inc. ("GXO", the "Company" or "we"). The spin-off is expected to be completed through a tax-free pro rata distribution of all the outstanding shares of common stock of GXO (the "Distribution") to XPO shareholders. GXO's stock is expected to trade on the New York Stock Exchange. Completion of the transaction, is subject to a number of conditions including the approval of XPO's board of directors, in its sole and absolute discretion. References to GXO or the Company include the subsidiaries of XPO that will be subsidiaries of GXO at the time of the Distribution.

2. Basis of Presentation and Significant Accounting Policies

Basis of Presentation

The combined financial statements of GXO were prepared on a standalone basis and have been derived from the consolidated financial statements and accounting records of XPO. These financial statements reflect the combined historical results of operations, financial position and cash flows of GXO in accordance with U.S. generally accepted accounting principles ("GAAP").

Historically, separate financial statements have not been prepared for the Company and it has not operated as a standalone business separate from XPO. The combined financial statements include certain assets and liabilities that have historically been held by XPO or by other XPO subsidiaries but are specifically identifiable or otherwise attributable to the Company. All significant intercompany transactions between XPO and the Company have been included as components of XPO investment in the combined financial statements, as they are to be considered effectively settled upon effectiveness of the Distribution. The combined financial statements are presented as if the GXO businesses had been combined for all periods presented. The assets and liabilities in the combined financial statements have been reflected on a historical cost basis, as immediately prior to the Distribution all of the assets and liabilities presented are wholly owned by XPO and are being transferred to GXO at a carry-over basis.

The Combined Balance Sheets include certain assets and liabilities directly attributable to GXO, and the Combined Statements of Operations include allocations of XPO costs and expenses, as described below.

XPO's corporate function ("Corporate") incurs a variety of expenses including, but not limited to, information technology, human resources, accounting, sales and sales operations, procurement, executive services, legal, corporate finance and communications. For purposes of the Combined Statements of Operations, an allocation of these expenses is included to burden all business units comprising XPO's historical operations. The charges reflected have either been specifically identified or allocated using drivers including proportional adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"), which includes adjustments for

transaction and integration costs, as well as restructuring costs and other adjustments, or headcount. The majority of these allocated costs are recorded in SG&A and Depreciation and amortization expense in the Combined Statements of Operations. We believe the assumptions regarding allocations of XPO corporate expenses are reasonable. Nevertheless, the combined financial statements may not reflect the combined results of operations, financial position and cash flows had the Company been a standalone entity during the periods presented.

Direct operating expenses are comprised of both fixed and variable expenses and consist of operating costs related to our logistics facilities, including personnel costs, facility and equipment expenses, such as rent, utilities, equipment maintenance and repair, transportation costs, costs of materials and supplies and information technology expenses. SG&A, including the allocated costs of XPO, primarily consists of salary and benefit costs for executive and certain administration functions, professional fees, facility costs not related to our logistics facilities, bad debt expense and legal costs. We report depreciation and amortization expense as a separate line within operating income on our Combined Statements of Operations.

XPO investment represents XPO's historical investment in GXO, and includes the net effects of transactions with and allocations from XPO as well as GXO's accumulated earnings. Certain transactions between GXO and XPO, including XPO's non-GXO subsidiaries, have been included in these combined financial statements, and are considered to be effectively settled at the time the transaction is recorded. The total net effect of the cash settlement of these transactions is reflected in the Combined Statements of Cash Flows as a financing activity and in the Combined Balance Sheets as XPO investment. The components of the net transfers to and from XPO include certain costs allocated from Corporate functions, income tax expense, certain cash receipts and payments made on behalf of GXO and general financing activities.

Principles of Combination

The combined financial statements include the accounts and business activities distributed across the legal entities of GXO. Significant intercompany balances and transactions among the operations of the GXO legal entities have been eliminated in the combined financial statements. All significant related party transactions between GXO and XPO have been included in these combined financial statements as components of XPO investment. The preparation of the combined financial statements in accordance with GAAP requires us to make estimates and assumptions that impact the amounts reported and disclosed in our combined financial statements and the accompanying notes. We prepared these estimates based on the most current and best available information, but actual results could differ materially from these estimates and assumptions, particularly in light of the outbreak of a strain of coronavirus, COVID-19. COVID-19 has had, and we expect will continue to have, significant effects on economic activity, on demand for our services, and on our results of operations in 2021.

We have a controlling financial interest in entities generally when we own a majority of the voting interest. The noncontrolling interests reflected in our combined financial statements primarily relate to a minority interest in XPO Logistics Europe SA ("XPO Logistics Europe"), a business XPO acquired in 2015. As described in Note 3—Purchases of Noncontrolling Interest, XPO purchased portions of the noncontrolling interests in both 2020 and 2019. Following these acquisitions, the noncontrolling interest was approximately 3% and 5% of XPO Logistics Europe at December 31, 2020 and 2019, respectively.

Significant Accounting Policies

Revenue Recognition

We recognize revenue when we transfer control of promised products or services to customers in an amount equal to the consideration we expect to receive for those products or services.

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when the performance obligation is satisfied.

We generate revenue by providing supply chain services for our customers, including warehousing and distribution, order fulfillment, reverse logistics, packaging and labeling, factory and aftermarket support and inventory management contracts ranging from a few months to a few years. Our performance obligations are satisfied over time as customers receive and consume the benefits of our services. The contracts generally contain a single performance obligation as the distinct services provided remain substantially the same over time and possess the same pattern of transfer. The transaction price is based on the amount specified in the contract with the customer and contains fixed and variable components. In general, the fixed component of a contract represents reimbursement for facility and equipment costs incurred to satisfy the performance obligation and is recognized on a straight-line basis over the term of the contract. The variable component is comprised of cost reimbursement determined based on the costs incurred, while per-unit pricing is determined based on units provided, and time and materials pricing is determined based on the hours of services provided. The variable component is recognized based on the level of activity.

Generally, we can adjust our pricing based on contractual provisions related to achieving agreed-upon performance metrics, changes in volumes, services and market conditions. Revenue relating to these pricing adjustments is estimated and included in the consideration if it is probable that a significant revenue reversal will not occur in the future. The estimate of variable consideration is determined by the expected value or most likely amount method and factors in current, past and forecasted experience with the customer. Customers are billed based on terms specified in the revenue contract, and they pay us according to approved payment terms.

Contract Costs

In connection with setting up a customer warehouse, we incur incremental expenditures to fulfill the customer contract, such as designing the warehouse. These expenditures are capitalized to the extent they are recoverable from the expected margin in the contract and will help us satisfy future performance obligations. Conversely, costs which the company incurs as it delivers services and satisfies its performance obligations are expensed as incurred.

Cash, Cash Equivalents and Restricted Cash

We consider all highly liquid investments with an original maturity of three months or less on the date of purchase to be cash equivalents. Treasury activities at XPO are generally centralized, while certain balances are managed locally, except as noted below. To the extent cash and cash equivalents are legally owned by GXO, they are reflected in the combined financial statements.

Our European subsidiaries use a centralized notional pooling approach to cash management and the financing of their operations. To the extent additional financing is required, XPO, including its affiliates, funds the European subsidiaries' operating and investing activities. This arrangement is not reflective of the manner in which the Company would have financed its operations had it been a standalone business separate from XPO during the periods presented. All cash management accounts and transactions are reflected in the Combined Balance Sheets as cash and cash equivalents and in the Combined Statements of Cash Flows as operating activities. For our European subsidiaries, none of the cash and cash equivalents or debt at the corporate level has been assigned to the Company in the Combined Financial Statements. Under the notional pooling arrangements, since there is no immediate contractual obligation for us to cover any negative cash positions of these pooling arrangements related to other members, including other XPO affiliates, no obligation or guarantee to cover any such negative cash positions has been included in the Combined Balance Sheets.

Accounts Receivable and Allowance for Doubtful Accounts

We record accounts receivable at the contractual amount, and we record an allowance for doubtful accounts for the amount we estimate we may not collect. In determining the allowance for doubtful accounts, we consider historical collection experience, the age of the accounts receivable balances, the credit quality and risk of our customers, any specific customer collection issues, current economic conditions, and other factors that may impact our customers' ability to pay. Commencing in 2020 and as discussed further below, we also consider reasonable and supportable forecasts of future economic conditions and their expected impact on customer collections in determining our allowance for doubtful accounts. We write off accounts receivable balances once the receivables are no longer deemed collectible.

The roll-forward of the allowance for doubtful accounts was as follows:

(In millions)	Years Ended December 31, 2020	2019	2018
Beginning balance	$ 20	$ 11	$ 8
Provision charged to expense	8	13	5
Write-offs, less recoveries, and other adjustments	(10)	(4)	(2)
Ending balance	$ 18	$ 20	$ 11

Trade Receivables Securitization and Factoring Programs

We sell certain of our trade accounts receivable on a non-recourse basis to third-party financial institutions under factoring agreements. We account for these transactions as sales of receivables and present cash proceeds as cash provided by operating activities in the Combined Statements of Cash Flows. We also sell certain European trade accounts receivable under a securitization program described below. We use trade receivables securitization and factoring programs to help manage our cash flows and offset the impact of extended payment terms for some of our customers.

XPO Logistics Europe, one of our majority-owned subsidiaries, participates in a trade receivables securitization program co-arranged by three European banks (the “Purchasers”). Under the program, a wholly-owned bankruptcy-remote special purpose entity of XPO Logistics Europe sells trade receivables that originate with wholly-owned subsidiaries of XPO Logistics Europe to unaffiliated entities managed by the Purchasers. The special purpose entity is a variable interest entity and has been presented within these combined financial statements based on our control of the entity’s activities.

