

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

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

For the quarterly period ended September 30, 2019
OR

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

For the transition period from to

Commission file number: 001-16111

globalpayments

GLOBAL PAYMENTS INC.

(Exact name of registrant as specified in charter)

Georgia
(State or other jurisdiction of
incorporation or organization)

58-2567903
(I.R.S. Employer
Identification No.)

3550 Lenox Road , Atlanta , Georgia
(Address of principal executive offices)

30326
(Zip Code)

Registrant's telephone number, including area code: (770) 829-8000

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

Title of each class	Ticker symbol	Name of exchange on which registered
Common stock, no par value	GPN	New York Stock Exchange

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

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

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares of the issuer's common stock, no par value, outstanding as of October 27, 2019 was 300,548,018.

GLOBAL PAYMENTS INC.
FORM 10-Q
For the quarterly period ended September 30, 2019

TABLE OF CONTENTS

	<u>Page</u>
PART I - FINANCIAL INFORMATION	
ITEM 1.	Unaudited Consolidated Statements of Income for the three and nine months ended September 30, 2019 and 2018
	3
	Unaudited Consolidated Statements of Comprehensive Income for the three and nine months ended September 30, 2019 and 2018
	5
	Consolidated Balance Sheets at September 30, 2019 (unaudited) and December 31, 2018
	6
	Unaudited Consolidated Statements of Cash Flows for the nine months ended September 30, 2019 and 2018
	7
	Unaudited Consolidated Statements of Changes in Equity for the three and nine months ended September 30, 2019 and 2018
	9
	Notes to Unaudited Consolidated Financial Statements
	10
ITEM 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations
	31
ITEM 3.	Quantitative and Qualitative Disclosures About Market Risk
	40
ITEM 4.	Controls and Procedures
	40
PART II - OTHER INFORMATION	
ITEM 1.	Legal Proceedings
	42
ITEM 1A.	Risk Factors
	42
ITEM 2.	Unregistered Sales of Equity Securities and Use of Proceeds
	43
ITEM 6.	Exhibits
	44
	Signatures
	46

PART 1 - FINANCIAL INFORMATION

ITEM 1—FINANCIAL STATEMENTS

GLOBAL PAYMENTS INC.
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)

	Three Months Ended	
	September 30, 2019	September 30, 2018
Revenues	\$ 1,105,941	\$ 857,670
Operating expenses:		
Cost of service	427,720	265,013
Selling, general and administrative	504,184	369,495
	931,904	634,508
Operating income	174,037	223,162
Interest and other income	11,232	3,134
Interest and other expense	(96,161)	(46,356)
	(84,929)	(43,222)
Income before income taxes	89,108	179,940
Income tax benefit	16,623	6,089
Net income	105,731	186,029
Net income attributable to noncontrolling interests, net of income tax	(10,687)	(9,659)
Net income attributable to Global Payments	\$ 95,044	\$ 176,370
Earnings per share attributable to Global Payments:		
Basic earnings per share	\$ 0.54	\$ 1.12
Diluted earnings per share	\$ 0.54	\$ 1.11

See Notes to Unaudited Consolidated Financial Statements.

GLOBAL PAYMENTS INC.
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share data)

	Nine Months Ended	
	September 30, 2019	September 30, 2018
Revenues	\$ 2,924,131	\$ 2,485,811
Operating expenses:		
Cost of service	1,035,225	781,943
Selling, general and administrative	1,293,651	1,133,799
	<u>2,328,876</u>	<u>1,915,742</u>
Operating income	595,255	570,069
Interest and other income	20,342	17,397
Interest and other expense	(220,858)	(139,681)
	<u>(200,516)</u>	<u>(122,284)</u>
Income before income taxes	394,739	447,785
Income tax expense	(39,765)	(46,441)
Net income	354,974	401,344
Net income attributable to noncontrolling interests, net of income tax	(27,132)	(24,506)
Net income attributable to Global Payments	<u>\$ 327,842</u>	<u>\$ 376,838</u>
Earnings per share attributable to Global Payments:		
Basic earnings per share	<u>\$ 2.00</u>	<u>\$ 2.37</u>
Diluted earnings per share	<u>\$ 2.00</u>	<u>\$ 2.36</u>

See Notes to Unaudited Consolidated Financial Statements.

GLOBAL PAYMENTS INC.
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Three Months Ended	
	September 30, 2019	September 30, 2018
Net income	\$ 105,731	\$ 186,029
Other comprehensive income (loss):		
Foreign currency translation adjustments	(67,279)	(15,395)
Income tax benefit related to foreign currency translation adjustments	144	140
Net unrealized (losses) gains on hedging activities	(40,265)	1,845
Reclassification of net unrealized losses (gains) on hedging activities to interest expense	1,193	(1,663)
Income tax benefit (expense) related to hedging activities	9,289	(110)
Other, net of tax	37	(58)
Other comprehensive loss	(96,881)	(15,241)
Comprehensive income	8,850	170,788
Comprehensive income attributable to noncontrolling interests	(1,967)	(21,333)
Comprehensive income attributable to Global Payments	\$ 6,883	\$ 149,455

	Nine Months Ended	
	September 30, 2019	September 30, 2018
Net income	\$ 354,974	\$ 401,344
Other comprehensive income (loss):		
Foreign currency translation adjustments	(54,377)	(80,620)
Income tax benefit (expense) related to foreign currency translation adjustments	1,695	(224)
Net unrealized (losses) gains on hedging activities	(96,997)	12,353
Reclassification of net unrealized gains on hedging activities to interest expense	(1,530)	(2,830)
Income tax benefit (expense) related to hedging activities	23,800	(2,420)
Other, net of tax	165	(59)
Other comprehensive loss	(127,244)	(73,800)
Comprehensive income	227,730	327,544
Comprehensive income attributable to noncontrolling interests	(17,780)	(36,264)
Comprehensive income attributable to Global Payments	\$ 209,950	\$ 291,280

See Notes to Unaudited Consolidated Financial Statements.

GLOBAL PAYMENTS INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	September 30, 2019	December 31, 2018
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,127,616	\$ 1,210,878
Accounts receivable, net	868,133	348,400
Settlement processing assets	1,556,307	1,600,222
Prepaid expenses and other current assets	440,512	216,708
Total current assets	4,992,568	3,376,208
Goodwill	23,754,450	6,341,355
Other intangible assets, net	13,184,391	2,488,618
Property and equipment, net	1,423,271	653,542
Deferred income taxes	12,477	8,128
Other noncurrent assets	1,844,890	362,923
Total assets	\$ 45,212,047	\$ 13,230,774
LIABILITIES AND EQUITY		
Current liabilities:		
Settlement lines of credit	\$ 547,624	\$ 700,486
Current portion of long-term debt	33,373	115,075
Accounts payable and accrued liabilities	1,849,424	1,176,703
Settlement processing obligations	1,852,731	1,276,356
Total current liabilities	4,283,152	3,268,620
Long-term debt	8,987,704	5,015,168
Deferred income taxes	3,352,727	585,025
Other noncurrent liabilities	632,746	175,618
Total liabilities	17,256,329	9,044,431
Commitments and contingencies		
Equity:		
Preferred stock, no par value; 5,000,000 shares authorized and none issued	—	—
Common stock, no par value; 400,000,000 shares authorized at September 30, 2019 and 200,000,000 shares authorized at December 31, 2018; 300,544,949 issued and outstanding at September 30, 2019 and 157,961,982 issued and outstanding at December 31, 2018	—	—
Paid-in capital	25,904,804	2,235,167
Retained earnings	2,297,897	2,066,415
Accumulated other comprehensive loss	(428,067)	(310,175)
Total Global Payments shareholders' equity	27,774,634	3,991,407
Noncontrolling interests	181,084	194,936
Total equity	27,955,718	4,186,343
Total liabilities and equity	\$ 45,212,047	\$ 13,230,774

See Notes to Unaudited Consolidated Financial Statements.

GLOBAL PAYMENTS INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Nine Months Ended	
	September 30, 2019	September 30, 2018
Cash flows from operating activities:		
Net income	\$ 354,974	\$ 401,344
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of property and equipment	132,043	105,734
Amortization of acquired intangibles	345,455	263,714
Amortization of capitalized contract costs	47,778	37,281
Share-based compensation expense	55,791	44,937
Provision for operating losses and bad debts	34,877	32,309
Deferred income taxes	(42,990)	(4,973)
Other, net	6,666	(17,185)
Changes in operating assets and liabilities, net of the effects of business combinations:		
Accounts receivable	(80,709)	(27,696)
Settlement processing assets and obligations, net	623,985	(58,693)
Prepaid expenses and other assets	(148,421)	(117,824)
Accounts payable and other liabilities	19,940	2,058
Net cash provided by operating activities	<u>1,349,389</u>	<u>661,006</u>
Cash flows from investing activities:		
Acquisitions, net of cash acquired	(334,383)	(769,082)
Capital expenditures	(201,017)	(156,060)
Other, net	29,112	(2,383)
Net cash used in investing activities	<u>(506,288)</u>	<u>(927,525)</u>
Cash flows from financing activities:		
Net (repayments of) borrowings from settlement lines of credit	(144,473)	49,381
Proceeds from long-term debt	6,704,838	1,606,214
Repayments of long-term debt	(6,097,229)	(1,468,505)
Payments of debt issuance costs	(32,637)	(12,544)
Repurchases of common stock	(233,995)	(180,897)
Proceeds from stock issued under share-based compensation plans	22,008	12,571
Common stock repurchased - share-based compensation plans	(49,037)	(44,824)
Distributions to noncontrolling interests	(31,632)	(5,686)
Preacquisition dividends paid to former TSYS shareholders	(23,240)	—
Dividends paid	(4,727)	(4,750)
Net cash provided by (used in) financing activities	<u>109,876</u>	<u>(49,040)</u>
Effect of exchange rate changes on cash	(36,239)	(29,692)
Increase (decrease) in cash and cash equivalents	916,738	(345,251)
Cash and cash equivalents, beginning of the period	1,210,878	1,335,855
Cash and cash equivalents, end of the period	<u>\$ 2,127,616</u>	<u>\$ 990,604</u>

See Notes to Unaudited Consolidated Financial Statements.

GLOBAL PAYMENTS INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in thousands)

	Number of Shares	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Global Payments Shareholders' Equity	Noncontrolling Interests	Total Equity
Balance at June 30, 2019	156,675	\$ 2,126,065	\$ 2,204,445	\$ (339,906)	\$ 3,990,604	\$ 184,512	\$ 4,175,116
Net income			95,044		95,044	10,687	105,731
Other comprehensive loss				(88,161)	(88,161)	(8,720)	(96,881)
Stock issued under share-based compensation plans	141	9,057			9,057		9,057
Common stock repurchased - share-based compensation plans	(180)	(29,584)			(29,584)		(29,584)
Share-based compensation expense		27,877			27,877		27,877
Issuance of common stock in connection with a business combination	143,909	23,771,389			23,771,389		23,771,389
Distributions to noncontrolling interest					—	(5,395)	(5,395)
Dividends paid (\$0.01 per share)			(1,592)		(1,592)		(1,592)
Balance at September 30, 2019	<u>300,545</u>	<u>\$ 25,904,804</u>	<u>\$ 2,297,897</u>	<u>\$ (428,067)</u>	<u>\$ 27,774,634</u>	<u>\$ 181,084</u>	<u>\$ 27,955,718</u>

	Number of Shares	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Global Payments Shareholders' Equity	Noncontrolling Interests	Total Equity
Balance at June 30, 2018	158,071	\$ 2,254,783	\$ 1,819,213	\$ (243,629)	\$ 3,830,367	\$ 185,634	\$ 4,016,001
Net income			176,369		176,369	9,659	186,028
Other comprehensive income (loss)				(26,916)	(26,916)	11,675	(15,241)
Stock issued under share-based compensation plans	325	6,231			6,231		6,231
Common stock repurchased - share-based compensation plans	(210)	(25,019)			(25,019)		(25,019)
Share-based compensation expense		14,833			14,833		14,833
Distributions to noncontrolling interest					—	(5,686)	(5,686)
Dividends paid (\$0.01 per share)			(1,579)		(1,579)		(1,579)
Balance at September 30, 2018	<u>158,186</u>	<u>\$ 2,250,828</u>	<u>\$ 1,994,003</u>	<u>\$ (270,545)</u>	<u>\$ 3,974,286</u>	<u>\$ 201,282</u>	<u>\$ 4,175,568</u>

See Notes to Unaudited Consolidated Financial Statements.