We account for transfers under our securitization and factoring arrangements as sales because we sell full title and ownership in the underlying receivables and control of the receivables is considered transferred. For these transfers, the receivables are removed from our Combined Balance Sheets at the date of transfer. In the securitization and factoring arrangements, our continuing involvement is limited to servicing the receivables. The fair value of any servicing assets and liabilities is immaterial. In addition to selling trade receivables which originate with GXO, the special purpose entity also purchases trade receivables from XPO and sells assets to the Purchasers. The trade receivables which have been purchased from XPO have been reflected within Other current assets in the Combined Balance Sheets, and the related cash flows have been reflected within Purchase and sale of affiliate trade receivables, net, within investing activities in the Combined Statements of Cash Flows. See Note 10—Debt for additional information related to our receivables securitization secured borrowing program and these borrowings.

Under a prior securitization program that was terminated in July 2019, we accounted for transfers as either sales or secured borrowings based on an evaluation of whether control has transferred. For the transfers that did not meet the criteria for surrender of control, the transaction was accounted for as a secured borrowing. These secured borrowings were repaid when the program was terminated. For transfers that were accounted for as sales, the consideration received included a simultaneous cash payment and a deferred purchase price receivable. The cash payment which we received on the date of the transfer was reflected within Net cash provided by operating activities on our Combined Statement of Cash Flows. As we received cash payments on the deferred purchase price receivable, it was reflected as an investing activity. The current program does not include a deferred purchase price mechanism.

Information related to the trade receivables sold was as follows:

(In millions)	Years Ended December 31, 2020	2019	2018
Securitization programs			
Receivables sold in period	$ 1,491	$ 1,023	$ 146
Cash consideration	1,491	943	113
Deferred purchase price	—	80	33
Factoring programs			
Receivables sold in period	612	794	612
Cash consideration	611	790	609

Property and Equipment

We generally record property and equipment at cost, or in the case of acquired property and equipment, at fair value at the date of acquisition. Maintenance and repair expenditures are charged to expense as incurred. For internally-developed computer software, all costs incurred during planning and evaluation are expensed as incurred. Costs incurred during the application development stage are capitalized and included in property and equipment. Capitalized software also includes the fair value of acquired internally-developed technology.

We compute depreciation expense on a straight-line basis over the estimated useful lives of the assets as follows:

	Estimated Useful Life
Buildings and leasehold improvements	Term of lease to 40 years
Machinery, equipment and other	3 to 15 years
Computer software and equipment	1 to 6 years

Leases

We determine if an arrangement is a lease at inception. We recognize operating lease right-of-use assets and liabilities at the lease commencement date based on the estimated present value of the lease payments over the lease term. For most of our leases, the implicit rate cannot be readily determined and, as a result, we use the incremental borrowing rates of XPO based on the information available at commencement date to determine the present value of future lease payments. This rate is determined from a hypothetical yield curve that takes into consideration market yield levels of XPO's relevant debt outstanding as well as the index that matches XPO's credit rating, and then adjusts as if the borrowings were collateralized.

We include options to extend or terminate a lease in the lease term when we are reasonably certain to exercise such options. We exclude variable lease payments (such as payments based on an index or reimbursements of lessor costs) from our initial measurement of the lease liability. We recognize leases with an initial term of 12 months or less as lease expense over the lease term, and those leases are not recorded on our Combined Balance Sheets. We account for lease and non-lease components within a contract as a single lease component for our real estate leases. For additional information on our leases, see Note 7—Leases.

Segment Reporting

We evaluated segment reporting in accordance with Accounting Standards Codification ("ASC") 280–Segment Reporting. We concluded that GXO is comprised of two operating segments based on the operating results regularly reviewed by the chief operating decision maker ("CODM") to make decisions about resource allocation and the performance of the business. These two operating segments have been aggregated into a single reporting segment.

Goodwill

We measure goodwill as the excess of consideration transferred over the fair value of net assets acquired in business combinations that were pushed down to GXO. We allocate goodwill to our reporting units for the purpose of impairment testing. We evaluate goodwill for impairment annually, or more frequently if an event or circumstance indicates an impairment loss may have been incurred. We measure goodwill impairment, if any, as the amount by which a reporting unit's carrying amount exceeds its fair value, not to exceed the carrying amount of goodwill. We have two reporting units.

For our 2020 and 2019 goodwill assessments, we performed a quantitative analysis for both of our reporting units using a combination of income and market approaches, with the assistance of a third-party valuation specialist. As of August 31, 2020 and 2019, we completed our annual impairment tests for goodwill with both of our reporting units having fair values in excess of their carrying values, resulting in no impairment of goodwill.

The income approach of determining fair value is based on the present value of estimated future cash flows, discounted at an appropriate risk-adjusted rate. We use our internal forecasts to estimate future cash flows and include an estimate of long-term future growth rates based on our most recent views of the long-term outlook for our business. The market approach of determining fair value is based on comparable market multiples for companies engaged in similar businesses, as well as recent transactions within our industry.

Intangible Assets

Our intangible assets subject to amortization consist of customer relationships. We review long-lived assets to be held-and-used for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. An asset is considered to be impaired if the sum of the undiscounted expected future cash flows over the remaining useful life of a long-lived asset group is less than its carrying amount. An impairment loss is measured as the amount by which the carrying amount of the asset group exceeds the fair value of the asset. We estimate fair value using the expected future cash flows discounted at a rate consistent with the risks associated with the recovery of the asset. We amortize intangible assets on a straight-line basis or on a basis consistent with the pattern in which the economic benefits are realized. The estimated useful life for customer relationships ranges from 5 to 15 years.

Other Long-Term Assets

Other long-term assets include contract assets, primarily comprised of deferred contract-related costs, deposits, miscellaneous long-term receivable balances and other deferred assets.

Accrued Expenses

The components of accrued expenses as of December 31, 2020 and 2019 are as follows:

	As of December 31,	
(In millions)	**2020**	**2019**
Accrued salaries and wages	$ 317	$ 252
Accrued transportation and facility charges	259	218
Accrued value-added tax and other taxes	141	87
Other accrued expenses	67	52
Total accrued expenses	$ 784	$ 609

Contract Liabilities

Contract liabilities represents our obligation to transfer services to a customer for which we have received consideration, or the amount is due, from the customer. Contract liabilities are included in other current liabilities on our Combined Balance Sheets.

Self-Insurance

We participate in a combination of self-insurance programs and purchased insurance that are managed by XPO to provide for the costs of medical, casualty, liability, vehicular, cargo and workers' compensation claims. XPO periodically evaluates our level of insurance coverage and adjusts our insurance levels based on risk tolerance and premium expense.

Liabilities for the risks we retain, including estimates of claims incurred but not reported, are not discounted and are estimated, in part, by considering historical cost experience, demographic and severity factors, and judgments about current and expected levels of cost per claim and retention levels. Changes in these assumptions and factors can impact actual costs paid to settle the claims and those amounts may be different than estimates.

Advertising Costs

Advertising costs are expensed as incurred.

Accumulated Other Comprehensive Income (Loss)

The components of and changes in accumulated other comprehensive income (loss) ("AOCI"), net of tax for the years ended December 31, 2020 and 2019, are as follows:

(In millions)	Foreign Currency Translation Adjustments	Derivative Hedges	Defined Benefit Plans Liability	Less: AOCI Attributable to Noncontrolling Interests	AOCI Attributable to GXO
As of December 31, 2018	$ (55)	$ (2)	$ (3)	$ 8	$ (52)
Other comprehensive income (loss)	(13)	—	1	(2)	(14)
As of December 31, 2019	(68)	(2)	(2)	6	(66)
Other comprehensive income (loss)	129	2	1	(8)	124
As of December 31, 2020	$ 61	$ —	$ (1)	$ (2)	$ 58

Income Taxes

During the periods presented in the Combined Financial Statements, the operations of the Company were included in the consolidated U.S. federal and certain state and local and foreign income tax returns filed by XPO, where applicable. Income tax expense and other income tax related information contained in the Combined Financial Statements are presented on a separate return basis as if the Company had filed its own tax returns. As a result, actual tax transactions included in the consolidated financial statements of XPO may not be included in the combined financial statements. Similarly, the tax treatment of certain items reflected in the combined financial statements may not be reflected in the consolidated financial statements and tax returns of XPO. Therefore, portions of items such as net operating losses ("NOLs"), credit carryforwards, other deferred taxes, and valuation allowances may exist in the combined financial statements that may or may not exist in XPO's consolidated financial statements and vice versa. In addition, although deferred tax assets have been recognized for NOLs and tax credits in accordance with the separate return method, certain NOLs and credits will not carry over with the Company in connection with the Distribution. The income taxes of the Company as presented in the Combined Financial Statements may not be indicative of the income taxes that the Company will incur in the future. In jurisdictions where the Company has been included in tax returns filed by XPO, any income tax receivables or payables resulting from the related income tax provisions have been reflected in the Combined Balance Sheets within XPO investment.

We adopted the separate return approach for the purpose of presenting the Combined Financial Statements, including the income tax provisions (benefits) and the related deferred tax assets and liabilities. The historic operations of the Company reflect a separate return approach for each jurisdiction in which the Company had a presence and XPO filed a tax return.

We account for income taxes using the asset and liability method on a legal entity and jurisdictional basis, under which we recognize the amount of taxes payable or refundable for the current year and deferred tax assets and

liabilities for the future tax consequences of events that have been recognized in our financial statements or tax returns. Our calculation relies on several factors, including pre-tax earnings, differences between tax laws and accounting rules, statutory tax rates, tax credits, uncertain tax positions, and valuation allowances. We use judgment and estimates in evaluating our tax positions. Valuation allowances are established when, in our judgment, it is more likely than not that our deferred tax assets will not be realized based on all available evidence. We record Global Intangible Low-Taxed Income ("GILTI") tax as a period cost. We recognize tax benefits from uncertain tax positions only if (based on the technical merits of the position) it is more likely than not that the tax positions will be sustained on examination by the tax authority. We adjust these tax liabilities, including related interest and penalties, based on the current facts and circumstances. We report tax-related interest and penalties as a component of income tax expense.

Foreign Currency Translation and Transactions

The assets and liabilities of our foreign subsidiaries that use their local currency as their functional currency are translated to U.S. dollars ("USD") using the exchange rate prevailing at each balance sheet date, with balance sheet currency translation adjustments recorded in AOCI on our Combined Balance Sheets. The assets and liabilities of our foreign subsidiaries whose local currency is not their functional currency are remeasured from their local currency to their functional currency and then translated to USD. The results of operations of our foreign subsidiaries are translated to USD using average exchange rates prevailing for each period presented.

We convert foreign currency transactions recognized on our Combined Statements of Operations to USD by applying the exchange rate prevailing on the date of the transaction. Gains and losses arising from foreign currency transactions and the effects of remeasuring monetary assets and liabilities are recorded in Other income in our Combined Statements of Operations and were not material for any of the periods presented.

We use a loan designated as a net investment hedge to hedge our exposure to foreign exchange risk on our investments in foreign subsidiaries. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized as OCI while any gains or losses relating to the ineffective portion are recognized in the Statements of Operations. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the Statements of Operations.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The levels of inputs used to measure fair value are:

- Level 1—Quoted prices for identical instruments in active markets;
- Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable in active markets; and
- Level 3—Valuations based on inputs that are unobservable, generally utilizing pricing models or other valuation techniques that reflect management's judgment and estimates.

We base our fair value estimates on market assumptions and available information. The carrying values of cash and cash equivalents, accounts receivable, financial assets purchased from XPO, accounts payable, accrued expenses and current maturities of long-term debt approximated their fair values as of December 31, 2020 and 2019 due to their short-term nature and/or being receivable or payable on demand. The Level 1 cash equivalents include money market funds valued using quoted prices in active markets.

The fair value of cash equivalents approximates its carrying value and amounted to $54 million and $25 million, respectively, for the years ended December 31, 2020 and 2019. The cash equivalents are classified as Level 1 within the fair value hierarchy.

Stock-Based Compensation

XPO's compensation programs include grants of stock-based compensation awards to directors, officers and key employees under XPO's share-based payment programs. These awards include stock options, restricted stock units, performance-based units, cash incentive awards and other equity-related awards. Our Combined Statements of Operations include all of the share-based payment expenses directly attributable to GXO, as well as an allocation of any related XPO Corporate costs. Our stock-based compensation expense is recorded in SG&A on our Combined Statements of Operations and is not material for the years ending December 31, 2020, 2019 and 2018.

We account for stock-based compensation based on the equity instrument's grant date fair value. For grants of restricted stock units ("RSUs") subject to service-based or performance-based vesting conditions only, we establish the fair value based on the market price of XPO's stock on the date of the grant. For grants of RSUs subject to market-based vesting conditions, the fair value is established using the Monte Carlo simulation lattice model.

We recognize the grant date fair value of equity awards as compensation cost over the requisite service period. We recognize expense for our performance-based restricted stock units ("PRSUs") over the awards' requisite service period based on the number of awards expected to vest with consideration to the actual and expected financial results. We do not recognize expense until achievement of the performance targets for a PRSU award is considered probable.

Related-Party Transactions

Transactions between the Company and XPO and other subsidiaries, are deemed related-party transactions. Related-party transactions are comprised of the following: (i) those that have been effectively settled or are expected to be settled for cash, and (ii) those which have historically not been settled and which have or are expected to be forgiven by either party. For those that have been or are expected to be cash settled, we have recorded related-party receivables (assets) or payables (liabilities) in the Combined Balance Sheets as of December 31, 2020 and 2019. For those that have been or are expected to be forgiven, the amounts have been recorded as an adjustment of XPO Investment in the Combined Balance Sheets as of December 31, 2020 and 2019.

Adoption of New Accounting Standards

In June 2016, the Financial Accounting Standards Board ("FASB") issued ASU 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments." The ASU, as subsequently modified, amends the incurred losses impairment method with a method that reflects expected credit losses on certain types of financial instruments, including trade receivables. We adopted this standard on January 1, 2020. The adoption did not have a material effect on our combined financial statements.

In August 2018, the FASB issued ASU 2018-15, "Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract." The ASU aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. Under the guidance, any capitalized implementation costs would be included in prepaid expenses, amortized over the term of the hosting arrangement on a straight-line basis and presented in the same line items in the Combined Statements of Operations as the expense for fees of the associated hosting arrangements. We adopted this standard on January 1, 2020 on a prospective basis. The adoption did not have a material effect on our combined financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)". The core principle of ASU 2016-02 is that a lessee should recognize on its Combined Balance Sheets the assets and liabilities that arise from leases, including operating leases. Under the new requirements, a lessee recognizes on the balance sheet the right-of-use asset representing the right to use the underlying asset and the lease liability representing the present value of future lease payments. We utilized a comprehensive approach to assess the impact of ASU 2016-02 on our financial statements and related disclosures. In particular, we completed a robust review of our lease portfolio and enhanced our internal controls, including those related to the identification, monitoring of, measurement and disclosure of our

lease portfolio. For additional information on our leases, see Note 7—Leases. We adopted ASU 2016-02 and its related amendments (Topic 842) on January 1, 2019.

Accounting Pronouncements Issued but Not Yet Effective

In December 2019, the FASB issued ASU 2019-12, "Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes." The ASU is intended to simplify the accounting for income taxes by removing certain exceptions to the general principles in Topic 740. The ASU also clarifies and amends existing guidance to enhance consistency and comparability among reporting entities. We adopted this standard on January 1, 2021 on a prospective basis. The adoption did not have a material effect on our combined financial statements.

In March 2020, the FASB issued ASU 2020-04, "Reference rate reform (Topic 848): Facilitation of the effects of reference rate reform on financial reporting." The ASU provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform. The amendments apply only to contracts and hedging relationships that reference London Interbank Offered Rate ("LIBOR") or another reference rate expected to be discontinued due to reference rate reform. The amendments are elective and are effective upon issuance through December 31, 2022. We are currently evaluating the impact of the new guidance.

3. Purchases of Noncontrolling Interest

In the third quarter of 2020 and fourth quarter of 2019, we purchased shareholders' noncontrolling interests in XPO Logistics Europe for €17 million (approximately $21 million) and €234 million (approximately $258 million), respectively. The portion of the purchased noncontrolling interest which is not attributable to GXO has been recorded as a transfer to the XPO investment account.

4. Revenue Recognition

Disaggregation of Revenues

We disaggregate our revenue by geographic area. Our revenue disaggregated by geographical area, based on sales office location, was as follows:

	Years Ended December 31,		
(In millions)	**2020**	**2019**	**2018**
Revenue			
United States	$ 2,221	$ 2,338	$ 2,195
United Kingdom	1,526	1,385	1,437
France	643	652	687
Europe (excluding France and United Kingdom)	1,654	1,582	1,585
Other	151	137	161
Total	$ 6,195	$ 6,094	$ 6,065

Our revenue by industry sector was approximately as follows: e-commerce/retail (39%, 37% and 37% for 2020, 2019 and 2018, respectively); food and beverage (13%, 15% and 15% for 2020, 2019 and 2018, respectively); consumer packaged goods (13%, 12% and 12% for 2020, 2019 and 2018, respectively); consumer technology (11% for 2020, 2019 and 2018, respectively); and other (24%, 25% and 25% for 2020, 2019 and 2018, respectively).

Contract Liabilities

Our contract liabilities activity was as follows:

(In millions)	
Balance as of December 31, 2018	$ 63
Revenue recognized	(56)
Unearned revenue and other	65
Balance as of December 31, 2019	72
Revenue recognized	(86)
Unearned revenue and other	111
Balance as of December 31, 2020	$ 97

Performance Obligations

Remaining performance obligations relate to firm customer contracts for which services have not been performed and future revenue recognition is expected. As permitted in determining the remaining performance obligation, we omit obligations that (i) have original expected durations of one year or less or (ii) contain variable consideration. On December 31, 2020, the fixed consideration component of our remaining performance obligation was approximately $1.5 billion, and we expect to recognize approximately 75% of that amount over the next three years and the remainder thereafter. We estimate remaining performance obligations at a point in time and actual amounts may differ from these estimates due to changes in foreign currency exchange rates and contract revisions or terminations.

5. Restructuring Charges

We engage in restructuring actions as part of our ongoing efforts to best use our resources and infrastructure, including actions in response to COVID-19. These actions generally include severance and facility-related costs, including impairment of operating lease assets, and are intended to improve our efficiency and profitability.