GLOBAL PAYMENTS INC.
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(in thousands)

	Number of Shares	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Global Payments Shareholders' Equity	Noncontrolling Interests	Total Equity
Balance at December 31, 2018	157,962	\$ 2,235,167	\$ 2,066,415	\$ (310,175)	\$ 3,991,407	\$ 194,936	\$ 4,186,343
Net income			327,842		327,842	27,132	354,974
Other comprehensive loss				(117,892)	(117,892)	(9,352)	(127,244)
Stock issued under share-based compensation plans	750	22,008			22,008		22,008
Common stock repurchased - share-based compensation plans	(268)	(41,190)			(41,190)		(41,190)
Share-based compensation expense		55,791			55,791		55,791
Issuance of common stock in connection with a business combination	143,909	23,771,389			23,771,389		23,771,389
Distributions to noncontrolling interest					—	(31,632)	(31,632)
Repurchase of common stock	(1,808)	(138,361)	(91,633)		(229,994)		(229,994)
Dividends paid (\$0.03 per share)			(4,727)		(4,727)		(4,727)
Balance at September 30, 2019	<u>300,545</u>	<u>\$ 25,904,804</u>	<u>\$ 2,297,897</u>	<u>\$ (428,067)</u>	<u>\$ 27,774,634</u>	<u>\$ 181,084</u>	<u>\$ 27,955,718</u>

	Number of Shares	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Global Payments Shareholders' Equity	Noncontrolling Interests	Total Equity
Balance at December 31, 2017	159,180	\$ 2,379,774	\$ 1,597,897	\$ (183,144)	\$ 3,794,527	\$ 170,704	\$ 3,965,231
Cumulative effect of adoption of new accounting standard			50,969	(1,843)	49,126		49,126
Net income			376,838		376,838	24,506	401,344
Other comprehensive income (loss)				(85,558)	(85,558)	11,758	(73,800)
Stock issued under share-based compensation plans	895	12,571			12,571		12,571
Common stock repurchased - share-based compensation plans	(277)	(32,508)			(32,508)		(32,508)
Share-based compensation expense		44,937			44,937		44,937
Distributions to noncontrolling interest					—	(5,686)	(5,686)
Repurchase of common stock	(1,612)	(153,946)	(26,951)		(180,897)		(180,897)
Dividends paid (\$0.03 per share)			(4,750)		(4,750)		(4,750)
Balance at September 30, 2018	<u>158,186</u>	<u>\$ 2,250,828</u>	<u>\$ 1,994,003</u>	<u>\$ (270,545)</u>	<u>\$ 3,974,286</u>	<u>\$ 201,282</u>	<u>\$ 4,175,568</u>

See Notes to Unaudited Consolidated Financial Statements.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1—BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business, consolidation and presentation— Global Payments Inc. and its consolidated subsidiaries are referred to herein collectively as "Global Payments," the "Company," "we," "our" or "us," unless the context requires otherwise.

On May 27, 2019, we entered into an Agreement and Plan of Merger (the "Merger Agreement") with Total System Services, Inc. ("TSYS") providing for the merger of TSYS with and into Global Payments, with Global Payments as the surviving entity (the "Merger"). We consummated the Merger on September 18, 2019. Prior to the Merger, TSYS was a leading global payments provider, offering seamless, secure and innovative solutions to issuers, merchants and consumers. Through our combination with TSYS, we are now a leading pure play payments technology company delivering innovative software and services to our customers globally. See "Note 2—Acquisitions" for more information about the Merger.

These unaudited consolidated financial statements include our accounts and those of our majority-owned subsidiaries, and all intercompany balances and transactions have been eliminated in consolidation. These unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The consolidated balance sheet as of December 31, 2018 was derived from the audited financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2018 but does not include all disclosures required by GAAP for annual financial statements.

In the opinion of our management, all known adjustments necessary for a fair presentation of the results of the interim periods have been made. These adjustments consist of normal recurring accruals and estimates that affect the carrying amount of assets and liabilities. These financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2018.

Use of estimates— The preparation of financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reported period. Actual results could differ materially from those estimates.

Recently Adopted Accounting Pronouncements— In February 2016, the Financial Accounting Standards Board ("FASB") issued ASU 2016-02, "Leases." ASU 2016-02 requires recognition of assets and liabilities for the rights and obligations created by leases and new disclosures about leases. We adopted ASU 2016-02, as well as other related clarifications and interpretive guidance issued by the FASB, on January 1, 2019 using the optional modified retrospective transition method. Under this transition method, we did not recast the prior period financial statements presented. We elected the transition package of three practical expedients, which among other things, allowed for the carryforward of historical lease classifications. We made an accounting policy election to not recognize assets or liabilities for leases with a term of less than twelve months and to account for all components in a lease arrangement as a single combined lease component for all of our then existing asset classes. In connection with the Merger, we acquired right-of-use assets that represent an additional asset class for computer equipment, for which we account for lease and nonlease components separately.

The adoption of ASU 2016-02 resulted in the measurement and recognition of lease liabilities in the amount of \$274.0 million and right-of-use assets in the amount of \$236.0 million as of January 1, 2019. Lease liabilities were measured as the present value of remaining lease payments, and the corresponding right-of-use assets were measured at an amount equal to the lease liabilities adjusted by the amounts of certain assets and liabilities, such as prepaid rent and deferred lease obligations, that we previously recognized on the balance sheet prior to the initial application of ASU 2016-02. To calculate the present value of remaining lease payments, we elected to use an incremental borrowing rate based on the remaining lease term at transition.

Recently Issued Pronouncements Not Yet Adopted— 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 (A Consensus of the FASB Emerging Issues Task Force)." ASU 2018-15 provides additional guidance on the accounting for costs of implementation activities performed in a cloud computing arrangement (i.e., hosting arrangement) that is a service contract. The new guidance amends the definition of a hosting arrangement and requires a

customer in a hosting arrangement that is a service contract to capitalize certain implementation costs as if the arrangement was an internal-use software project. The amendments in this update also provide additional presentation and disclosure requirements, including requirements to disclose the nature of an entity's hosting arrangements that are service contracts, as well as quantitative information about capitalized implementation costs and related amortization expense. The guidance will become effective for us on January 1, 2020. We expect to apply the guidance prospectively to all implementation costs incurred after the date of adoption.

We are finalizing our comparison of the guidance in ASU 2018-15 to our current accounting and financial reporting practices for costs of implementation activities performed in cloud computing arrangements. We are also evaluating the need for changes to our internal controls. We have not yet completed our assessment or quantified the effect, if any, of ASU 2018-15 on our consolidated balance sheet or our statements of income and cash flows; however, our preliminary expectation is that the adoption of this standard will not have a material effect on our consolidated financial statements. We have historically capitalized implementation costs associated with cloud computing arrangements that are service contracts following the guidance in Subtopic 350-40 and expect to continue to do so pursuant to the clarifications provided in the new guidance. We expect to amortize deferred implementation costs to expense on a straight-line basis over the term of the applicable hosting arrangement.

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments - Credit Losses (Topic 326): *Measurement of Credit Losses on Financial Instruments*." The amendments in this update change how companies measure and recognize credit impairment for many financial instruments measured at amortized cost. The new model for current expected credit losses ("CECL") will require us to recognize an estimate of credit losses expected to occur over the remaining life of the financial instruments that are within the scope of the update, including accounts receivable and settlement processing assets, each of which are short-term in nature. Under current GAAP, credit losses on these financial instruments are not recognized until their occurrence is deemed to be probable. The guidance will become effective for us on January 1, 2020. In general, the new guidance will require modified retrospective application to all outstanding financial assets that are within the scope of the update, with a cumulative-effect adjustment, if any, recorded to retained earnings as of the date of adoption.

We are continuing to evaluate the effect of ASU 2016-13 on our consolidated financial statements, including comparing how we currently measure and recognize our allowance for doubtful accounts on accounts receivable and our reserve for operating losses and sales allowances to how we would make such measurements applying the new CECL model. We have not yet completed our assessment or quantified the effect, if any, of ASU 2016-13 on our consolidated balance sheet or our statements of income and cash flows; however, we believe the adoption of this new standard may require expanded qualitative disclosures about our financial assets and related allowance for credit losses, as well as implementation of new or modified internal controls.

As a result of the Merger, we have expanded our efforts to evaluate the effects of these new standards on the combined company, and we are incorporating TSYS into our evaluation.

NOTE 2—ACQUISITIONS

The transactions described below were accounted for as business combinations, which generally requires that we record the assets acquired and liabilities assumed at fair value as of the acquisition date.

Total System Services, Inc.

Pursuant to the Merger Agreement, we acquired all of the outstanding common stock of TSYS at the closing on September 18, 2019. Upon consummation of the Merger, holders of TSYS common stock received 0.8101 shares of Global Payments common stock for each share of TSYS common stock they owned at the effective time of the Merger (the "Exchange Ratio"). In addition, certain TSYS equity awards held by employees who were not executive officers, pursuant to their terms, vested automatically at closing ("Single-Trigger Awards") and were converted into the right to receive a number of shares of Global Payments common stock determined based on the Exchange Ratio. Also, pursuant to the Merger Agreement, we granted equity awards for approximately 2.2 million shares of Global Payments common stock to certain TSYS equity awards holders ("Replacement Awards"). Each such Replacement Award is subject to the same terms and conditions (including vesting and exercisability or payment terms) as applied to the corresponding TSYS equity award. We apportioned the fair value of the Replacement Awards between purchase consideration and amounts to be recognized in periods following the Merger as share-based compensation expense over the requisite service period of the Replacement Awards.

[Table of Contents](#)

The purchase consideration transferred to TSYS shareholders was valued at \$23.8 billion. Total purchase consideration also included the amount of borrowings outstanding under TSYS's unsecured revolving credit facility together with accrued interest and fees that we were required to repay upon consummation of the Merger.

The fair value of total purchase consideration was determined as follows (in thousands, except per share data):

Shares of TSYS common stock issued and outstanding (including Single-Trigger Awards)	177,643
Exchange Ratio	0.8101
Shares of Global Payments common stock issued to TSYS shareholders	143,909
Price per share of Global Payments common stock	\$ 163.74
Fair value of common stock issued to TSYS shareholders ⁽¹⁾	23,563,568
Value of Replacement Awards attributable to purchase consideration	207,821
Cash paid to TSYS shareholders in lieu of fractional shares	1,352
Total purchase consideration transferred to TSYS shareholders	23,772,741
Repayment of TSYS's unsecured revolving credit facility (including accrued interest and fees)	702,212
Total purchase consideration	\$ 24,474,953

⁽¹⁾ Fair value of common stock issued to TSYS shareholders does not equal the product of shares of Global Payments common stock issued to TSYS shareholders and price per share of Global Payments common stock as presented in the table above due to the rounding of the number of shares in thousands.

The provisional estimated acquisition-date fair values of major classes of assets acquired and liabilities assumed as of September 30, 2019, including a reconciliation to the total purchase consideration, were as follows (in thousands):

Cash and cash equivalents	\$ 446,027
Accounts receivable	443,783
Identified intangible assets	11,020,000
Property and equipment	695,560
Other assets	1,476,290
Accounts payable and accrued liabilities	(594,558)
Debt	(3,295,284)
Deferred income tax liabilities	(2,843,643)
Other liabilities	(313,782)
Total identifiable net assets	7,034,393
Goodwill	17,440,560
Total purchase consideration	\$ 24,474,953

As of September 30, 2019, we considered these amounts to be provisional because we were still in the process of gathering and reviewing information to support the valuations of the assets acquired and liabilities assumed. Goodwill arising from the acquisition of \$17.4 billion, included in the TSYS segment as of September 30, 2019, was attributable to expected growth opportunities, an assembled workforce and potential synergies from combining the acquired business into our existing business. We expect that substantially all of the goodwill from this acquisition will not be deductible for income tax purposes. Due to the timing of the Merger, we are still in the process of assigning goodwill to our reporting units.

[Table of Contents](#)

The following table reflects the provisional estimated fair values of the identified intangible assets of TSYS and the respective aggregated weighted-average estimated amortization periods:

	Estimated Fair Values	Weighted-Average Estimated Amortization Periods
	(in thousands)	(years)
Customer-related intangible assets	\$ 6,330,000	18
Contract-based intangible assets	1,810,000	20
Acquired technologies	1,810,000	7
Trademarks and trade names	1,070,000	12
Total estimated identified intangible assets	<u>\$ 11,020,000</u>	14

From the acquisition date through September 30, 2019, TSYS contributed \$147.5 million to our consolidated revenues and had an operating loss of approximately \$11.1 million. Transaction costs directly related to the Merger were \$53.5 million and \$65.7 million for the three and nine months ended September 30, 2019, respectively.

The following unaudited pro forma information shows the results of our operations for the three and nine months ended September 30, 2019 and 2018 as if the Merger had occurred on January 1, 2018. The unaudited pro forma information is presented for informational purposes only and is not necessarily indicative of what would have occurred if the Merger had occurred as of that date. The unaudited pro forma information is also not intended to be a projection of future results due to the integration of TSYS. The unaudited pro forma information reflects the effects of applying our accounting policies and certain pro forma adjustments to the combined historical financial information of Global Payments and TSYS. The pro forma adjustments include:

- incremental amortization expense associated with identified intangible assets;
- a reduction of revenues and operating expenses associated with fair value adjustments made to acquired assets and assumed liabilities, such as contract cost assets and contract liabilities;
- a reduction of interest expense resulting from financing of the Merger, the repayment of TSYS's secured revolving credit facility and fair value adjustments applied to TSYS debt that we assumed; and
- the income tax effects of the pro forma adjustments.

In addition, the pro forma net income attributable to Global Payments includes recognition of transaction costs related to the Merger in earnings as of the beginning of the earliest period presented. Accordingly, pro forma net income attributable to Global Payments for the nine months ended September 30, 2018 includes approximately \$150 million of transaction costs.

	Three Months Ended September 30, 2019		Three Months Ended September 30, 2018	
	Actual	Pro Forma	Actual	Pro Forma
	(in thousands)			
Total revenues	\$ 1,105,941	\$ 1,993,089	\$ 857,670	\$ 1,864,534
Net income attributable to Global Payments	\$ 95,044	\$ 219,010	\$ 176,370	\$ 240,478
	Nine Months Ended September 30, 2019		Nine Months Ended September 30, 2018	
	Actual	Pro Forma	Actual	Pro Forma
	(in thousands)			
Total revenues	\$ 2,924,131	\$ 5,866,522	\$ 2,485,811	\$ 5,469,240
Net income attributable to Global Payments	\$ 327,842	\$ 614,317	\$ 376,838	\$ 407,899

[Table of Contents](#)*SICOM Systems, Inc.*

On October 17, 2018, we acquired SICOM Systems, Inc. ("SICOM") for total purchase consideration of \$410.2 million, which we funded with cash on hand and incremental debt. SICOM is a provider of end-to-end enterprise, cloud-based software solutions and other technologies to quick service restaurants and food service management companies.