Our severance related activity was as follows:

(In millions)	
Balance as of December 31, 2018	$ 5
Charges incurred	15
Payments	(8)
Foreign exchange and other	(1)
Balance as of December 31, 2019	$ 11
Charges incurred	29
Payments	(16)
Foreign exchange and other	(4)
Balance as of December 31, 2020	$ 20

We expect the majority of the cash outlays related to the charges incurred in 2020 will be complete within twelve months. The majority of the cash outlays related to the charges incurred in 2019 were substantially complete by the end of 2020.

6. Property and Equipment

The following table summarizes our property and equipment:

(In millions)	December 31, 2020	December 31, 2019
Property and equipment		
Land	$ 6	$ 5
Buildings and leasehold improvements	273	270
Machinery, equipment and other	914	749
Computer software and equipment	499	403
	1,692	1,427
Less: accumulated depreciation and amortization	(922)	(685)
Total property and equipment, net	$ 770	$ 742
Net book value of capitalized internally-developed software included in property and equipment, net	$ 84	$ 92

Depreciation of property and equipment and amortization of computer software was $262 million, $236 million and $190 million for the years ended December 31, 2020, 2019 and 2018, respectively. As of December 31, 2020 and 2019, we held long-lived tangible assets outside of the U.S. of $359 million and $336 million, respectively.

7. Leases

Adoption of Topic 842, "Leases"

On January 1, 2019, we adopted Topic 842 prospectively through a cumulative-effect adjustment with no restatement of prior period financial statements. Beginning in 2019, net operating lease activity, including the reduction of the operating lease asset and the accretion of the operating lease liability, are reflected in Depreciation, amortization and net lease activity on our Combined Statements of Cash Flows. The adoption of Topic 842 did not have a material impact on our Combined Statements of Operations and our Combined Statements of Cash Flows.

Nature of Leases

Most of our leases are real estate leases. In addition, we lease trucks, trailers, containers and material handling equipment. The components of our lease expense were as follows:

(In millions)	Years Ended December 31, 2020	Years Ended December 31, 2019
Operating leases:		
Operating lease cost	$ 532	$ 500
Short-term lease cost	55	57
Variable lease cost	65	65
Total lease cost	$ 652	$ 622
Finance leases:		
Amortization of leased assets	$ 24	$ 12
Interest on lease liabilities	4	2
Total lease cost	$ 28	$ 14
Total operating and finance lease cost	$ 680	$ 636

Supplemental balance sheet information related to leases was as follows:

(In millions)	December 31, 2020	December 31, 2019
Operating leases:		
Operating lease assets	$ 1,434	$ 1,458
Short-term operating lease liabilities	$ 332	$ 336
Operating lease liabilities	1,099	1,124
Total operating lease liabilities	$ 1,431	$ 1,460
Finance leases:		
Property and equipment, gross	$ 199	$ 128
Accumulated depreciation	(49)	(27)
Property and equipment, net	$ 150	$ 101
Short-term borrowings and current maturities of long-term debt	$ 31	$ 11
Long-term debt	127	84
Total finance lease liabilities	$ 158	$ 95
Weighted-average remaining lease term		
Operating leases	5.7 years	5.7 years
Finance leases	11.4 years	11.0 years
Weighted-average discount rate		
Operating leases	4.4 %	4.7 %
Finance leases	4.6 %	5.3 %

Supplemental cash flow information related to leases was as follows:

(In millions)	Years Ended December 31, 2020	Years Ended December 31, 2019
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	$ 556	$ 505
Operating cash flows for finance leases	4	2
Financing cash flows for finance leases	17	11
Leased assets obtained in exchange for new lease obligations:		
Operating leases	392	478
Finance leases	38	51

Property and equipment acquired through capital leases was $38 million for the year ended December 31, 2018. Additionally, non-cash investing activities for the year ended December 31, 2019 included $39 million of property and equipment additions for build-to-suit leases.

Maturities of lease liabilities as of December 31, 2020 were as follows:

(In millions)	Finance Leases	Operating Leases
2021	$ 34	$ 381
2022	33	339
2023	28	266
2024	21	190
2025	15	143
Thereafter	75	313
Total lease payments	$ 206	$ 1,632
Less: interest	(48)	(201)
Present value of lease liabilities	$ 158	$ 1,431

As of December 31, 2020, we had additional operating leases that have not yet commenced with future undiscounted lease payments of $143 million. These operating leases will commence in 2021 through 2022 with initial lease terms of 2 years to 10 years.

Rent expense was $566 million for the year ended December 31, 2018.

8. Goodwill

(In millions)	
Goodwill as of December 31, 2018	$ 1,989
Impact of foreign exchange translation	(5)
Goodwill as of December 31, 2019	1,984
Impact of foreign exchange translation	79
Goodwill as of December 31, 2020	$ 2,063

There are no cumulative goodwill impairments as of December 31, 2020.

9. Intangible Assets

The following table summarizes our identifiable intangible assets:

	December 31, 2020		December 31, 2019	
(In millions)	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Definite-lived intangible assets				
Customer relationships	$ 672	$ 373	$ 645	$ 302

We did not recognize any impairment of our identified intangible assets in 2020, 2019 and 2018.

Estimated future amortization expense for amortizable intangible assets for the next five years and thereafter is as follows:

(In millions)	2021	2022	2023	2024	2025	Thereafter
Estimated amortization expense	$ 54	$ 49	$ 42	$ 39	$ 36	$ 79

Actual amounts of amortization expense may differ from forecasted amounts due to changes in foreign currency exchange rates, additional intangible asset acquisitions, future impairment of intangible assets, accelerated amortization of intangible assets and other events.

Intangible asset amortization expense was $61 million, $65 million and $71 million for the years ended December 31, 2020, 2019 and 2018, respectively.

10. Debt

The following table summarizes our debt:

	December 31, 2020		December 31, 2019	
(In millions)	Principal Balance	Carrying Value	Principal Balance	Carrying Value
Borrowings related to current trade securitization program	$ 26	$ 26	$ —	$ —
Finance leases and other	161	161	117	117
Related-party debt	486	486	556	556
Total debt	673	673	673	673
Short-term borrowings and current finance lease liabilities	58	58	31	31
Long-term debt	$ 615	$ 615	$ 642	$ 642

The fair value of our debt and classification in the fair value hierarchy was as follows:

(In millions)	Fair Value	Level 1	Level 2	Level 3
December 31, 2020	$ 673	$ 2	$ 185	$ 486
December 31, 2019	673	3	114	556

We valued Level 1 debt using quoted prices in active markets. We valued Level 2 debt using bid evaluation pricing models or quoted prices of securities with similar characteristics. We valued Level 3 debt using non-observable inputs.

Our principal payment obligations on debt (excluding finance leases) for the next five years and thereafter were as follows:

(In millions)	2021	2022	2023	2024	2025	Thereafter
Principal payments on debt	$ 26	$ 1	$ 1	$ 351	$ —	$ 136

Trade Securitization Program

As discussed in Note 2—Basis of Presentation and Significant Accounting Policies, XPO Logistics Europe participates in a trade receivables securitization program. Under the program, a wholly-owned bankruptcy-remote special purpose entity of XPO Logistics Europe sells trade receivables that originate with wholly-owned subsidiaries of XPO Logistics Europe to unaffiliated entities managed by the Purchasers. The special purpose entity is a variable interest entity and is combined by GXO based on our control of the entity's activities. The program will expire in July 2022 and contains financial covenants customary for this type of arrangement, including maintaining a defined average days sales outstanding ratio. In 2019, XPO Logistics Europe terminated a prior trade receivables securitization program and paid off the notes associated with that program, which had been included in our debt balances.

Our current trade receivables securitization program permits us to borrow, on an unsecured basis, cash collected in a servicing capacity on previously sold receivables. These borrowings are owed to the program's Purchasers and are included in short-term debt until they are repaid in the following month's settlement. These borrowings amounted to €21 million ($26 million) as of December 31, 2020.

The maximum amount of net cash proceeds available at any one time under the current program, inclusive of any unsecured borrowings, is €400 million (approximately $489 million as of December 31, 2020). As of December 31, 2020, €75 million (approximately $92 million) was available under the program, subject to having sufficient receivables available to sell to the Purchasers. The weighted average interest rate was 0.62% as of December 31, 2020. Charges for commitment fees, which are based on a percentage of available amounts, and charges for administrative fees were not material to our results of operations for the years ended December 31, 2020, 2019 and 2018.

Long-Term Related-Party Debt

Loan Agreement with North American Subsidiary

In 2015, XPO entered into a loan agreement with a North American subsidiary of GXO, under which XPO granted the subsidiary an unsecured loan bearing interest at a rate of 5.625% with a principal amount not exceeding $391 million and maturing in June 2024. As of December 31, 2020 and 2019, the Company had an outstanding loan payable to XPO of $186 million and $230 million, respectively. The notes are guaranteed by an XPO affiliate.

Loan Agreements with European Subsidiaries

Additionally, XPO entered into several loan agreements with European subsidiaries of GXO, under which XPO granted the subsidiaries unsecured loans with principal amounts of:

- €20 million (approximately $24 million as of December 31, 2020) entered in 2013 bearing interest at a variable rate of twelve-month Euribor plus 1% and maturing in October 2026;
- £82 million (approximately $111 million as of December 31, 2020) entered in 2016 bearing interest at a variable rate of twelve-month Libor plus 1% and maturing in October 2026; and
- 22 PLN million entered in 2018 bearing interest at a fixed rate of 5.625% and maturing in April 2023.