The estimated acquisition-date fair values of major classes of assets acquired and liabilities assumed as of September 30, 2019, including a reconciliation to the total purchase consideration, were as follows (in thousands):

Cash and cash equivalents	\$	7,540
Property and equipment		5,838
Identified intangible assets		188,294
Other assets		22,275
Deferred income liabilities		(47,610)
Other liabilities		(31,350)
Total identifiable net assets		144,987
Goodwill		265,214
Total purchase consideration	\$	410,201

During the nine months ended September 30, 2019, we made an adjustment of \$0.4 million to reflect an increase in the total purchase consideration, which resulted in a corresponding increase in goodwill. Goodwill arising from the acquisition of \$265.2 million, included in the North America segment, was attributable to expected growth opportunities, an assembled workforce and potential synergies from combining the acquired business into our existing business. We expect that approximately \$40 million of the goodwill from this acquisition will be deductible for income tax purposes.

The following table reflects the estimated fair values of the identified intangible assets of SICOM and the respective aggregated weighted-average estimated amortization periods:

	Estimated Fair Values	Weighted-Average Estimated Amortization Periods
	(in thousands)	(years)
Customer-related intangible assets	\$ 104,900	14
Acquired technologies	65,312	6
Trademarks and trade names	11,202	3
Contract-based intangible assets	6,880	5
Total estimated identified intangible assets	\$ 188,294	10

AdvancedMD, Inc.

On September 4, 2018, we acquired AdvancedMD, Inc. ("AdvancedMD") for total purchase consideration of \$706.9 million, which we funded with cash on hand and incremental debt. AdvancedMD is a provider of cloud-based enterprise software solutions to small-to-medium sized ambulatory care physician practices.

[Table of Contents](#)

The estimated acquisition-date fair values of major classes of assets acquired and liabilities assumed as of September 30, 2019, including a reconciliation to the total purchase consideration, were as follows (in thousands):

Cash and cash equivalents	\$	7,657
Property and equipment		5,672
Identified intangible assets		419,500
Other assets		11,785
Deferred income tax liabilities		(94,044)
Other liabilities		(15,647)
Total identifiable net assets		334,923
Goodwill		371,962
Total purchase consideration	\$	706,885

During the nine months ended September 30, 2019, we made measurement-period adjustments of \$4.7 million primarily related to a reduction in deferred income tax liabilities, which resulted in a corresponding reduction in goodwill. Goodwill arising from the acquisition of \$372.0 million, included in the North America segment, was attributable to expected growth opportunities, an assembled workforce and potential synergies from combining the acquired business into our existing business. We expect that substantially all of the goodwill from this acquisition will not be deductible for income tax purposes.

The following table reflects the estimated fair values of the identified intangible assets of AdvancedMD and the respective aggregated weighted-average estimated amortization periods:

	Estimated Fair Values	Weighted-Average Estimated Amortization Periods
	(in thousands)	(years)
Customer-related intangible assets	\$ 303,100	11
Acquired technologies	83,700	5
Trademarks and trade names	32,700	15
Total estimated identified intangible assets	\$ 419,500	10

Valuation of Identified Intangible Assets

For the acquisitions discussed above, the estimated fair values of customer-related and contract-based intangible assets were generally determined using the income approach, which was based on projected cash flows discounted to their present value using discount rates that consider the timing and risk of the forecasted cash flows. The discount rates used represented the average estimated value of a market participant's cost of capital and debt, derived using customary market metrics. Acquired technologies were valued using the replacement cost method, which required us to estimate the costs to construct an asset of equivalent utility at prices available at the time of the valuation analysis, with adjustments in value for physical deterioration and functional and economic obsolescence. Trademarks and trade names were valued using the "relief-from-royalty" approach. This method assumes that trademarks and trade names have value to the extent that their owner is relieved of the obligation to pay royalties for the benefits received from them. This method required us to estimate the future revenues for the related brands, the appropriate royalty rate and the weighted-average cost of capital.

NOTE 3—REVENUES

The following tables present a disaggregation of our revenue from contracts with customers by distribution channel for the three and nine months ended September 30, 2019 and 2018:

Three Months Ended September 30, 2019					
	North America	Europe	Asia-Pacific	TSYS	Total
(in thousands)					
Direct:					
Relationship-led	\$ 310,389	\$ 114,562	\$ 29,829	\$ —	\$ 454,780
Technology-enabled	369,147	50,388	28,851	—	448,386
	679,536	164,950	58,680	—	903,166
Wholesale	55,305	—	—	—	55,305
	734,841	164,950	58,680	—	958,471
TSYS	—	—	—	147,470	147,470
	<u>\$ 734,841</u>	<u>\$ 164,950</u>	<u>\$ 58,680</u>	<u>\$ 147,470</u>	<u>\$ 1,105,941</u>

Three Months Ended September 30, 2018					
	North America	Europe	Asia-Pacific	TSYS	Total
(in thousands)					
Direct:					
Relationship-led	\$ 254,593	\$ 105,468	\$ 33,612	\$ —	\$ 393,673
Technology-enabled	317,206	52,116	22,759	—	392,081
	571,799	157,584	56,371	—	785,754
Wholesale	71,916	—	—	—	71,916
	643,715	157,584	56,371	—	857,670
TSYS	—	—	—	—	—
	<u>\$ 643,715</u>	<u>\$ 157,584</u>	<u>\$ 56,371</u>	<u>\$ —</u>	<u>\$ 857,670</u>

Nine Months Ended September 30, 2019					
	North America	Europe	Asia-Pacific	TSYS	Total
(in thousands)					
Direct:					
Relationship-led	\$ 882,026	\$ 319,781	\$ 93,990	\$ —	\$ 1,295,797
Technology-enabled	1,061,094	148,387	85,321	—	1,294,802
	1,943,120	468,168	179,311	—	2,590,599
Wholesale	186,062	—	—	—	186,062
	2,129,182	468,168	179,311	—	2,776,661
TSYS	—	—	—	147,470	147,470
	<u>\$ 2,129,182</u>	<u>\$ 468,168</u>	<u>\$ 179,311</u>	<u>\$ 147,470</u>	<u>\$ 2,924,131</u>

Nine Months Ended September 30, 2018						
	North America	Europe	Asia-Pacific	TSYS	Total	
(in thousands)						
Direct:						
Relationship-led	\$ 725,874	\$ 300,642	\$ 101,225	\$ —	\$ 1,127,741	
Technology-enabled	896,982	155,850	68,549	—	1,121,381	
	1,622,856	456,492	169,774	—	2,249,122	
Wholesale	236,689	—	—	—	236,689	
	1,859,545	456,492	169,774	—	2,485,811	
TSYS	—	—	—	—	—	
	\$ 1,859,545	\$ 456,492	\$ 169,774	\$ —	\$ 2,485,811	

ASC 606 requires that we determine for each customer arrangement whether revenue should be recognized at a point in time or over time. For the three and nine months ended September 30, 2019 and 2018, substantially all of our revenues were recognized over time.

Supplemental balance sheet information related to contracts from customers as of September 30, 2019 and December 31, 2018 was as follows:

	Balance Sheet Location	September 30, 2019	December 31, 2018
(in thousands)			
Assets:			
Capitalized costs to obtain customer contracts, net	Other noncurrent assets	\$ 216,540	\$ 194,616
Capitalized costs to fulfill customer contracts, net	Other noncurrent assets	\$ 24,114	\$ 12,954
Liabilities:			
Contract liabilities, net (current)	Accounts payable and accrued liabilities	\$ 195,472	\$ 146,947
Contract liabilities, net (noncurrent)	Other noncurrent liabilities	\$ 28,039	\$ 8,595

The increase in contract liabilities during the nine months ended September 30, 2019 was primarily attributable to contract liabilities assumed in the Merger. Net contract assets were not material at September 30, 2019 or at December 31, 2018.

Revenue recognized for the three months ended September 30, 2019 and 2018 from contract liability balances at the beginning of each period was \$52.0 million and \$39.2 million, respectively. Revenue recognized for the nine months ended September 30, 2019 and 2018 from contract liability balances at the beginning of each period was \$122.7 million and \$90.2 million, respectively.

ASC 606 requires disclosure of the aggregate amount of the transaction price allocated to unsatisfied performance obligations. The purpose of this disclosure is to provide additional information about the amounts and expected timing of revenue to be recognized from the remaining performance obligations in our existing contracts. The following table includes estimated revenue expected to be recognized in the future related to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. However, as permitted by ASC 606, we have elected to exclude from this disclosure any contracts with an original duration of one year or less and any variable consideration that meets specified criteria. Accordingly, the total unsatisfied or partially unsatisfied performance obligations related to processing services is significantly higher than the amounts disclosed in table below.

[Table of Contents](#)

Estimated revenue expected to be recognized in the future related to performance obligations that are unsatisfied or partially unsatisfied as of September 30, 2019 as follows (in thousands):

Year ending December 31,	
Remainder of 2019	\$ 228,002
2020	746,107
2021	608,080
2022	435,065
2023-2029	526,047
Total	\$ 2,543,301

NOTE 4—GOODWILL AND OTHER INTANGIBLE ASSETS

As of September 30, 2019 and December 31, 2018, goodwill and other intangible assets consisted of the following:

	September 30, 2019	December 31, 2018
	(in thousands)	
Goodwill	<u>\$ 23,754,450</u>	<u>\$ 6,341,355</u>
Other intangible assets:		
Customer-related intangible assets	\$ 8,812,560	\$ 2,486,217
Acquired technologies	2,726,862	896,701
Contract-based intangible assets	1,981,156	178,391
Trademarks and trade names	1,357,763	289,588
	<u>14,878,341</u>	<u>3,850,897</u>
Less accumulated amortization:		
Customer-related intangible assets	1,032,218	860,715
Acquired technologies	474,904	351,170
Contract-based intangible assets	75,804	67,160
Trademarks and trade names	111,024	83,234
	<u>1,693,950</u>	<u>1,362,279</u>
	<u>\$ 13,184,391</u>	<u>\$ 2,488,618</u>

The following table sets forth the changes by reportable segment in the carrying amount of goodwill for the nine months ended September 30, 2019:

	North America	Europe	Asia-Pacific	TSYS	Total
	(in thousands)				
Balance at December 31, 2018	\$ 5,530,087	\$ 484,761	\$ 326,507	\$ —	\$ 6,341,355
Effect of foreign currency translation	3,217	(19,533)	(11,542)	—	(27,858)
Goodwill acquired	—	—	—	17,440,560	17,440,560
Measurement-period adjustments	(4,370)	—	4,763	—	393
Balance at September 30, 2019	<u>\$ 5,528,934</u>	<u>\$ 465,228</u>	<u>\$ 319,728</u>	<u>\$ 17,440,560</u>	<u>\$ 23,754,450</u>

There were no accumulated impairment losses for goodwill as of September 30, 2019 or December 31, 2018.

NOTE 5—LEASES

Our leases consist primarily of operating real estate leases for office space and data centers in the markets in which we conduct business. We also have operating and finance leases for computer and other equipment. Many of our leases include escalating rental payments and incentives, as well as termination and renewal options. Certain of our lease agreements provide that we pay the cost of property taxes, insurance and maintenance. As described in "Note 1—Basis of Presentation and Summary

[Table of Contents](#)

of Significant Accounting Policies," we adopted ASU 2016-02 on January 1, 2019. Unless otherwise indicated, the following information in this footnote applies only to periods after December 31, 2018.

We evaluate each of our lease and service arrangements at inception to determine if the arrangement is, or contains, a lease and the appropriate classification of each identified lease. A lease exists if we obtain substantially all of the economic benefits of, and have the right to control the use of, an asset for a period of time. Right-of-use assets represent our right to use an underlying asset for the lease term, and lease liabilities represent our obligation to make lease payments arising from the lease agreement. We recognize right-of-use assets and lease liabilities at the lease commencement date based on the present values of fixed lease payments over the term of the lease. Right-of-use assets may also be adjusted to reflect any prepayments made or any incentive payments received. Operating lease costs and depreciation expense for finance leases are recognized as expense on a straight-line basis over the lease term. We consider a termination or renewal option in the determination of the lease term when it is reasonably certain that we will exercise that option. The weighted-average remaining lease term for operating and finance leases at September 30, 2019 was 7.5 years and 5.4 years, respectively. Because our leases generally do not provide a readily determinable implicit interest rate, we use an incremental borrowing rate to measure the lease liability and associated right-of-use asset at the lease commencement date. The incremental borrowing rate used is a fully collateralized rate that considers our credit rating, market conditions and the term of the lease at the lease commencement date. As of September 30, 2019, the weighted-average discount rate used in the measurement of operating and finance lease liabilities was 4.1% and 2.8%, respectively.

The effects of adopting ASU 2016-02 on our balance sheet as of January 1, 2019 are set forth in the table below. Adoption did not have a material effect on any line items in our consolidated statement of income or on our cash flows from operating activities, investing activities or financing activities included in our consolidated statement of cash flows. As of September 30, 2019 and January 1, 2019, right-of-use assets and lease liabilities consisted of the following:

	Balance Sheet Location	September 30, 2019	January 1, 2019
(in thousands)			
Assets:			
Operating lease right-of-use assets:			
Real estate	Other noncurrent assets	\$ 368,816	\$ 231,720
Computer equipment	Other noncurrent assets	85,961	—
Other	Other noncurrent assets	1,215	4,259
Total operating lease right-of-use-assets		<u>455,992</u>	<u>235,979</u>
Finance lease right-of-use assets:			
Computer equipment	Property and equipment, net	\$ 22,020	\$ —
Other	Property and equipment, net	4,702	—
		<u>26,722</u>	<u>—</u>
Less accumulated depreciation:			
Computer equipment	Property and equipment, net	(470)	—
Other	Property and equipment, net	(17)	—
Total accumulated depreciation		<u>(487)</u>	<u>—</u>
Total finance lease right-of-use assets		<u>26,235</u>	<u>—</u>
Total right-of-use assets ⁽¹⁾		<u>\$ 482,227</u>	<u>\$ 235,979</u>
Liabilities:			
Operating lease liabilities (current)	Accounts payable and accrued liabilities	\$ 88,280	\$ 37,339
Operating lease liabilities (noncurrent)	Other noncurrent liabilities	413,111	236,697
Finance lease liabilities (current)	Current portion of long-term debt	6,414	—
Finance lease liabilities (noncurrent)	Long-term debt	27,852	—
Total lease liabilities		<u>\$ 535,657</u>	<u>\$ 274,036</u>

⁽¹⁾ Approximately 85% of our right-of-use assets are located in the United States.

As of September 30, 2019, maturities of lease liabilities were as follows:

	Operating Leases	Finance Leases
	(in thousands)	
Year ending December 31,		
Remainder of 2019	\$ 22,197	\$ 1,781
2020	106,212	7,328
2021	97,330	7,100
2022	86,099	7,066
2023	57,251	6,674
2024	47,250	6,597
2025 and thereafter	180,794	273
Total lease payments ⁽¹⁾	597,133	36,819
Imputed interest	(95,742)	(2,553)
Total lease liabilities	\$ 501,391	\$ 34,266

⁽¹⁾Total operating lease payments did not include approximately \$40 million for operating leases that had not yet commenced at September 30, 2019. We expect the lease commencement dates for these leases to occur later in 2019 and in 2020.

Operating lease costs in our consolidated statement of income for the three months ended September 30, 2019 were \$23.4 million, including \$20.4 million in selling, general and administrative expenses and \$3.0 million in cost of services. Operating lease costs in our consolidated statement of income for the nine months ended September 30, 2019 were \$53.3 million, including \$47.9 million in selling, general and administrative expenses and \$5.4 million in cost of services. Total lease costs for the three and nine months ended September 30, 2019 include variable lease costs of approximately \$9.0 million and \$14.0 million, respectively, which are primarily comprised of the cost of property taxes, insurance and maintenance. Finance lease costs and lease costs for leases with a term of less than twelve months were not material for the three and nine months ended September 30, 2019.

Cash paid for amounts included in the measurement of operating lease liabilities for the nine months ended September 30, 2019 was \$43.0 million, which is included as a component of cash provided by operating activities in the consolidated statement of cash flows. Operating lease liabilities arising from obtaining new or modified right-of-use assets, net of reductions resulting from certain lease modifications, were approximately \$23.5 million for the nine months ended September 30, 2019. In connection with the Merger, we acquired right-of-use assets and assumed lease liabilities of \$256.6 million and \$271.9 million, respectively.

Future minimum payments at December 31, 2018 for noncancelable operating leases were as follows (in thousands):

Year ending December 31:		
2019	\$	50,095
2020		47,700
2021		40,035
2022		37,055
2023		33,298
2024 and thereafter		225,225
Total future minimum payments ⁽¹⁾	\$	433,408

⁽¹⁾Future minimum lease payments included approximately \$70 million for operating leases that had not commenced at December 31, 2018.

NOTE 6—LONG-TERM DEBT AND LINES OF CREDIT

As of September 30, 2019 and December 31, 2018, long-term debt consisted of the following:

	September 30, 2019	December 31, 2018
	(in thousands)	
Long-term Debt		
3.800% senior notes due April 1, 2021	\$ 763,194	\$ —
3.750% senior notes due June 1, 2023	568,598	—
4.000% senior notes due June 1, 2023	574,170	—
2.650% senior notes due February 15, 2025	991,090	—
4.800% senior notes due April 1, 2026	823,448	—
4.450% senior notes due June 1, 2028	488,081	—
3.200% senior notes due August 15, 2029	1,234,560	—
4.150% senior notes due August 15, 2049	739,410	—
Unsecured term loan facility	1,980,886	—
Unsecured revolving credit facility	783,000	—
Secured term loans (outstanding under our Prior Credit Facility)	—	4,426,243
Secured revolving credit facility (outstanding under our Prior Credit Facility)	—	704,000
Finance lease liabilities	34,266	—
Other borrowings	40,374	—
Total long-term debt	9,021,077	5,130,243
Less current portion	33,373	115,075
Long-term debt, excluding current portion	\$ 8,987,704	\$ 5,015,168

The carrying amounts of our senior notes and term loans are presented net of unamortized discount and unamortized debt issuance costs, as applicable. At September 30, 2019, unamortized discount on senior notes was \$6.0 million, and unamortized debt issuance costs on senior notes and the unsecured term loan facility were \$48.0 million. Unamortized debt issuance costs on our secured term loans at December 31, 2018 were \$37.4 million. The portion of unamortized debt issuance costs related to revolving credit facilities is included in other noncurrent assets. At September 30, 2019, unamortized debt issuance costs on the unsecured revolving credit facility were \$18.6 million, and, at December 31, 2018, unamortized debt issuance costs on the secured revolving credit facility were \$12.9 million. The debt discounts and debt issuance costs are recognized as an increase to interest expense over the terms of the respective debt instruments. Amortization of discounts and debt issuance costs was \$3.1 million and \$9.2 million, respectively, for the three and nine months ended September 30, 2019. Amortization of debt issuance costs for the three and nine months ended September 30, 2018 was \$2.9 million and \$8.6 million, respectively.

At September 30, 2019, maturities of long-term debt (excluding finance lease liabilities) were as follows by year (in thousands):

Year ending December 31,	
Remainder of 2019	\$ 11,536
2020	22,953
2021	754,906
2022	50,038
2023	1,300,000
2024	2,533,000
2025 and thereafter	4,200,000
Total	\$ 8,872,433

See "Note 5—Leases" for more information about our finance lease liabilities, including maturities.

Bridge Facility

On May 27, 2019, in connection with our entry into the Merger Agreement described in "Note2—Acquisitions," we obtained commitments for a \$2.75 billion, 364-day senior unsecured bridge facility (the "Bridge Facility"). On July 9, 2019, upon our entry into the Term Loan Facility and the Unsecured Revolving Credit Facility (each as defined below), the aggregate commitments under the Bridge Facility were reduced to approximately \$2.1 billion. Concurrently with the issuance of the Senior Notes (as defined below), the remaining aggregate commitments under the Bridge Facility were reduced to zero and terminated. For the three and nine months ended September 30, 2019, we recognized \$8.8 million and \$11.7 million, respectively, of fees associated with the Bridge Facility in interest expense.

New Facilities

On July 9, 2019, we entered into a term loan credit agreement ("Term Loan Credit Agreement") and a revolving credit agreement ("Unsecured Revolving Credit Agreement") in each case with Bank of America, N.A., as administrative agent, and a syndicate of financial institutions, as lenders and other agents. The Term Loan Credit Agreement provides for a senior unsecured \$2.0 billion term loan facility ("Term Loan Facility"). The Unsecured Revolving Credit Agreement provides for a senior unsecured \$3.0 billion revolving credit facility ("Unsecured Revolving Credit Facility," together with the Term Loan Facility, the "New Facilities"). We capitalized debt issuance costs of \$12.8 million in connection with the issuances under the New Facilities.

Borrowings under the Term Loan Facility were made in U.S. dollars and borrowings under the Unsecured Revolving Credit Facility are available to be made in U.S. dollars, euros, sterling, Canadian dollars and, subject to certain conditions, certain other currencies at our option. Borrowings in U.S. dollars and certain other London Interbank Offered Rate ("LIBOR")-quoted currencies will bear interest, at our option, at a rate equal to either (1) the rate (adjusted for any statutory reserve requirements for eurocurrency liabilities) for eurodollar deposits in the London interbank market, (2) a floating rate of interest set forth on the applicable LIBOR screen page designated by Bank of America or (3) the highest of (a) the federal funds effective rate plus 0.5%, (b) the rate of interest as publicly announced by Bank of America as its "prime rate" or (c) LIBOR plus 1.0%, in each case, plus an applicable margin.

As of September 30, 2019, the interest rates on the Term Loan Facility and the Unsecured Revolving Credit Facility were 3.42% and 3.33%, respectively. In addition, we are required to pay a quarterly commitment fee with respect to the unused portion of the Unsecured Revolving Credit Facility at an applicable rate per annum ranging from 0.125% to 0.300% depending on our credit rating. Beginning on December 31, 2022, and at the end of each quarter thereafter, the Term Loan Facility must be repaid in quarterly installments in the amount of 2.50% of original principal through the maturity date with the remaining principal balance due upon maturity in September 2024. The Unsecured Revolving Credit Agreement also matures in September 2024.

We may issue standby letters of credit of up to \$250 million in the aggregate under the Unsecured Revolving Credit Facility. Outstanding letters of credit under the Unsecured Revolving Credit Facility reduce the amount of borrowings available to us. The total available commitments under the Unsecured Revolving Credit Facility at September 30, 2019 were \$2,198.8 million.

Senior Notes

On August 14, 2019, we completed the public offering and issuance of \$3.0 billion aggregate principal amount of senior unsecured notes, consisting of the following: (i) \$1.0 billion aggregate principal amount of 2.650% senior notes due 2025; (ii) \$1.25 billion aggregate principal amount of 3.200% senior notes due 2029; and (iii) \$750 million aggregate principal amount of 4.150% senior notes due 2049 (collectively, the "Senior Notes"). Interest on the Senior Notes is payable semi-annually in arrears on each February 15 and August 15, beginning on February 15, 2020. Each series of the Senior Notes is redeemable, at our option, in whole or in part, at any time and from time-to-time at the redemption prices set forth in the related indenture. We issued the Senior Notes at a total discount of \$6.1 million and capitalized related debt issuance costs of \$29.3 million.

From August 14, 2019 to the closing date of the Merger, the proceeds from the issuance of the Senior Notes were held in escrow. Upon closing, the funds were released and used together with borrowings under the Term Loan Facility and the Unsecured Revolving Credit Facility and cash on hand to repay TSYS's unsecured revolving credit facility, to refinance certain of our existing indebtedness, to fund cash payments made in lieu of fractional shares payable in accordance with the terms of the Merger Agreement and to pay transaction fees and costs related to the Merger.

In addition, in connection with the Merger, we assumed \$3.0 billion aggregate principal amount of senior unsecured notes of TSYS, consisting of the following: (i) \$750 million aggregate principal amount of 3.800% senior notes due 2021; (ii) \$550 million aggregate principal amount of 3.750% senior notes due 2023; (iii) \$550 million aggregate principal amount of 4.000% senior notes due 2023; (iv) \$750 million aggregate principal amount of 4.800% senior notes due 2026; and (v) \$450 million aggregate principal amount of 4.450% senior notes due 2028. For the 3.800% senior notes due 2021 and the 4.800% senior notes due 2026, interest is payable semi-annually each April 1 and October 1. For the 3.750% senior notes due 2023, the 4.000% senior notes due 2023 and the 4.450% senior notes due 2028, interest is payable semi-annually each June 1 and December 1.

The senior notes assumed in the Merger were measured at fair value of \$3.2 billion at the acquisition date, which exceeded their aggregate face value by \$169.0 million. The difference between the fair value and face value of the assumed senior notes is recognized over the terms of the respective notes as a reduction of interest expense. The amortization of this fair value adjustment was \$1.5 million for the three and nine months ended September 30, 2019.

As of September 30, 2019, our senior notes had an estimated fair value of \$6,313.2 million. The estimated fair value of our senior notes was based on quoted market prices in an active market and is considered to be a Level 1 measurement of the valuation hierarchy. The fair value of other long-term debt approximated its carrying amount at September 30, 2019.

Prior Credit Facility

Prior to completion of the Merger, we were party to a credit facility agreement with Bank of America, N.A., as administrative agent, and a syndicate of financial institutions, as lenders and other agents (as amended from time to time, the "Prior Credit Facility"). The Prior Credit Facility provided for secured financing comprised of (i) a \$1.5 billion revolving credit facility; (ii) a \$1.5 billion term loan; (iii) a \$1.37 billion term loan; (iv) a \$1.14 billion term loan; and (v) a \$500 million term loan. Upon the consummation of the Merger, all borrowings outstanding and other amounts due under the Prior Credit Facility were repaid with proceeds from the New Facilities and the Prior Credit Facility was terminated. In connection with the extinguishment of the Prior Credit Facility in the three months ended September 30, 2019, we wrote-off related unamortized debt issuance costs of \$16.7 million to interest expense.

Compliance with Covenants

The Term Loan Credit Agreement contains customary conditions to funding, affirmative covenants, negative covenants, financial covenants and events of default. The Unsecured Revolving Credit Facility Agreement contains customary conditions to funding, affirmative covenants, negative covenants and events of default. As of September 30, 2019, financial covenants under the Term Loan Credit Agreement required a leverage ratio of 3.50 to 1.00 and an interest coverage ratio of 3.00 to 1.00. We were in compliance with all applicable covenants as of September 30, 2019.