As of December 31, 2020 and 2019, the outstanding amounts related to these loans payable to XPO were $135 million and $136 million, respectively.

Additionally, in 2015, XPO entered into a loan agreement under which it granted XPO Logistics Europe a loan in the amount of €335 million, bearing interest at a fixed rate of 5.625% and maturing in June 2024. The loan payable was $165 million and $189 million at December 31, 2020 and 2019, respectively.

11. Employee Benefit Plans

Defined Benefit Pension Plans

XPO sponsors both funded and unfunded defined benefit pension plans in which GXO's U.S. subsidiaries are one of a number of companies that participate. These pension plans include qualified plans that are eligible for beneficial treatment under the Internal Revenue Code and non-qualified plans that provide additional benefits for employees who are impacted by limitations on compensation eligible for benefits available under the qualified plans. XPO also sponsors a defined benefit pension plan for some of our employees in the United Kingdom. Both the U.S. plans and the U.K. plan do not allow for new plan participants or additional benefit accruals. XPO also maintains defined benefit pension plans for some of our foreign subsidiaries that are immaterial for disclosure purposes.

The U.S. plans and the U.K. plan are accounted for as multi-employer benefits plans in these combined financial statements, and the Combined Balance Sheets do not reflect any assets or liabilities related to these plans. Required funding has been made by XPO. Net periodic benefit income related to these plans is not material for the years ended December 31, 2020, 2019 and 2018.

Certain current and former employees of European subsidiaries of GXO participate in a defined benefit plan sponsored by a related-party. Historical contributions to the plan sponsor to cover administrative expenses have been immaterial. These combined financial statements do not reflect any pension income or expense from this plan as historically there have been no distributions to or contributions by our European subsidiaries.

Defined Contribution Retirement Plans

XPO additionally sponsors qualified defined contribution plans, in which GXO is one of a number of companies that participate. Contributions for employees of GXO for the years ended December 31, 2020, 2019, and 2018 were $14 million, $14 million, and $12 million, respectively. The majority of the expense is recorded in Direct operating expense in the Combined Statements of Operations.

Postretirement Medical Plan

XPO also sponsors a postretirement medical plan that provides health benefits to certain employees who are at least 55 years of age with at least 10 years of service (the "Postretirement Plan"). The Postretirement Plan does not provide employer-subsidized retiree medical benefits for employees hired on or after January 1, 1993. Our costs related to this plan were not material for the years ended December 31, 2020, 2019 and 2018.

12. Income Taxes

The tax provisions have been prepared on a separate return basis as if GXO was a separate group of companies under common ownership. The operations have been combined as if GXO was filing on a combined basis for U.S. federal, U.S. state and non-U.S. income tax purposes, where allowable by law. GXO is subject to regulation under a wide variety of U.S. federal, U.S. state and non-U.S. tax laws, regulations and policies. Additionally, our European subsidiaries are subject to regulation under a wide variety of European tax laws, regulations and policies. Changes to these laws or regulations may affect our tax liability, return on investments and business operations.

Income (loss) before taxes related to our U.S. and foreign operations was as follows:

	Years Ended December 31,		
(In millions)	**2020**	**2019**	**2018**
U.S.	$ (82)	$ 16	$ 33
Foreign	76	102	93
Income (loss) before income tax provision	$ (6)	$ 118	$ 126

The income tax provision (benefit) is comprised of the following:

	Years Ended December 31,		
(In millions)	**2020**	**2019**	**2018**
Current:			
U.S. federal	$ (2)	$ 2	$ (4)
State	(1)	1	(1)
Foreign	45	36	37
Total current income tax provision	$ 42	$ 39	$ 32
Deferred:			
U.S. federal	$ (16)	$ 2	$ 7
State	(5)	(4)	5
Foreign	(5)	—	(8)
Total deferred income tax provision (benefit)	$ (26)	$ (2)	$ 4
Total income tax provision	$ 16	$ 37	$ 36

The tax expense reconciliations were as follows:

	Years Ended December 31,		
	2020	2019	2018
Tax expense at U.S. federal statutory tax rate	$ (1)	$ 25	$ 27
State taxes, net of U.S. federal benefit	(5)	(2)	3
Foreign rate differential	(3)	(1)	—
Foreign operations[(1)]	20	10	11
Contribution- and margin-based taxes	6	6	6
Valuation allowances	—	—	(4)
Changes in uncertain tax positions	1	—	(3)
Stock-based compensation	1	—	1
Other	(3)	(1)	(5)
Total income tax provision	$ 16	$ 37	$ 36

(1) Foreign operations include the net impact of changes to valuation allowances, the cost of inclusion of foreign income in the U.S. net of foreign taxes, and permanent items related to foreign operations.

Components of the Net Deferred Tax Asset or Liability

The tax effects of temporary differences that give rise to significant portions of the deferred tax asset and deferred tax liability were as follows:

	Years Ended December 31,	
(In millions)	2020	2019
Deferred tax asset		
Net operating loss and other tax attribute carryforwards	$ 126	$ 106
Accrued expenses	20	5
Pension and other retirement obligations	7	10
Other	2	11
Total deferred tax asset	155	132
Valuation allowances	(73)	(56)
Total deferred tax asset, net	82	76
Deferred tax liability		
Intangible assets	(89)	(97)
Property and equipment	(42)	(54)
Other	(5)	(6)
Total deferred tax liability	(136)	(157)
Net deferred tax liability	$ (54)	$ (81)

The deferred tax asset and deferred tax liability above are reflected on our Combined Balance Sheets as follows:

	December 31,	
(In millions)	2020	2019
Other long-term assets	$ —	$ 4
Deferred tax liability	(54)	(85)
Net deferred tax liability	$ (54)	$ (81)

Investments in Foreign Subsidiaries

As a result of the Tax Cuts and Jobs Act, the Company has decided to apply a partial indefinite reversal assertion to pre-2018 earnings and profits that have been invested back into the foreign businesses. The Company has also decided not to apply an indefinite reversal assertion on all 2018 and future years' earnings and profits.

Operating Loss and Tax Credit Carryforwards

Our operating loss and tax credit carryforwards were as follows:

(In millions)	Expiration Date	December 31, 2020	December 31, 2019
Federal net operating losses for all U.S. operations (including those of minority owned subsidiaries)	2033 - 2037[1]	$ 154	$ 120
Tax effect (before federal benefit) of state net operating losses	Various times starting in 2021[1]	2	—
Federal tax credit carryforwards	Various times starting in 2037[1]	1	1
State tax credit carryforward	Various times starting in 2021[1]	7	6
Foreign net operating losses available to offset future taxable income	Various times starting in 2021[1]	346	327

(1) Some credits and losses have unlimited carryforward periods.

Valuation Allowances

We established valuation allowances for some of our deferred tax assets, as it is more likely than not that these assets will not be realized in the foreseeable future. We concluded that the remaining deferred tax assets will more likely than not be realized, though this is not assured, and as such no valuation allowances have been provided on these assets.

The balances and activity related to our valuation allowances were as follows:

(In millions)	Beginning Balance	Additions	Reductions	Ending Balance
2020	$ 56	$ 17	$ —	$ 73
2019	45	11	—	56
2018	40	5	—	45

Unrecognized Tax Benefits

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

(In millions)	Years Ended December 31, 2020	2019	2018
Beginning balance	$ 3	$ 3	$ 6
Additions for tax positions of prior years	1	—	—
Reductions for tax positions of prior years	—	—	(3)
Reductions due to the statute of limitations	(1)	—	—
Ending balance	3	3	3
Interest and penalties	1	1	1
Gross unrecognized tax benefits	$ 4	$ 4	$ 4
Total unrecognized tax benefits that, if recognized, would impact the effective income tax rate as of the end of the year	$ 3	$ 3	$ 3

We could reflect a reduction to unrecognized tax benefits of $3 million over the next 12 months due to the statute of limitations lapsing on positions or because tax positions are sustained on audit.

We are subject to taxation in the United States and various states and foreign jurisdictions. As of December 31, 2020, we have no tax years under examination by the IRS. We have various U.S. state and local examinations and non-U.S. examinations in process. The U.S. federal tax returns after 2008, state and local returns after 2012, and non-U.S. returns after 2009 are open under relevant statutes of limitations and are subject to audit.

13. Commitments and Contingencies

We are involved, and will continue to be involved, in numerous proceedings arising out of the conduct of our business. These proceedings may include personal injury claims arising from the transportation and handling of goods, contractual disputes and employment-related claims, including alleged violations of wage and hour laws.

We establish accruals for specific legal proceedings when it is considered probable that a loss has been incurred and the amount of the loss can be reasonably estimated. We review and adjust accruals for loss contingencies quarterly and as additional information becomes available. If a loss is not both probable and reasonably estimable, or if an exposure to loss exists in excess of the amount accrued, we assess whether there is at least a reasonable possibility that a loss, or additional loss, may have been incurred. If there is a reasonable possibility that a loss, or additional loss, may have been incurred, we disclose the estimate of the possible loss or range of loss if it is material and an estimate can be made, or disclose that such an estimate cannot be made. The determination as to whether a loss can reasonably be considered to be possible or probable is based on our assessment, together with legal counsel, regarding the ultimate outcome of the matter.

We believe that we have adequately accrued for the potential impact of loss contingencies that are probable and reasonably estimable. We do not believe that the ultimate resolution of any matters to which we are presently a party will have a material adverse effect on our results of operations, financial condition or cash flows. However, the results of these matters cannot be predicted with certainty, and an unfavorable resolution of one or more of these matters could have a material adverse effect on our financial condition, results of operations or cash flows. Legal costs incurred related to these matters are expensed as incurred.

XPO carries liability and excess umbrella insurance policies that are deemed sufficient to cover potential legal claims arising in the normal course of conducting our operations as a logistics company. In the event we are required to satisfy a legal claim outside the scope of the coverage provided by insurance, our financial condition, results of operations or cash flows could be negatively impacted.

14. Related-Party Transactions

Transactions between the Company and XPO, and other non-GXO subsidiaries, are deemed related-party transactions.

Allocation of General Corporate Expenses

The Combined Statements of Operations include expenses for certain centralized functions and other programs provided and/or administered by XPO that are charged directly to the Company. In addition, for purposes of preparing these Combined Financial Statements, a portion of XPO's total corporate expenses have been allocated to the Company. See Note 2 for a discussion of the methodology used to allocate corporate-related costs for purposes of preparing these combined financial statements.

Costs of $223 million, $166 million and $129 million for the years ended December 31, 2020, 2019 and 2018, respectively, have been reflected in SG&A and Other income in our Combined Statements of Operations for our allocated share of XPO's corporate overhead.

Transactions with XPO and its non-GXO Subsidiaries

Revenue and costs generated from related parties for each of the three years ended December 31 were as follows:

	Years Ended December 31,		
(In millions)	**2020**	**2019**	**2018**
Revenue	$ 7	$ 10	$ 10
Costs	115	148	123

Current assets includes trade receivables purchased from XPO in connection with our trade receivables securitization program of $105 million and $65 million as of December 31, 2020 and 2019, respectively. These receivables were originated by XPO and are classified as financial assets within other current assets on the combined balance sheets.

Balances with XPO and its non-GXO Subsidiaries

Assets and liabilities on the Combined Balance Sheets include the following related-party amounts that are expected to be cash settled as of December 31, 2020 and 2019:

	Years Ended December 31,	
(In millions)	**2020**	**2019**
Amounts due from XPO and its affiliates		
Trade receivables[(1)]	$ 9	$ 11
Other current assets[(2)]	2	2
Other long-term assets[(3)]	53	53
Amounts due to XPO and its affiliates		
Trade payables[(4)]	20	27
Other current liabilities[(5)]	11	11
Accrued expenses[(6)]	2	2
Loans payable[(7)]	486	556

(1) Represents trade receivables generated from revenue with XPO.
(2) Primarily relates to interest receivable from loans receivable from XPO.
(3) Represents loans receivable from XPO.
(4) Represents trade payables due to XPO.
(5) Primarily relates to facility expense and taxes payable due to XPO.
(6) Represents accrued interest on loans due to XPO.
(7) Represents loans due to XPO. See Note 10 for further information.

15. Subsequent Events

Acquisition

In January 2021, XPO Logistics Europe acquired the majority of Kuehne + Nagel's contract logistics operations in the United Kingdom and Ireland, which generated annual revenues in 2020 of approximately £450 million ($585 million). The operations provide a range of logistics services, including inbound and outbound distribution, reverse logistics management and inventory management.

GXO Logistics, Inc.

Condensed Combined Balance Sheets

(Unaudited)

(In millions)	March 31, 2021	December 31, 2020
ASSETS		
Current assets		
Cash and cash equivalents	$ 414	$ 328
Accounts receivable, net of allowances of $12 and $18, respectively	1,293	1,224
Other current assets	327	284
Total current assets	2,034	1,836
Long-term assets		
Property and equipment, net of $962 and $922 in accumulated depreciation, respectively	815	770
Operating lease assets	1,733	1,434
Goodwill	2,048	2,063
Identifiable intangible assets, net of $382 and $373 in accumulated amortization, respectively	307	299
Other long-term assets	183	146
Total long-term assets	5,086	4,712
Total assets	$ 7,120	$ 6,548
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	$ 480	$ 415
Accrued expenses	877	784
Short-term borrowings and current finance lease liabilities	32	58
Short-term operating lease liabilities	379	332
Other current liabilities	126	149
Total current liabilities	1,894	1,738
Long-term liabilities		
Long-term debt and finance lease liabilities	586	615
Deferred tax liability	65	54
Long-term operating lease liabilities	1,367	1,099
Other long-term liabilities	165	94
Total long-term liabilities	2,183	1,862
Equity		
XPO investment	2,903	2,765
Accumulated other comprehensive income	16	58
Total equity before noncontrolling interests	2,919	2,823
Noncontrolling interests	124	125
Total equity	3,043	2,948
Total liabilities and equity	$ 7,120	$ 6,548

See accompanying notes to condensed combined financial statements.

GXO Logistics, Inc.

Condensed Combined Statements of Operations

(Unaudited)

(In millions)	Three Months Ended March 31, 2021	2020
Revenue	$ 1,822	$ 1,440
Direct operating expense	1,520	1,203
Sales, general and administrative expense	171	142
Depreciation and amortization expense	79	76
Transaction and integration costs	18	17
Restructuring costs	4	—
Operating income	30	2
Other income	(1)	(1)
Interest expense	5	7
Income (loss) before income taxes	26	(4)
Income tax provision	9	6
Net income (loss)	17	(10)
Net income attributable to noncontrolling interests	(3)	(2)
Net income (loss) attributable to GXO	$ 14	$ (12)

See accompanying notes to condensed combined financial statements.

GXO Logistics, Inc.

Condensed Combined Statements of Comprehensive Loss

(Unaudited)

(In millions)	Three Months Ended March 31, 2021	2020
Net income (loss)	$ 17	$ (10)
Other comprehensive loss, net of tax		
Foreign currency translation loss, net of tax effect of $3 and $(2)	$ (45)	$ (79)
Unrealized loss on financial assets/liabilities designated as hedging instruments, net of tax effect of $(1) and $—	(1)	—
Other comprehensive loss	(46)	(79)
Comprehensive loss	$ (29)	$ (89)
Less: Comprehensive loss attributable to noncontrolling interests	(1)	(2)
Comprehensive loss attributable to GXO	$ (28)	$ (87)

See accompanying notes to condensed combined financial statements.

GXO Logistics, Inc.

Condensed Combined Statements of Cash Flow

(Unaudited)

(In millions)	Three Months Ended March 31, 2021	2020
Operating activities		
Net income (loss)	$ 17	$ (10)
Adjustments to reconcile net income (loss) to net cash from operating activities		
Depreciation, amortization and net lease activity	79	76
Other	4	(10)
Changes in assets and liabilities		
Accounts receivable	3	77
Other assets	(65)	(47)
Accounts payable	(17)	(31)
Accrued expenses and other liabilities	26	(14)
Net cash provided by operating activities	47	41
Investing activities		
Payment for purchases of property and equipment	(67)	(48)
Proceeds from sale of property and equipment	—	3
Purchase and sale of affiliate trade receivables, net	20	8
Other	9	—
Net cash used in investing activities	(38)	(37)
Financing activities		
Net proceeds (borrowings) related to trade securitization program	(25)	84
Repayment of debt and finance leases	(26)	(62)
Net transfers from XPO	138	55
Other	(7)	4
Net cash provided by financing activities	80	81
Effect of exchange rates on cash, cash equivalents and restricted cash	(3)	(13)
Net increase in cash, cash equivalents and restricted cash	86	72
Cash, cash equivalents, and restricted cash, beginning of period	328	200
Cash, cash equivalents, and restricted cash, end of period	$ 414	$ 272
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 5	$ 6
Cash paid for income taxes	$ 6	$ 4

See accompanying notes to condensed combined financial statements.

GXO Logistics, Inc.

Condensed Combined Statements of Changes in Equity

(Unaudited)

(In millions)	XPO Investment	Accumulated Other Comprehensive Income (Loss)	Equity Before Noncontrolling Interests	Non-controlling Interests	Total Equity
Balance as of December 31, 2020	$ 2,765	$ 58	$ 2,823	$ 125	$ 2,948
Net income	$ 14	$ —	$ 14	$ 3	$ 17
Other comprehensive loss	$ —	$ (42)	$ (42)	$ (4)	$ (46)
Net transfers from XPO	$ 124	$ —	$ 124	$ —	$ 124
Balance as of March 31, 2021	$ 2,903	$ 16	$ 2,919	$ 124	$ 3,043

(In millions)	XPO Investment	Accumulated Other Comprehensive Income (Loss)	Equity Before Noncontrolling Interests	Non-controlling Interests	Total Equity
Balance as of December 31, 2019	$ 2,633	$ (66)	$ 2,567	$ 130	$ 2,697
Net income (loss)	(12)	—	(12)	2	(10)
Other comprehensive loss	—	(75)	(75)	(4)	(79)
Net transfers from XPO	67	—	67	—	67
Balance as of March 31, 2020	$ 2,688	$ (141)	$ 2,547	$ 128	$ 2,675

See accompanying notes to condensed combined financial statements.

GXO Logistics, Inc.

Notes to Condensed Combined Financial Statements

(Unaudited)

1. Organization

Nature of Operations

We are a leading global provider of logistics services, with operations primarily in North America and Europe. We provide high-value-add warehousing and distribution, order fulfillment and other supply chain services differentiated by our ability to deliver technology-enabled, customized solutions. In addition, we are a major provider of reverse logistics, which is also called returns management. We serve a broad range of customers in the e-commerce and retail, food and beverage, consumer packaged goods, aerospace, consumer technology, manufacturing and other industries. We present our operations in the Condensed Combined Financial Statements as one reportable segment.