Settlement Lines of Credit

In various markets where we do business, we have specialized lines of credit, which are restricted for use in funding settlement. The settlement lines of credit generally have variable interest rates, are subject to annual review and are denominated in local currency but may, in some cases, facilitate borrowings in multiple currencies. For certain of our lines of credit, the available credit is increased by the amount of cash we have on deposit in specific accounts with the lender. Accordingly, the amount of the outstanding line of credit may exceed the stated credit limit. As of September 30, 2019 and December 31, 2018, a total of \$72.1 million and \$70.6 million, respectively, of cash on deposit was used to determine the available credit.

As of September 30, 2019 and December 31, 2018, respectively, we had \$547.6 million and \$700.5 million outstanding under these lines of credit with additional capacity to fund settlement of \$871.9 million as of September 30, 2019. The weighted-average interest rate on these borrowings was 3.34% and 2.97% at September 30, 2019 and December 31, 2018, respectively. During the three months ended September 30, 2019, the maximum and average outstanding balances under these lines of credit were \$699.0 million and \$426.6 million, respectively.

Derivative Agreements

We have interest rate swap agreements with financial institutions to hedge changes in cash flows attributable to interest rate risk on a portion of our variable-rate debt instruments. Net amounts to be received or paid under the swap agreements are reflected as adjustments to interest expense. Since we have designated the interest rate swap agreements as portfolio cash flow hedges, unrealized gains or losses resulting from adjusting the swaps to fair value are recorded as components of other comprehensive income (loss).

In addition, in June 2019, we entered into forward-starting interest rate swap agreements with an aggregate notional amount of \$1.0 billion. The forward-starting interest rate swaps, designated as cash flow hedges, were designed to manage the exposure to interest rate volatility in anticipation of the issuance of the Senior Notes. During the period from the commencement of the swaps through the date upon which the Senior Notes were issued, the effective portion of the unrealized losses on the swaps was included in other comprehensive loss. Upon issuance of the Senior Notes, we terminated the forward-starting swap agreements and made settlement payments of \$48.3 million, which are included cash flows from operating activities in our consolidated statement of cash flows for the nine months ended September 30, 2019 within the caption labeled "Other, net." We have and will continue to reclassify the effective portion of the realized loss from accumulated other comprehensive loss into interest expense over the terms of the related Senior Notes.

The fair values of the interest rate swaps were determined based on the present value of the estimated future net cash flows using implied rates in the applicable yield curve as of the valuation date. These derivative instruments were classified within Level 2 of the valuation hierarchy.

The table below presents the fair values of our derivative financial instruments, designated as cash flow hedges, included in the consolidated balance sheets:

Derivative Financial Instruments	Balance Sheet Location	Weighted-Average Fixed Rate of Interest at September 30, 2019	Range of Maturity Dates at September 30, 2019	Fair Values	
				September 30, 2019	December 31, 2018
(in thousands)					
Interest rate swaps (Notional of \$500 million at September 30, 2019 and \$750 million at December 31, 2018)	Prepaid expenses and other current assets	1.46%	December 31, 2019 - July 31, 2020	\$ 950	\$ 3,200
Interest rate swaps (Notional of \$550 million at December 31, 2018)	Other noncurrent assets	NA	NA	\$ —	\$ 8,256
Interest rate swaps (Notional of \$1.5 billion at September 30, 2019 and \$950 million at December 31, 2018)	Other noncurrent liabilities	2.57%	March 31, 2021 - December 31, 2022	\$ 55,238	\$ 14,601

NA - not applicable.

The table below presents the effects of our interest rate swaps on the consolidated statements of income and comprehensive income for the three and nine months ended September 30, 2019 and 2018:

	Three Months Ended		Nine Months Ended	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
	(in thousands)			
Net unrealized (losses) gains recognized in other comprehensive loss	\$ (40,265)	\$ 1,845	\$ (96,997)	\$ 12,353
Net unrealized losses (gains) reclassified out of other comprehensive loss to interest expense	\$ 1,193	\$ (1,663)	\$ (1,530)	\$ (2,830)

As of September 30, 2019, the amount of net unrealized losses in accumulated other comprehensive loss related to our interest rate swaps that is expected to be reclassified into interest expense during the next 12 months was approximately \$19.1 million.

Interest Expense

Interest expense was approximately \$96 million and \$46 million for the three months ended September 30, 2019 and 2018, respectively, and approximately \$221 million and \$140 million for the nine months ended September 30, 2019 and 2018, respectively.

NOTE 7—INCOME TAX

Our effective income tax rate for the three months ended September 30, 2019 was a benefit of 18.7%, and our effective income tax rate for the nine months ended September 30, 2019 was 10.1%. Our effective income tax rates for those periods differed from the U.S. statutory rate primarily as a result of:

- the reduction of our U.S. deferred tax liability resulting from the effect of the Merger on the apportionment of income among the states;
- excess tax benefits of share-based awards that are recognized upon vesting or settlement;
- the U.S. tax benefits associated with income derived from foreign sources; and
- the recognition of the benefit of uncertain tax positions due to the effective settlement of the positions.

Our effective income tax rate for the three months ended September 30, 2018 was a benefit of 3.4%, and our effective income tax rate for the nine months ended September 30, 2018 was 10.4%. During the three and nine months ended September 30, 2018, we reduced our estimated transition tax liability associated with the U.S. Tax Cuts and Jobs Act of 2017 by \$23.3 million, which was the primary reason our effective income tax rates for those periods differed from the U.S. statutory rate.

We conduct business globally and file income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. In the normal course of business, we are subject to examination by taxing authorities around the world, including, without limitation, the United States and the United Kingdom. We are no longer subject to state income tax examinations for years ended on or before May 31, 2010, U.S. federal income tax examinations for years ended on or before May 31, 2016 and U.K. federal income tax examinations for years ended on or before May 31, 2015.

NOTE 8—SHAREHOLDERS' EQUITY

We repurchase our common stock mainly through open market repurchase plans and, at times, through accelerated share repurchase programs. During the nine months ended September 30, 2019 and 2018, we repurchased and retired 1,808,398 shares and 1,612,174 shares of our common stock at a cost, including commissions, of \$230.0 million and \$180.9 million, respectively, or \$127.18 per share and \$112.19 per share. We did not repurchase any shares of our common stock during the three months ended September 30, 2019 and 2018. As of September 30, 2019, we were authorized to repurchase up to \$568.0 million of our common stock.

[Table of Contents](#)

In connection with the completion of the Merger, our Articles of Incorporation were amended to increase the number of authorized shares of Global Payments common stock from 200 million to 400 million.

On October 24, 2019, our board of directors declared a dividend of \$0.195 per share payable on December 27, 2019 to common shareholders of record as of December 13, 2019.

NOTE 9—SHARE-BASED AWARDS AND STOCK OPTIONS

The following table summarizes share-based compensation expense and the related income tax benefit recognized for our share-based awards and stock options:

	Three Months Ended		Nine Months Ended	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
	(in thousands)			
Share-based compensation expense	\$ 27,877	\$ 14,833	\$ 55,791	\$ 44,937
Income tax benefit	\$ 4,396	\$ 3,614	\$ 10,633	\$ 10,276

Share-Based Awards

The following table summarizes the changes in unvested restricted stock and performance awards for the nine months ended September 30, 2019:

	Shares	Weighted-Average Grant-Date Fair Value
	(in thousands)	
Unvested at December 31, 2018	1,084	\$108.51
Replacement Awards	894	163.74
Granted	772	141.42
Vested	(490)	71.92
Forfeited	(88)	112.47
Unvested at September 30, 2019	2,172	\$151.06

The total fair value of restricted stock and performance awards vested during the nine months ended September 30, 2019 and September 30, 2018 was \$35.3 million and \$45.0 million, respectively.

For restricted stock and performance awards, we recognized compensation expense of \$20.2 million and \$13.8 million during the three months ended September 30, 2019 and September 30, 2018, respectively, and \$45.0 million and \$41.1 million during the nine months ended September 30, 2019 and September 30, 2018, respectively. As of September 30, 2019, there was \$175.1 million of unrecognized compensation expense related to unvested restricted stock and performance awards that we expect to recognize over a weighted-average period of 2.2 years. Our restricted stock and performance award plans provide for accelerated vesting under certain conditions.

Stock Options

The following table summarizes changes in stock option activity for the nine months ended September 30, 2019:

	Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
	(in thousands)		(years)	(in millions)
Outstanding at December 31, 2018	598	\$59.16	6.2	\$27.3
Replacement Awards	1,336	68.96		
Granted	109	128.22		
Exercised	(221)	32.54		
Outstanding at September 30, 2019	<u>1,822</u>	\$73.71	6.8	\$155.4
Options vested and exercisable at September 30, 2019	<u>1,217</u>	\$57.29	5.9	\$123.7

We recognized compensation expense for stock options of \$7.0 million and \$0.7 million during the three months ended September 30, 2019 and 2018, respectively, and \$8.6 million and \$2.3 million during the nine months ended September 30, 2019 and 2018, respectively. The aggregate intrinsic value of stock options exercised during the nine months ended September 30, 2019 and 2018 was \$22.9 million and \$15.9 million, respectively. As of September 30, 2019, we had \$15.4 million of unrecognized compensation expense related to unvested stock options that we expect to recognize over a weighted-average period of 1.7 years.

The weighted-average grant-date fair value of stock options granted, including Replacement Awards, during the nine months ended September 30, 2019 and 2018 was \$99.56 and \$35.09, respectively. Fair value was estimated on the date of grant using the Black-Scholes valuation model with the following weighted-average assumptions:

	Nine Months Ended	
	September 30, 2019	September 30, 2018
Risk-free interest rate	1.72%	2.60%
Expected volatility	31%	29%
Dividend yield	0.04%	0.04%
Expected term (years)	5	5

The risk-free interest rate was based on the yield of a zero coupon U.S. Treasury security with a maturity equal to the expected life of the option from the date of the grant. Our assumption on expected volatility was based on our historical volatility. The dividend yield assumption was determined using our average stock price over the preceding year and the annualized amount of our most current quarterly dividend per share. We based our assumptions on the expected term of the options on our analysis of the historical exercise patterns of the options and our assumption on the future exercise pattern of options.

NOTE 10—EARNINGS PER SHARE

Basic earnings per share ("EPS") was computed by dividing net income attributable to Global Payments by the weighted-average number of shares outstanding during the period. Earnings available to common shareholders was the same as reported net income attributable to Global Payments for all periods presented.

Diluted EPS is computed by dividing net income attributable to Global Payments by the weighted-average number of shares outstanding during the period, including the effect of share-based awards that would have a dilutive effect on EPS. All stock options with an exercise price lower than the average market share price of our common stock for the period are assumed to have a dilutive effect on EPS.

The following table sets forth the computation of diluted weighted-average number of shares outstanding for the three and nine months ended September 30, 2019 and 2018:

	Three Months Ended		Nine Months Ended	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
	(in thousands)			
Basic weighted-average number of shares outstanding	177,039	158,168	163,846	158,827
Plus: Dilutive effect of stock options and other share-based awards	504	538	485	632
Diluted weighted-average number of shares outstanding	177,543	158,706	164,331	159,459

NOTE 11—ACCUMULATED OTHER COMPREHENSIVE LOSS

The changes in the accumulated balances for each component of other comprehensive income (loss) were as follows for the three and nine months ended September 30, 2019 and 2018:

	Foreign Currency Translation	Unrealized Gains (Losses) on Hedging Activities	Other	Accumulated Other Comprehensive Loss
	(in thousands)			
Balance at June 30, 2019	\$ (289,194)	\$ (47,313)	\$ (3,399)	\$ (339,906)
Other comprehensive income (loss)	(58,415)	(29,783)	37	(88,161)
Balance at September 30, 2019	\$ (347,609)	\$ (77,096)	\$ (3,362)	\$ (428,067)
Balance at June 30, 2018	\$ (253,372)	\$ 14,030	\$ (4,287)	\$ (243,629)
Other comprehensive income (loss)	(26,930)	72	(58)	(26,916)
Balance at September 30, 2018	\$ (280,302)	\$ 14,102	\$ (4,345)	\$ (270,545)

Other comprehensive income (loss) attributable to noncontrolling interests, which relates only to foreign currency translation, was a loss of \$8.7 million and income of \$11.7 million for the three months ended September 30, 2019 and 2018, respectively.

	Foreign Currency Translation	Unrealized Gains (Losses) on Hedging Activities	Other	Accumulated Other Comprehensive Loss
	(in thousands)			
Balance at December 31, 2018	\$ (304,274)	\$ (2,374)	\$ (3,527)	\$ (310,175)
Other comprehensive income (loss)	(43,335)	(74,722)	165	(117,892)
Balance at September 30, 2019	\$ (347,609)	\$ (77,096)	\$ (3,362)	\$ (428,067)
Balance at December 31, 2017	\$ (185,856)	\$ 6,999	\$ (4,287)	\$ (183,144)
Cumulative effect of adoption of new accounting standard	(1,843)	—	—	(1,843)
Other comprehensive income (loss)	(92,603)	7,103	(58)	(85,558)
Balance at September 30, 2018	\$ (280,302)	\$ 14,102	\$ (4,345)	\$ (270,545)

Other comprehensive income (loss) attributable to noncontrolling interests, which relates only to foreign currency translation, was a loss of \$9.4 million and income of \$11.8 million for the nine months ended September 30, 2019 and 2018, respectively.

NOTE 12—SEGMENT INFORMATION

Prior to the completion of the Merger, we operated in three reportable segments: North America, Europe and Asia-Pacific. As a result of the Merger, we anticipate realigning our executive management and organizational structures. As of September 30, 2019, we were still assessing changes in our internal management reporting structure to incorporate TSYS and the effects it may have on our reportable segments. Because this process was not complete as of September 30, 2019, we have reported the results of operations of TSYS from the acquisition date to September 30, 2019 as a separate reportable segment. In future periods, once the new management and organizational structures have been established, we will report financial information for our new reportable segments and recast prior periods to reflect the change, as necessary.