The Proposed Distribution

In December 2020, the board of directors of our parent company, XPO Logistics, Inc. (together with its subsidiaries, "XPO"), unanimously approved a plan to pursue a spin-off of 100% of its Logistics segment as a separate publicly traded company named GXO Logistics, Inc. ("GXO", the "Company" or "we"). The spin-off is expected to be completed through a tax-free pro rata distribution of all the outstanding shares of common stock of GXO (the "Distribution") to XPO shareholders. GXO's stock is expected to trade on the New York Stock Exchange. Completion of the transaction, is subject to a number of conditions including the approval of XPO's board of directors, in its sole and absolute discretion. References to GXO or the Company include the subsidiaries of XPO that will be subsidiaries of GXO at the time of the Distribution.

2. Basis of Presentation

The Condensed Combined Financial Statements of GXO were prepared on a standalone basis and have been derived from the consolidated financial statements and accounting records of XPO. These financial statements reflect the combined historical results of operations, financial position and cash flows of GXO in accordance with U.S. generally accepted accounting principles ("GAAP").

Historically, separate financial statements have not been prepared for the Company and it has not operated as a standalone business separate from XPO. The combined financial statements include certain assets and liabilities that have historically been held by XPO or by other XPO subsidiaries but are specifically identifiable or otherwise attributable to the Company. All significant intercompany transactions between XPO and the Company have been included as components of XPO investment in the combined financial statements, as they are to be considered effectively settled upon effectiveness of the Distribution. The Condensed Combined Financial Statements are presented as if the GXO businesses had been combined for all periods presented. The assets and liabilities in the Condensed Combined Financial Statements have been reflected on a historical cost basis, as immediately prior to the Distribution all of the assets and liabilities presented are wholly owned by XPO and are being transferred to GXO at a carry-over basis.

The Condensed Combined Balance Sheets include certain assets and liabilities directly attributable to GXO, and the Condensed Combined Statements of Operations include allocations of XPO costs and expenses, as described below.

XPO's corporate function ("Corporate") incurs a variety of expenses including, but not limited to, information technology, human resources, accounting, sales and sales operations, procurement, executive services, legal, corporate finance and communications. For purposes of the Condensed Combined Statements of Operations, an allocation of these expenses is included to burden all business units comprising XPO's historical operations. The charges reflected have either been specifically identified or allocated using drivers including proportional adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"), which includes adjustments for

transaction and integration costs, as well as restructuring costs and other adjustments, or headcount. The majority of these allocated costs are recorded in SG&A and Depreciation and amortization expense in the Condensed Combined Statements of Operations. We believe the assumptions regarding allocations of XPO corporate expenses are reasonable. Nevertheless, the Condensed Combined Financial Statements may not reflect the combined results of operations, financial position and cash flows had the Company been a standalone entity during the periods presented.

XPO investment represents XPO's historical investment in GXO, and includes the net effects of transactions with and allocations from XPO as well as GXO's accumulated earnings. Certain transactions between GXO and XPO, including XPO's non-GXO subsidiaries, have been included in these Condensed Combined Financial Statements, and are considered to be effectively settled at the time the transaction is recorded. The total net effect of the cash settlement of these transactions is reflected in the Condensed Combined Statements of Cash Flows as a financing activity and in the Condensed Combined Balance Sheets as XPO investment. The components of the net transfers to and from XPO include certain costs allocated from Corporate functions, income tax expense, certain cash receipts and payments made on behalf of GXO and general financing activities.

Principles of Combination

The Condensed Combined Financial Statements include the accounts and business activities distributed across the legal entities of GXO. Significant intercompany balances and transactions among the operations of the GXO legal entities have been eliminated in the Condensed Combined Financial Statements. All significant related party transactions between GXO and XPO have been included in these Condensed Combined Financial Statements as components of XPO investment. The Condensed Combined Financial Statements reflect all adjustments that are of a normal recurring nature and are necessary for a fair presentation of financial condition, operating results and cash flows for the interim periods presented. Operating results for the three months ended March 31, 2021 and 2020 are not necessarily indicative of the results that may be expected for the year ending December 31, 2021 and 2020, respectively, particularly in light of the outbreak of a strain of coronavirus, COVID-19, in the first quarter of 2020.

Significant Accounting Policies

Trade Receivables Securitization and Factoring Programs

We sell certain of our trade accounts receivable on a non-recourse basis to third-party financial institutions under factoring agreements. We account for these transactions as sales of receivables and present cash proceeds as cash provided by operating activities in the Condensed Combined Statements of Cash Flows. We also sell certain European trade accounts receivable under a securitization program described below. We use trade receivables securitization and factoring programs to help manage our cash flows and offset the impact of extended payment terms for some of our customers.

XPO Logistics Europe, one of our majority-owned subsidiaries, participates in a trade receivables securitization program co-arranged by three European banks (the "Purchasers"). Under the program, a wholly-owned bankruptcy-remote special purpose entity of XPO Logistics Europe sells trade receivables that originate with wholly-owned subsidiaries of XPO Logistics Europe to unaffiliated entities managed by the Purchasers. The special purpose entity is a variable interest entity and has been presented within these combined financial statements based on our control of the entity's activities.

We account for transfers under our securitization and factoring arrangements as sales because we sell full title and ownership in the underlying receivables and control of the receivables is considered transferred. For these transfers, the receivables are removed from our Condensed Combined Balance Sheets at the date of transfer. In the securitization and factoring arrangements, our continuing involvement is limited to servicing the receivables. The fair value of any servicing assets and liabilities is immaterial. In addition to selling trade receivables which originate with GXO, the special purpose entity also purchases trade receivables from XPO and sells assets to the Purchasers. The trade receivables which have been purchased from XPO have been reflected within Other current assets in the Condensed Combined Balance Sheets, and the related cash flows have been reflected within Purchase and sale of affiliate trade receivables, net, within investing activities in the Condensed Combined Statements of Cash Flows.

Information related to the trade receivables sold was as follows:

(In millions)	Three Months Ended March 31, 2021	2020
Securitization programs		
Receivables sold in period	$ 347	$ 319
Cash consideration	347	319
Factoring programs		
Receivables sold in period	100	246
Cash consideration	100	245

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The levels of inputs used to measure fair value are:

- Level 1—Quoted prices for identical instruments in active markets;
- Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable in active markets; and
- Level 3—Valuations based on inputs that are unobservable, generally utilizing pricing models or other valuation techniques that reflect management's judgment and estimates.

We base our fair value estimates on market assumptions and available information. The carrying values of cash and cash equivalents, accounts receivable, financial assets purchased from XPO, accounts payable, accrued expenses and current maturities of long-term debt approximated their fair values as of March 31, 2021 and December 31, 2020 due to their short-term nature and/or being receivable or payable on demand. The Level 1 cash equivalents include money market funds valued using quoted prices in active markets.

The fair value of cash equivalents approximates its carrying value and amounted to $45 million and $54 million as of March 31, 2021 and December 31, 2020, respectively. The cash equivalents are classified as Level 1 within the fair value hierarchy.

Adoption of New Accounting Standards

In December 2019, the FASB issued ASU 2019-12, "Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes." The ASU is intended to simplify the accounting for income taxes by removing certain exceptions to the general principles in Topic 740. The ASU also clarifies and amends existing guidance to enhance consistency and comparability among reporting entities. We adopted this standard on January 1, 2021 on a prospective basis. The adoption did not have a material effect on our Condensed Combined Financial Statements.

Accounting Pronouncements Issued but Not Yet Effective

In March 2020, the FASB issued ASU 2020-04, "Reference rate reform (Topic 848): Facilitation of the effects of reference rate reform on financial reporting." The ASU provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform. The amendments apply only to contracts and hedging relationships that reference London Interbank Offered Rate ("LIBOR") or another reference rate expected to be discontinued due to reference rate reform. The amendments are elective and are effective upon issuance through December 31, 2022. We are currently evaluating the impact of the new guidance.

3. Acquisition

In January 2021, we acquired the majority of Kuehne + Nagel's contract logistics operations in the United Kingdom and Ireland, which generated annual revenues in 2020 of approximately £450 million ($585 million). The operations provide a range of logistics services, including inbound and outbound distribution, reverse logistics management and inventory management. We have recorded preliminary estimates for the fair value of acquired assets and liabilities assumed, including approximately $300 million of operating lease assets and operating lease liabilities. Pro forma results of operations for this acquisition have not been presented as it is not material to the condensed combined results of operations.

4. Revenue Recognition

Disaggregation of Revenues

We disaggregate our revenue by geographic area. Our revenue disaggregated by geographical area, based on sales office location, was as follows:

	Three Months Ended March 31,	
(In millions)	**2021**	**2020**
Revenue		
United States	$ 584	$ 536
United Kingdom	552	329
France	180	150
Europe (excluding France and United Kingdom)	465	386
Other	41	39
Total	$ 1,822	$ 1,440

Our revenue by industry sector was approximately as follows: e-commerce/retail (37% and 36% for the three months ended March 31, 2021 and 2020, respectively); food and beverage (18% and 15% for the three months ended March 31, 2021 and 2020, respectively); consumer packaged goods (12% for both the three months ended March 31, 2021 and 2020); consumer technology (10% and 11% for the three months ended March 31, 2021 and 2020, respectively); and other (23%, and 26% for the three months ended March 31, 2021 and 2020, respectively).