We evaluate performance and allocate resources based on the operating income of each operating segment. The operating income of each operating segment includes the revenues of the segment less expenses that are directly related to those revenues. Operating overhead, shared costs and share-based compensation costs are included in Corporate. Interest and other income, interest and other expense and income tax expense are not allocated to the individual segments. We do not evaluate the performance of or allocate resources to our operating segments using asset data. The accounting policies of the reportable segments are the same as those described in our Annual Report on Form 10-K for the year ended December 31, 2018 and our summary of significant accounting policies in "Note 1—Basis of Presentation and Summary of Significant Accounting Policies."

Information on segments and reconciliations to consolidated revenues and consolidated operating income was as follows for the three and nine months ended September 30, 2019 and 2018:

	Three Months Ended		Nine Months Ended	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
	(in thousands)			
<u>Revenues⁽¹⁾:</u>				
North America	\$ 734,841	\$ 643,715	\$ 2,129,182	\$ 1,859,545
Europe	164,950	157,584	468,168	456,492
Asia-Pacific	58,680	56,371	179,311	169,774
TSYS	147,470	—	147,470	—
Consolidated revenues	\$ 1,105,941	\$ 857,670	\$ 2,924,131	\$ 2,485,811
<u>Operating income (loss)⁽¹⁾:</u>				
North America	\$ 205,728	\$ 174,012	\$ 547,160	\$ 446,600
Europe	91,332	85,781	249,638	239,011
Asia-Pacific	24,187	23,692	74,718	67,043
TSYS ⁽²⁾	(11,124)	—	(11,124)	—
Corporate ⁽²⁾	(136,086)	(60,323)	(265,137)	(182,585)
Consolidated operating income	\$ 174,037	\$ 223,162	\$ 595,255	\$ 570,069
<u>Depreciation and amortization⁽¹⁾:</u>				
North America	\$ 123,075	\$ 106,022	\$ 375,885	\$ 313,980
Europe	12,876	11,660	38,971	36,180
Asia-Pacific	5,201	4,381	15,382	13,740
TSYS	40,213	—	40,213	—
Corporate	2,381	1,994	7,047	5,548
Consolidated depreciation and amortization	\$ 183,746	\$ 124,057	\$ 477,498	\$ 369,448

(1) Revenues, operating income and depreciation and amortization reflect the effects of acquired businesses from the respective acquisition dates. For further discussion of our acquisitions, see "Note 2—Acquisitions."

(2) Operating loss for Corporate included acquisition and integration expenses of \$80.0 million and \$8.2 million for the three months ended September 30, 2019 and 2018, respectively. Operating loss for Corporate included acquisition and integration expenses of \$99.5 million and \$34.6 million, respectively for the nine months ended September 30, 2019 and 2018. Operating loss for TSYS included acquisition and integration expenses of \$20.9 million for the three and nine months ended September 30, 2019.

NOTE 13—COMMITMENTS AND CONTINGENCIES

Legal Matters

Six putative class action lawsuits challenging the Merger were filed. Two of these lawsuits, captioned *Peters v. Total System Services, Inc. et al.* (Case No. 4:19-cv-00114) and *Wolf v. Total System Services, Inc., et al.* (Case No. 4:19-cv-00115), were filed in the United States District Court for the Middle District of Georgia on July 18, 2019. The third lawsuit, captioned *Drulias v. Global Payments Inc., et al.* (Case No. 60774/2019) was filed in the Supreme Court of the State of New York, County of Westchester on July 19, 2019. The fourth lawsuit, captioned *Hickey v. Total System Services, Inc., et al.* (Civil Action No. 1:19-cv-03337-LMM) was filed in the United States District Court for the Northern District of Georgia, Atlanta Division, on July 23, 2019. The fifth lawsuit, captioned, *Cason v. Total System Services, Inc., et al.* (Case No. 1:19-cv-07471) was filed in the United States District Court for the Southern District of New York on August 9, 2019. The sixth lawsuit, captioned, *Cheng v. Total System Services, et al.* (Case No: 1:19-cv-01513-UNA) was filed in the United States District Court for the District of Delaware on August 13, 2019. The complaints filed in the lawsuits assert, among other matters, claims for filing a materially incomplete registration statement with the SEC. Global Payments and TSYS released supplemental disclosures relating to the Merger in late August 2019, and the *Peters* lawsuit, the *Wolf* lawsuit and the *Cheng* lawsuit have been voluntarily dismissed.

On September 23, 2019, a jury in the Superior Court of Dekalb County, Georgia, awarded Frontline Processing Corp. ("Frontline") \$135.2 million in damages, costs and attorney's fees (plus interest) following a trial of a breach of contract dispute between Frontline and Global Payments, wherein Frontline alleged that Global Payments violated provisions of the parties' Referral Agreement and Master Services Agreement. The Superior Court entered a final judgment on the verdict in favor of Frontline on September 30, 2019. We believe the jury verdict is in error and Frontline's case is completely without merit, and we are appealing the decision to the Georgia Court of Appeals. While it is reasonably possible that we will incur some loss between zero and the judgment amount plus interest, we have determined that it is not probable that Global Payments has incurred a loss under the applicable accounting standard (ASC Topic 450, *Loss Contingencies*) as of September 30, 2019. As a result, we have not recorded a liability on the consolidated balance sheet with respect to this litigation.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements and related notes included in Item 1 of Part I of this Quarterly Report and the Management's Discussion and Analysis of Financial Condition and Results of Operations and consolidated financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2018. This discussion and analysis contains forward-looking statements about our plans and expectations of what may happen in the future. Forward-looking statements are based on a number of assumptions and estimates that are inherently subject to significant risks and uncertainties, and our actual results could differ materially from the results anticipated by our forward-looking statements. See "Forward-Looking Statements" below for additional information.

Executive Overview

On May 27, 2019, we entered into an Agreement and Plan of Merger (the "Merger Agreement") with Total System Services, Inc. ("TSYS") providing for the merger of TSYS with and into Global Payments, with Global Payments as the surviving entity (the "Merger"). We consummated the Merger on September 18, 2019 for total purchase consideration of \$24.5 billion. Prior to the Merger, TSYS was a leading global payments provider, offering seamless, secure and innovative solutions to issuers, merchants and consumers. Through our combination with TSYS, we are now a leading pure play payments technology company delivering innovative software and services to our customers globally. See "Note 2—Acquisitions" in the notes to the accompanying unaudited consolidated financial statements for a description of the Merger and other acquisitions and "Note 12—Segment Information" for a description of our reportable segments.

Highlights related to our financial condition and results of operations for the three and nine months ended September 30, 2019 are:

- Consolidated revenues for the three and nine months ended September 30, 2019 increased to \$1,105.9 million and \$2,924.1 million, respectively, compared to \$857.7 million and \$2,485.8 million for the prior-year periods, primarily due to additional revenues from the Merger and businesses acquired in the second half of 2018.
- Consolidated operating income for the three months ended September 30, 2019 decreased to \$174.0 million compared to \$223.2 million for the prior-year period as a result of the acquisition and integration expenses primarily related to the Merger. Consolidated operating income for the nine months ended September 30, 2019 increased to \$595.3 million compared to \$570.1 million for the prior-year period. Operating margin for the three and nine months ended September 30, 2019 was 15.7% and 20.4%, respectively, compared to 26.0% and 22.9% for the prior-year periods.
- Net income attributable to Global Payments for the three and nine months ended September 30, 2019 decreased to \$95.0 million and \$327.8 million, respectively, compared to \$176.4 million and \$376.8 million for the prior-year periods, reflecting the change in operating income and additional interest expense.
- Diluted earnings per share for the three and nine months ended September 30, 2019 decreased to \$0.54 and \$2.00, respectively, compared to \$1.11 and \$2.36 for the prior-year periods.

Results of Operations

The following table sets forth key selected financial data for the three months ended September 30, 2019 and 2018, this data as a percentage of total revenues and the changes between the periods in dollars and as a percentage of the prior-year amount.

	Three Months Ended September 30, 2019	% of Revenues ⁽¹⁾	Three Months Ended September 30, 2018	% of Revenues ⁽¹⁾	Change	% Change
(dollar amounts in thousands)						
Revenues⁽²⁾:						
North America	\$ 734,841	66.4%	\$ 643,715	75.1%	\$ 91,126	14.2 %
Europe	164,950	14.9%	157,584	18.4%	7,366	4.7 %
Asia-Pacific	58,680	5.3%	56,371	6.6%	2,309	4.1 %
TSYS	147,470	13.3%	—	—%	147,470	NA
Total revenues	<u>\$ 1,105,941</u>	<u>100.0%</u>	<u>\$ 857,670</u>	<u>100.0%</u>	<u>\$ 248,271</u>	<u>28.9 %</u>
Consolidated operating expenses⁽²⁾:						
Cost of service	\$ 427,720	38.7%	\$ 265,013	30.9%	\$ 162,707	61.4 %
Selling, general and administrative	504,184	45.6%	369,495	43.1%	134,689	36.5 %
Operating expenses	<u>\$ 931,904</u>	<u>84.3%</u>	<u>\$ 634,508</u>	<u>74.0%</u>	<u>\$ 297,396</u>	<u>46.9 %</u>
Operating income (loss)⁽²⁾:						
North America	\$ 205,728		\$ 174,012		\$ 31,716	18.2 %
Europe	91,332		85,781		5,551	6.5 %
Asia-Pacific	24,187		23,692		495	2.1 %
TSYS ⁽³⁾	(11,124)		—		(11,124)	NA
Corporate ⁽³⁾	(136,086)		(60,323)		(75,763)	125.6 %
Operating income	<u>\$ 174,037</u>	<u>15.7%</u>	<u>\$ 223,162</u>	<u>26.0%</u>	<u>\$ (49,125)</u>	<u>(22.0)%</u>
Operating margin⁽²⁾:						
North America	28.0 %		27.0 %		1.0 %	
Europe	55.4 %		54.4 %		1.0 %	
Asia-Pacific	41.2 %		42.0 %		(0.8)%	
TSYS	(7.5)%		NA		NA	

NA = not applicable.

⁽¹⁾Percentage amounts may not sum to the total due to rounding.

⁽²⁾Revenues, consolidated operating expenses, operating income (loss) and operating margin reflect the effects of acquired businesses from the respective acquisition dates. For further discussion of our acquisitions, see "Note 2—Acquisitions" in the notes to the accompanying unaudited consolidated financial statements.

⁽³⁾Operating loss for Corporate included acquisition and integration expenses of \$80.0 million and \$8.2 million for the three months ended September 30, 2019 and 2018, respectively. Operating loss for TSYS included acquisition and integration expenses of \$20.9 million for the three months ended September 30, 2019.

[Table of Contents](#)

The following table sets forth key selected financial data for the nine months ended September 30, 2019 and 2018, this data as a percentage of total revenues and the changes between the periods in dollars and as a percentage of the prior-year amount.

	Nine Months Ended September 30, 2019	% of Revenues ⁽¹⁾	Nine Months Ended September 30, 2018	% of Revenues ⁽¹⁾	Change	% Change
(dollar amounts in thousands)						
Revenues⁽²⁾:						
North America	\$ 2,129,182	72.8%	\$ 1,859,545	74.8%	\$ 269,637	14.5%
Europe	468,168	16.0%	456,492	18.4%	11,676	2.6%
Asia-Pacific	179,311	6.1%	169,774	6.8%	9,537	5.6%
TSYS	147,470	5.0%	—	—%	147,470	NA
Total revenues	<u>\$ 2,924,131</u>	<u>100.0%</u>	<u>\$ 2,485,811</u>	<u>100.0%</u>	<u>\$ 438,320</u>	<u>17.6%</u>
Consolidated operating expenses⁽²⁾:						
Cost of service	\$ 1,035,225	35.4%	\$ 781,943	31.5%	\$ 253,282	32.4%
Selling, general and administrative	1,293,651	44.2%	1,133,799	45.6%	159,852	14.1%
Operating expenses	<u>\$ 2,328,876</u>	<u>79.6%</u>	<u>\$ 1,915,742</u>	<u>77.1%</u>	<u>\$ 413,134</u>	<u>21.6%</u>
Operating income (loss)⁽²⁾:						
North America	\$ 547,160		\$ 446,600		\$ 100,560	22.5%
Europe	249,638		239,011		10,627	4.4%
Asia-Pacific	74,718		67,043		7,675	11.4%
TSYS ⁽³⁾	(11,124)		—		(11,124)	NA
Corporate ⁽³⁾	(265,137)		(182,585)		(82,552)	45.2%
Operating income	<u>\$ 595,255</u>	<u>20.4%</u>	<u>\$ 570,069</u>	<u>22.9%</u>	<u>\$ 25,186</u>	<u>4.4%</u>
Operating margin⁽²⁾:						
North America	25.7 %		24.0 %		1.7%	
Europe	53.3 %		52.4 %		0.9%	
Asia-Pacific	41.7 %		39.5 %		2.2%	
TSYS	(7.5)%		NA		NA	

NA = not applicable.

⁽¹⁾Percentage amounts may not sum to the total due to rounding.

⁽²⁾ Revenues, consolidated operating expenses, operating income (loss) and operating margin reflect the effects of acquired businesses from the respective acquisition dates. For further discussion of our acquisitions, see "Note 2—Acquisitions" in the notes to the accompanying unaudited consolidated financial statements.

⁽³⁾ Operating loss for Corporate included acquisition and integration expenses of \$99.5 million and \$34.6 million, respectively for the nine months ended September 30, 2019 and 2018. Operating loss for TSYS included acquisition and integration expenses of \$20.9 million for the nine months ended September 30, 2019.