Contract Liabilities

Our contract liabilities activity was as follows:

(In millions)	
Balance as of December 31, 2020	$ 97
Revenue recognized	(63)
Unearned revenue [(1)]	128
Foreign exchange and other	(3)
Balance as of March 31, 2021	$ 159

(1) Includes $82 million related to the Kuehne + Nagel acquisition.

Performance Obligations

Remaining performance obligations relate to firm customer contracts for which services have not been performed and future revenue recognition is expected. As permitted in determining the remaining performance obligation, we omit obligations that (i) have original expected durations of one year or less or (ii) contain variable consideration. On March 31, 2021, the fixed consideration component of our remaining performance obligation was approximately $2.0 billion, and we expect to recognize approximately 65% of that amount over the next three years and the remainder thereafter. The remaining performance obligation at March 31, 2021 includes contracts related to

the Kuehne + Nagel acquisition. We estimate remaining performance obligations at a point in time and actual amounts may differ from these estimates due to changes in foreign currency exchange rates and contract revisions or terminations.

5. Restructuring Charges

We engage in restructuring actions as part of our ongoing efforts to best use our resources and infrastructure. These actions generally include severance and facility-related costs, including impairment of operating lease assets, and are intended to improve our efficiency and profitability.

Our severance related activity was as follows:

(In millions)	
Balance as of December 31, 2020	$ 20
Charges incurred	4
Payments	(5)
Foreign exchange and other	(2)
Balance as of March 31, 2021	$ 17

We expect the majority of the cash outlays related to the charges incurred in the three months ended March 31, 2021 will be complete within twelve months.

6. Debt

The following table summarizes our debt:

	March 31, 2021		December 31, 2020	
(In millions)	Principal Balance	Carrying Value	Principal Balance	Carrying Value
Borrowings related to trade securitization program	$ —	$ —	$ 26	$ 26
Finance leases and other	161	161	161	161
Related-party debt	457	457	486	486
Total debt	618	618	673	673
Short-term borrowings and current finance lease liabilities	32	32	58	58
Long-term debt	$ 586	$ 586	$ 615	$ 615

The fair value of our debt and classification in the fair value hierarchy was as follows:

(In millions)	Fair Value	Level 1	Level 2	Level 3
March 31, 2021	$ 618	$ 2	$ 159	$ 457
December 31, 2020	$ 673	$ 2	$ 185	$ 486

We valued Level 1 debt using quoted prices in active markets. We valued Level 2 debt using bid evaluation pricing models or quoted prices of securities with similar characteristics. We valued Level 3 debt using non-observable inputs.

Borrowings related to Securitization

Our trade receivables securitization program permits us to borrow, on an unsecured basis, cash collected in a servicing capacity on previously sold receivables. These borrowings are owed to the program's Purchasers and are included in short-term debt until they are repaid in the following month's settlement. The securitization program expires in July 2022 and contains financial covenants customary for this type of arrangement, including maintaining

a defined average days sales outstanding ratio. For additional information on the securitization program, see Note 2—Basis of Presentation.

Long-Term Related-Party Debt

Loan Agreement with North American Subsidiary

In 2015, XPO entered into a loan agreement with a North American subsidiary of GXO, under which XPO granted the subsidiary an unsecured loan bearing interest at a rate of 5.625% with a principal amount not exceeding $391 million and maturing in June 2024. As of March 31, 2021 and December 31, 2020, the Company had an outstanding loan payable to XPO of $174 million and $186 million, respectively. The notes are guaranteed by an XPO affiliate.

Loan Agreements with European Subsidiaries

Additionally, XPO entered into several loan agreements with European subsidiaries of GXO, under which XPO granted the subsidiaries unsecured loans with principal amounts of:

- €20 million (approximately $23 million as of March 31, 2021) entered into in 2013, bearing interest at a variable rate of twelve-month Euribor plus 1% and maturing in October 2026 and
- £82 million (approximately $112 million as of March 31, 2021) entered into in 2016, bearing interest at a variable rate of twelve-month Libor plus 1% and maturing in October 2026.

The outstanding amounts related to these loans payable to XPO was $135 million as of both March 31, 2021 and December 31, 2020.

Additionally, in 2015, XPO entered into a loan agreement under which it granted XPO Logistics Europe a loan in the amount of €335 million, bearing interest at a fixed rate of 5.625% and maturing in June 2024. The loan payable was $148 million and $165 million at March 31, 2021 and December 31, 2020, respectively.

7. Commitments and Contingencies

We are involved, and will continue to be involved, in numerous proceedings arising out of the conduct of our business. These proceedings may include personal injury claims arising from the transportation and handling of goods, contractual disputes and employment-related claims, including alleged violations of wage and hour laws.

We establish accruals for specific legal proceedings when it is considered probable that a loss has been incurred and the amount of the loss can be reasonably estimated. We review and adjust accruals for loss contingencies quarterly and as additional information becomes available. If a loss is not both probable and reasonably estimable, or if an exposure to loss exists in excess of the amount accrued, we assess whether there is at least a reasonable possibility that a loss, or additional loss, may have been incurred. If there is a reasonable possibility that a loss, or additional loss, may have been incurred, we disclose the estimate of the possible loss or range of loss if it is material and an estimate can be made, or disclose that such an estimate cannot be made. The determination as to whether a loss can reasonably be considered to be possible or probable is based on our assessment, together with legal counsel, regarding the ultimate outcome of the matter.

We believe that we have adequately accrued for the potential impact of loss contingencies that are probable and reasonably estimable. We do not believe that the ultimate resolution of any matters to which we are presently a party will have a material adverse effect on our results of operations, financial condition or cash flows. However, the results of these matters cannot be predicted with certainty, and an unfavorable resolution of one or more of these matters could have a material adverse effect on our financial condition, results of operations or cash flows. Legal costs incurred related to these matters are expensed as incurred.

XPO carries liability and excess umbrella insurance policies that are deemed sufficient to cover potential legal claims arising in the normal course of conducting our operations as a logistics company. In the event we are required

to satisfy a legal claim outside the scope of the coverage provided by insurance, our financial condition, results of operations or cash flows could be negatively impacted.

8. Related-Party Transactions

Transactions between the Company and XPO, and other non-GXO subsidiaries of XPO, are deemed related-party transactions. Related-party transactions are comprised of the following: (i) those that have been effectively settled or are expected to be settled for cash, and (ii) those which have historically not been settled and which have or are expected to be forgiven by either party. For those that have been or are expected to be cash settled, we have recorded related-party receivables (assets) or payables (liabilities) in the Condensed Combined Balance Sheets as of March 31, 2021 and December 31, 2020. For those that have been or are expected to be forgiven, the amounts have been recorded as an adjustment of XPO Investment in the Condensed Combined Balance Sheets as of March 31, 2021 and December 31, 2020.

Allocation of General Corporate Expenses

The Combined Statements of Operations include expenses for certain centralized functions and other programs provided and/or administered by XPO that are charged directly to the Company. In addition, for purposes of preparing these Combined Financial Statements, a portion of XPO's total corporate expenses have been allocated to the Company. See Note 2 for a discussion of the methodology used to allocate such costs for purposes of preparing these combined financial statements.

Costs of $69 million and $59 million for the three months ended March 31, 2021 and 2020, respectively, have been reflected in SG&A in our Condensed Combined Statements of Operations for our allocated share of XPO's corporate overhead.

Transactions with XPO and its non-GXO Subsidiaries

Revenue and costs generated from related parties for each of the three months ended March 31 were as follows:

	Three Months Ended March 31,	
(In millions)	**2021**	**2020**
Revenue	$ 4	$ 4
Costs	32	28

Current assets includes trade receivables purchased from XPO in connection with our trade receivables securitization program of $85 million and $105 million as of March 31, 2021 and December 31, 2020, respectively. These receivables were originated by XPO and are classified as financial assets within other current assets on the Condensed Combined Balance Sheets.

Balances with XPO and its non-GXO Subsidiaries

Assets and liabilities on the Condensed Combined Balance Sheets include the following related-party amounts that are expected to be cash settled as of March 31, 2021 and December 31, 2020:

(In millions)	March 31, 2021	December 31, 2020
Amounts due from XPO and its affiliates		
Trade receivables[(1)]	$ 8	$ 9
Other current assets[(2)]	2	2
Other long-term assets[(3)]	52	53
Amounts due to XPO and its affiliates		
Trade payables[(4)]	19	20
Other current liabilities[(5)]	11	11
Accrued expenses[(6)]	2	2
Loans payable[(7)]	457	486

(1) Represents trade receivables generated from revenue with XPO.
(2) Primarily relates to interest receivable from loans receivable from XPO.
(3) Represents loans receivable from XPO.
(4) Represents trade payables due to XPO.
(5) Primarily relates to facility expense and taxes payable due to XPO.
(6) Represents accrued interest on loans due to XPO.
(7) Represents loans due to XPO. See Note 6 for further information.

9. Subsequent Events

In April 2021, the Company announced a buy-out offer to be followed by a squeeze-out for the remaining 3% of XPO Logistics Europe that it does not already own, at a price of €315 per share for 341,887 shares. It is expected that the total cash consideration to be paid in connection with this offer will be approximately €108 million (approximately $128 million). The offer will be subject to review by the Supervisory Board of XPO Logistics Europe, as well as other regulatory bodies. In anticipation of the buy-out, XPO contributed $122 million of cash to GXO during the first quarter of 2021. This contribution is reflected as an increase to Net transfers from XPO on the Condensed Combined Statements of Cash Flows.