Revenues

Consolidated revenues for the three and nine months ended September 30, 2019 increased by 28.9% and 17.6%, respectively, to \$1,105.9 million and \$2,924.1 million, despite the unfavorable effect of fluctuations in foreign currency exchange rates. For the three and nine months ended September 30, 2019, currency exchange rate fluctuations reduced our consolidated revenues by \$11.8 million and \$50.8 million, respectively, compared to the prior-year periods, calculated by converting revenues for the current period in local currencies using exchange rates for the prior-year period.

North America Segment. Revenues from our North America segment for the three and nine months ended September 30, 2019 increased by 14.2% and 14.5%, respectively, to \$734.8 million and \$2,129.2 million, primarily due to organic revenue growth.

Europe Segment. Revenues from our Europe segment for the three and nine months ended September 30, 2019 increased by 4.7% and 2.6%, respectively, to \$165.0 million and \$468.2 million due to organic growth, partially offset by the unfavorable effect of fluctuations in foreign currency exchange rates of \$9.4 million and \$35.4 million, respectively.

Asia-Pacific Segment. Revenues from our Asia-Pacific segment for the three and nine months ended September 30, 2019 increased by 4.1% and 5.6%, respectively, to \$58.7 million and \$179.3 million, primarily due to organic revenue growth, partially offset by the unfavorable effect of fluctuations in foreign currency exchange rates of \$1.4 million and \$7.6 million, respectively.

Operating Expenses

Cost of Service. Cost of service for the three and nine months ended September 30, 2019 increased by 61.4% and 32.4%, respectively, to \$427.7 million and \$1,035.2 million. Cost of service as a percentage of revenues was 38.7% and 35.4%, respectively, for the three and nine months ended September 30, 2019, compared to 30.9% and 31.5% for the prior-year periods. The increase in cost of service for the three and nine months ended September 30, 2019 was primarily due to additional costs associated with revenue growth, including those of acquired businesses, and an increase in amortization of acquired intangibles of \$15.0 million and \$81.7 million, respectively. Cost of service for the three and nine months ended September 30, 2019 also reflects acquisition and integration expenses of \$10.4 million and \$12.4 million, respectively, which contributed to the increase in cost of service as a percentage of revenues.

Selling, General and Administrative Expenses. Selling, general and administrative expenses for the three and nine months ended September 30, 2019 increased by 36.5% and 14.1%, respectively, to \$504.2 million and \$1,293.7 million. Selling, general and administrative expenses as a percentage of revenues was 45.6% and 44.2%, respectively, for the three and nine months ended September 30, 2019, compared to 43.1% and 45.6% for the prior-year periods. The increase in selling, general and administrative expenses for the three and nine months ended September 30, 2019 was primarily due to additional costs to support the growth of our business, including those of acquired businesses. Selling, general and administrative expenses for the three and nine months ended September 30, 2019 also reflect acquisition and integration expenses of \$90.5 million and \$108.0 million, respectively, which contributed to the increase in selling, general and administrative expenses as a percentage of revenues.

Operating Income and Operating Margin

North America Segment. Operating income in our North America segment for the three and nine months ended September 30, 2019 increased by 18.2% and 22.5%, respectively, to \$205.7 million and \$547.2 million, primarily due to revenue growth. Operating margin for the three and nine months ended September 30, 2019 increased to 28.0% and 25.7%, respectively, compared to 27.0% and 24.0% for the prior-year periods.

Europe Segment. Operating income in our Europe segment for the three and nine months ended September 30, 2019 increased by 6.5% and 4.4%, respectively, to \$91.3 million and \$249.6 million, primarily due to revenue growth, partially offset by the unfavorable effect of fluctuations in foreign currency exchange rates of \$4.9 million and \$16.6 million, respectively. Operating margin for the three and nine months ended September 30, 2019 increased to 55.4% and 53.3%, respectively, compared to 54.4% and 52.4% for the prior-year periods.

Asia-Pacific Segment. Operating income in our Asia-Pacific segment for the three and nine months ended September 30, 2019 increased by 2.1% and 11.4%, respectively, to \$24.2 million and \$74.7 million, primarily due to revenue growth. Operating margin for the three and nine months ended September 30, 2019 was 41.2% and 41.7%, respectively, compared to 42.0% and 39.5% for the prior-year periods.

Corporate. Corporate expenses increased by \$75.8 million and \$82.6 million, respectively, to \$136.1 million and \$265.1 million for the three and nine months ended September 30, 2019, compared to the prior-year periods, primarily due to expenses associated with the Merger. During the three months ended September 30, 2019 and 2018, operating loss for Corporate included acquisition and integration expenses of \$80.0 million and \$8.2 million, respectively. During the nine months ended September 30, 2019 and 2018, operating loss for Corporate included acquisition and integration expenses of \$99.5 million and \$34.6 million, respectively.

Other Income/Expense, Net

Interest and other income increased by \$8.1 million and \$2.9 million, respectively, to \$11.2 million and \$20.3 million for the three and nine months ended September 30, 2019, compared to the prior-year periods, as a result of interest earned on the net proceeds from the issuance of the Senior Notes while they were in escrow. Interest and other income for the nine months ended September 30, 2018 included a gain of \$9.6 million recognized on the reorganization of a debit network association of which we were a member through one of our Canadian subsidiaries.

Interest and other expense increased by \$49.8 million and \$81.2 million, respectively, for the three and nine months ended September 30, 2019, compared to the prior-year periods. The increases in interest expense for the three and nine months ended September 30, 2019 reflect additional interest expense associated with the increase in our long-term debt, including debt of \$3,295.3 million that we assumed in the Merger. Further, in connection with financing activities related to the Merger, we incurred fees and charges of \$25.5 million and \$28.4 million, which were included in interest expense for the three and nine months ended September 30, 2019, respectively. These fees and charges included fees associated with bridge financing and charges for the write-off of unamortized debt issuance costs related to borrowings under our Prior Credit Facility that was extinguished prior to the completion of the Merger.

Income Tax Expense (Benefit)

Our effective income tax rates for the three months ended September 30, 2019 and 2018 were a benefit of 18.7%, and a benefit of 3.4%, respectively. Our effective income tax rates for the nine months ended September 30, 2019 and 2018 were 10.1% and 10.4%, respectively. The changes in our effective tax rates for the three and nine months ended September 30, 2019 from the prior-year periods reflects the effect of discrete items related to the Merger during the three months ended September 30, 2019 and the reduction of our estimated transition tax liability associated with the U.S. Tax Cuts and Jobs Act of 2017 during the three months ended September 30, 2018.

Liquidity and Capital Resources

In the ordinary course of our business, a significant portion of our liquidity comes from operating cash flows and borrowings, including the capacity under our new credit facilities, which are described below. Cash flow from operating activities is used to make planned capital investments in our business, to pursue acquisitions that meet our corporate objectives, to pay dividends, to pay principal and interest on our outstanding debt and to repurchase shares of our common stock. Accumulated cash balances are invested in high-quality, marketable short-term instruments.

Our capital plan objectives are to support our operational needs and strategic plan for long-term growth while maintaining a low cost of capital. We use a combination of bank financing, such as borrowings under our new credit facilities and senior note issuances, for general corporate purposes and to fund acquisitions. In addition, specialized lines of credit are also used in certain of our markets to fund merchant settlement prior to receipt of funds from the card network. We regularly evaluate our liquidity and capital position relative to cash requirements, and we may elect to raise additional funds in the future, through the issuance of debt or equity or by other means.

At September 30, 2019, we had cash and cash equivalents totaling \$2,127.6 million. Of this amount, we consider \$961.9 million to be available for general purposes, of which approximately \$26 million is undistributed foreign earnings considered to be indefinitely reinvested outside the United States. The available cash of \$961.9 million does not include the following: (i) settlement-related cash balances, (ii) funds held as collateral for merchant losses ("Merchant Reserves") and (iii) funds held for customers. Settlement-related cash balances represent funds that we hold when the incoming amount from the card networks precedes the funding obligation to the merchant. Settlement-related cash balances are not restricted; however, these funds are generally paid out in satisfaction of settlement processing obligations the following day. Merchant Reserves serve as collateral to minimize contingent liabilities associated with any losses that may occur under the merchant's agreement. While this cash is not restricted in its use, we believe that designating this cash to collateralize Merchant Reserves strengthens our fiduciary standing with our member sponsors and is in accordance with the guidelines set by the card networks. Funds held for customers and the corresponding liability that we record in customer deposits include amounts collected prior to remittance on our customers' behalf.

Operating activities provided net cash of \$1,349.4 million and \$661.0 million for the nine months ended September 30, 2019 and 2018, respectively, which reflect net income adjusted for noncash items, including depreciation and amortization and changes in operating assets and liabilities. Fluctuations in operating assets and liabilities are affected primarily by timing of month-end and transaction volume, especially changes in settlement processing assets and obligations, and by the effects of businesses we acquire that have different working capital requirements. Changes in settlement processing assets and obligations increased operating cash flows by \$624.0 million during the nine months ended September 30, 2019 and decreased operating cash flows by \$58.7 million during the nine months ended September 30, 2018. The increase in cash flows from operating activities from the prior-year period was primarily due to the effect of changes in settlement processing assets and obligations. Cash flows from operations during the nine months ended September 30, 2019 also reflect the effect of settlement payments of \$48.3 million related to interest rate swaps that we terminated upon the issuance of our Senior Notes.

We used net cash in investing activities of \$506.3 million and \$927.5 million during the nine months ended September 30, 2019 and 2018, respectively. Cash used for investing activities primarily represents cash used to fund acquisitions, net of cash acquired, and capital expenditures. During the nine months ended September 30, 2019, we used cash of \$780.4 million for acquisitions, including \$703.6 million for the repayment of TSYS's unsecured revolving credit facility (including accrued interest and fees) and for cash paid to TSYS shareholders in lieu of fractional shares, which was partially offset by cash acquired of \$446.0 million. During the nine months ended September 30, 2018, we used cash of \$776.7 million for acquisitions, which was partially offset by cash acquired of \$7.7 million.

We made capital expenditures of \$201.0 million and \$156.1 million to purchase property and equipment during the nine months ended September 30, 2019 and 2018, respectively. These investments include software and hardware to support the development of new technologies, continued consolidation and enhancement of our operating platforms and infrastructure to support our growing business. During the year ending December 31, 2019, we expect aggregate capital expenditures for property and equipment to approximate \$300 million.

Financing activities include borrowings and repayments made under our various debt arrangements, as well as borrowings and repayments made under specialized lines of credit to fund daily settlement activities. Our borrowing arrangements are further described in "Note 6—Long-Term Debt and Lines of Credit" in the notes to the accompanying unaudited consolidated financial statements and below under "Long-Term Debt and Lines of Credit." Financing activities also include cash flows associated with common stock repurchase programs and share-based compensation programs, as well as cash distributions made to noncontrolling interests and our shareholders. Cash flows from financing activities provided net cash of \$109.9 million during the nine months ended September 30, 2019 and used net cash of \$49.0 million during the nine months ended September 30, 2018.

In connection with financing activities associated with the Merger, we received \$2,993.9 million of proceeds from the issuance of Senior Notes (defined below) and \$2,868.0 million from our New Credit Facility (defined in "Note 6—Long-Term Debt and Lines of Credit" in the notes to the accompanying unaudited consolidated financial statements). We used these proceeds to repay TSYS's unsecured revolving credit facility, to refinance certain of our existing indebtedness, to fund cash payments made in lieu of fractional shares payable in accordance with the terms of the Merger Agreement and to pay transaction fees and costs related to the Merger.

Repayments of long-term debt were \$6,097.2 million and \$1,468.5 million for the nine months ended September 30, 2019 and 2018, respectively. Repayments of long-term debt consist of repayments that we make with available cash, from time-to-time, under our Revolving Credit Facility, as well as scheduled principal repayments we make on our term loans. During the nine months ended

September 30, 2019, repayments of long-term debt also included \$5,127.5 million for the repayment of all outstanding principal under our Prior Credit Facility (defined in "Note 6—Long-Term Debt and Lines of Credit" in the notes to the accompanying unaudited consolidated financial statements).

Activity under our settlement lines of credit is affected primarily by timing of month-end and transaction volume. During the nine months ended September 30, 2019, we had net repayments of settlement lines of credit of \$144.5 million, and during the nine months ended September 30, 2018, we had net borrowings from settlement lines of credit of \$49.4 million, respectively.

We repurchase our common stock mainly through open market repurchase plans and, at times, through accelerated share repurchase programs. During the nine months ended September 30, 2019 and 2018, we used \$234.0 million and \$180.9 million, respectively, to repurchase shares of our common stock. As of September 30, 2019, we had \$568.0 million of share repurchase authority remaining under a share repurchase program authorized by the board of directors.

During the nine months ended September 30, 2019, we paid distributions to noncontrolling interest in the amount of \$31.6 million, and we funded assumed dividends payable (declared by TSYS's board of directors prior to consummation of the Merger) to former TSYS shareholders in the amount of \$23.2 million. During the nine months ended September 30, 2018, distributions to noncontrolling interests were \$5.7 million.

We believe that our current level of cash and borrowing capacity under our existing credit facilities, together with expected future cash flows from operations, will be sufficient to meet the needs of our existing operations and planned requirements for the foreseeable future.

Long-Term Debt and Lines of Credit

Bridge Facility

On May 27, 2019, in connection with our entry into the Merger Agreement, we obtained commitments for a \$2.75 billion, 364-day senior unsecured bridge facility (the "Bridge Facility"). On July 9, 2019, upon our entry into the Term Loan Facility and the Unsecured Revolving Credit Facility (each as defined below), the aggregate commitments under the Bridge Facility were reduced to approximately \$2.1 billion. Concurrently with the issuance of the Senior Notes (as defined below), the remaining aggregate commitments under the Bridge Facility were reduced to zero and terminated. During the nine months ended September 30, 2019, we paid fees of \$11.7 million for the Bridge Facility.

New Facilities

On July 9, 2019, we entered into a term loan credit agreement ("Term Loan Credit Agreement") and a revolving credit agreement ("Unsecured Revolving Credit Agreement") in each case with Bank of America, N.A., as administrative agent, and a syndicate of financial institutions, as lenders and other agents. The Term Loan Credit Agreement provides for a senior unsecured \$2.0 billion term loan facility ("Term Loan Facility"). The Unsecured Revolving Credit Agreement provides for a senior unsecured \$3.0 billion revolving credit facility ("Unsecured Revolving Credit Facility," together with the Term Loan Facility, the "New Facilities").

Borrowings under the Term Loan Facility were made in U.S. dollars and borrowings under the Unsecured Revolving Credit Facility are available to be made in U.S. dollars, euros, sterling, Canadian dollars and, subject to certain conditions, certain other currencies at our option. Borrowings in U.S. dollars and certain other London Interbank Offered Rate ("LIBOR")-quoted currencies will bear interest, at our option, at a rate equal to either (1) the rate (adjusted for any statutory reserve requirements for eurocurrency liabilities) for eurodollar deposits in the London interbank market, (2) a floating rate of interest set forth on the applicable LIBOR screen page designated by Bank of America or (3) the highest of (a) the federal funds effective rate plus 0.5%, (b) the rate of interest as publicly announced by Bank of America as its "prime rate" or (c) LIBOR plus 1.0%, in each case, plus an applicable margin.

As of September 30, 2019, the interest rates on the Term Loan Facility and the Unsecured Revolving Credit Facility were 3.42% and 3.33%, respectively. In addition, we are required to pay a quarterly commitment fee with respect to the unused portion of the Unsecured Revolving Credit Facility at an applicable rate per annum ranging from 0.125% to 0.300% depending on our credit rating. Beginning on December 31, 2022, and at the end of each quarter thereafter, the Term Loan Facility must be repaid in quarterly

installments in the amount of 2.50% of original principal through the maturity date with the remaining principal balance due upon maturity in September 2024. The Unsecured Revolving Credit Agreement also matures in September 2024.

We may issue standby letters of credit of up to \$250 million in the aggregate under the Unsecured Revolving Credit Facility. Outstanding letters of credit under the Unsecured Revolving Credit Facility reduce the amount of borrowings available to us. The total available commitments under the Unsecured Revolving Credit Facility at September 30, 2019 were \$2,198.8 million.

Senior Notes

On August 14, 2019, we completed the public offering and issuance of \$3.0 billion aggregate principal amount of senior unsecured notes, consisting of the following: (i) \$1.0 billion aggregate principal amount of 2.650% senior notes due 2025; (ii) \$1.25 billion aggregate principal amount of 3.200% senior notes due 2029; and (iii) \$750 million aggregate principal amount of 4.150% senior notes due 2049 (collectively, the "Senior Notes"). Interest on the Senior Notes is payable semi-annually in arrears on each February 15 and August 15, beginning on February 15, 2020. Each series of the Senior Notes is redeemable, at our option, in whole or in part, at any time and from time-to-time at the redemption prices set forth in the related indenture.

From August 14, 2019 to the closing date of the Merger, the net proceeds from the issuance of the Senior Notes were held in escrow. Upon closing, the funds were released and used together with borrowings under the Term Loan Facility and the Unsecured Revolving Credit Facility and cash on hand to repay TSYS's unsecured revolving credit facility, to refinance certain of our existing indebtedness, to fund cash payments made in lieu of fractional shares payable in accordance with the terms of the Merger Agreement and to pay transaction fees and costs related to the Merger.

In addition, in connection with the Merger, we assumed \$3.0 billion aggregate principal amount of senior unsecured notes of TSYS, consisting of the following: (i) \$750 million aggregate principal amount of 3.800% senior notes due 2021; (ii) \$550 million aggregate principal amount of 3.750% senior notes due 2023; (iii) \$550 million aggregate principal amount of 4.000% senior notes due 2023; (iv) \$750 million aggregate principal amount of 4.800% senior notes due 2026; and (v) \$450 million aggregate principal amount of 4.450% senior notes due 2028. For the 3.800% senior notes due 2021 and the 4.800% senior notes due 2026, interest is payable semi-annually each April 1 and October 1. For the 3.750% senior notes due 2023, the 4.000% senior notes due 2023 and the 4.450% senior notes due 2028, interest is payable semi-annually each June 1 and December 1.

Prior Credit Facility

Prior to completion of the Merger, we were party to a credit facility agreement with Bank of America, N.A., as administrative agent, and a syndicate of financial institutions, as lenders and other agents (as amended from time to time, the "Prior Credit Facility"). The Prior Credit Facility provided for secured financing comprised of (i) a \$1.5 billion revolving credit facility; (ii) a \$1.5 billion term loan; (iii) a \$1.37 billion term loan; (iv) a \$1.14 billion term loan; and (v) a \$500 million term loan. Upon the consummation of the Merger, all borrowings outstanding and other amounts due under the Prior Credit Facility were repaid with proceeds from the New Facilities and the Prior Credit Facility was terminated.

Compliance with Covenants

The Term Loan Credit Agreement contains customary conditions to funding, affirmative covenants, negative covenants, financial covenants and events of default. The Unsecured Revolving Credit Facility Agreement contains customary conditions to funding, affirmative covenants, negative covenants and events of default. As of September 30, 2019, financial covenants under the Term Loan Credit Agreement required a leverage ratio of 3.50 to 1.00 and an interest coverage ratio of 3.00 to 1.00. We were in compliance with all applicable covenants as of September 30, 2019.

Settlement Lines of Credit

In various markets where we do business, we have specialized lines of credit, which are restricted for use in funding settlement. The settlement lines of credit generally have variable interest rates, are subject to annual review and are denominated in local currency but may, in some cases, facilitate borrowings in multiple currencies. For certain of our lines of credit, the available credit is increased by the amount of cash we have on deposit in specific accounts with the lender. Accordingly, the amount of the outstanding line of

credit may exceed the stated credit limit. As of September 30, 2019 and December 31, 2018, a total of \$72.1 million and \$70.6 million, respectively, of cash on deposit was used to determine the available credit.

As of September 30, 2019 and December 31, 2018, respectively, we had \$547.6 million and \$700.5 million outstanding under these lines of credit with additional capacity to fund settlement of \$871.9 million as of September 30, 2019. The weighted-average interest rate on these borrowings was 3.34% and 2.97% at September 30, 2019 and December 31, 2018, respectively. During the three months ended September 30, 2019, the maximum and average outstanding balances under these lines of credit were \$699.0 million and \$426.6 million, respectively.

See "Note 5—Leases" and "Note 6—Long-Term Debt and Lines of Credit" in the notes to the accompanying unaudited consolidated financial statements for further information about our borrowing agreements and our lease liabilities.

Commitments and Contractual Obligations

As a result of the Merger and the related financing activities, our commitments and contractual obligations increased from the amounts disclosed in "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations—Commitments and Contractual Obligations" in our Annual Report on Form 10-K for the year ended December 31, 2018. As of September 30, 2019, we had long-term debt (including finance lease liabilities) of \$9,021.1 million and operating lease liabilities of \$501.4 million. See "Note 5—Leases" and "Note 6—Long-Term Debt and Lines of Credit" in the notes to the accompanying unaudited consolidated financial statements for further information about our borrowing agreements and our lease liabilities, including maturity schedules. Additionally, in connection with the Merger, we also assumed purchase commitments of approximately \$93 million, which include future payments for noncancelable contractual obligations related to service arrangements with suppliers for fixed or minimum amounts. Payments for the assumed purchase commitments due during the remainder of 2019 are approximately \$12 million and purchase commitments due in 2020, 2021, 2022, 2023, 2024 and thereafter are approximately \$32 million, \$14 million, \$9 million, \$6 million, \$5 million and \$15 million, respectively.

Off-Balance Sheet Arrangements

We have not entered into any off-balance sheet arrangements that have, or are reasonably likely to have, a material effect on our financial condition, revenues, results of operations or capital resources.

Effect of New Accounting Pronouncements and Recently Issued Accounting Pronouncements Not Yet Adopted

From time-to-time, new accounting pronouncements are issued by the Financial Accounting Standards Board or other standards setting bodies that may affect our current and/or future financial statements. See "Note 1—Basis of Presentation and Summary of Significant Accounting Policies" in the notes to the accompanying unaudited consolidated financial statements for a discussion of recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted.

Forward-Looking Statements

Investors are cautioned that some of the statements we use in this report contain forward-looking statements and are made pursuant to the "safe-harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve a number of risks and uncertainties and depend upon future events or conditions. Actual events or results might differ materially from those expressed or forecasted in these forward-looking statements. Accordingly, we cannot guarantee you that our plans and expectations will be achieved. Such statements may include, but are not limited to, statements about the anticipated benefits of the Merger, including our future financial and operating results, the combined company's plans, objectives, expectations and intentions and other statements that are not historical facts.

Important factors, among others, that may otherwise cause actual events or results to differ materially from those anticipated by such forward-looking statements include failure to realize the expected benefits of the Merger or difficulties integrating the business of the combined company, higher than anticipated costs related to integrating the businesses, business disruptions or the risk of customer loss related to the Merger, our ability to safeguard our data; increased competition from larger companies and non-traditional competitors, our ability to update our services in a timely manner; our ability to maintain Visa and MasterCard registration and financial institution sponsorship; our reliance on financial institutions to provide clearing services in connection with our

settlement activities; our potential failure to comply with card network requirements; risk associated with our indebtedness; potential systems interruptions or failures; software defects or undetected errors; increased attrition of merchants, referral partners or independent sales organizations; our ability to increase our share of existing markets and expand into new markets; development of market trends and technologies; a decline in the use of cards for payment generally; unanticipated increases in chargeback liability; increases in credit card network fees; change in laws, regulations or network rules or interpretations thereof; foreign currency exchange and interest rate risks; political, economic and regulatory changes in the foreign countries in which we operate; future performance, integration and conversion of acquired operations, including without limitation difficulties and delays in integrating or fully realizing cost savings and other benefits of our acquisitions at all or within the expected time period; fully realizing anticipated annual interest expense savings from refinancing our credit Facilities; our loss of key personnel and other risk factors presented in "Part II, Item 1A - Risk Factors" of this Form 10-Q and "Part I, Item 1A - Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2018 and any other SEC filings, which we advise you to review.

Our forward-looking statements speak only as of the date they are made and should not be relied upon as representing our plans and expectations as of any subsequent date. While we may elect to update or revise forward-looking statements at some time in the future, we specifically disclaim any obligation to publicly release the results of any revisions to our forward-looking statements, except as required by law.

ITEM 3—QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a result of debt we assumed in the Merger and the financing activities we completed during the quarter ended September 30, 2019, including the issuance of Senior Notes, a larger portion of our debt as of September 30, 2019 had fixed interest rates as compared to our debt at December 31, 2018. As a result, and considering the interest rate swap agreements we have to hedge changes in cash flows attributable to interest rate risk on our variable-rate debt instruments, our exposure to interest rate risk has decreased since December 31, 2018. Based on balances outstanding at September 30, 2019, a hypothetical increase of 50 basis points in applicable interest rates as of September 30, 2019 would increase our annual interest expense by approximately \$6.0 million and increase our annual interest income by approximately \$4.6 million.

In addition, as a result of the Merger and other recent acquisitions we have made in the United States, a smaller portion of our business was conducted in foreign currencies during the three and nine months ended September 30, 2019 as compared to the prior year periods. For the three and nine months ended September 30, 2019, currency exchange rate fluctuations reduced our consolidated revenues by \$11.8 million and \$50.8 million, respectively, compared to the prior year, calculated by converting revenues for the current period in local currencies using exchange rates for the prior-year period.

For a further discussion of our exposure to market risk, refer to Part II, Item 7A, "Quantitative and Qualitative Disclosures About Market Risk," contained in our Annual Report on Form 10-K for the year ended December 31, 2018.

ITEM 4—CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of September 30, 2019, management carried out, under the supervision and with the participation of our principal executive officer and principal financial officer, an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based on this evaluation, our principal executive officer and principal financial officer concluded that, as of September 30, 2019, our disclosure controls and procedures were effective in ensuring that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in applicable rules and forms and are designed to ensure that information required to be disclosed in those reports is accumulated and communicated to management, including our principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

We completed our merger with TSYS on September 18, 2019. In accordance with our integration efforts, we plan to incorporate TSYS's operations into our internal control over financial reporting program within the time provided by the applicable rules and regulations of the U.S. Securities and Exchange Commission.

PART II—OTHER INFORMATION

ITEM 1—LEGAL PROCEEDINGS

We are party to a number of claims and lawsuits incidental to our business. In our opinion, the liabilities, if any, which may ultimately result from the outcome of such matters, individually or in the aggregate, are not expected to have a material adverse effect on our financial position, liquidity, results of operations or cash flows. See "Note 13—Commitments and Contingencies" in the notes to the accompanying unaudited consolidated financial statements for information about certain legal matters.

ITEM 1A—RISK FACTORS

On September 18, 2019, we completed the Merger with TSYS, pursuant to the Merger Agreement that we entered into with TSYS on May 27, 2019. We face a number of risks and uncertainties relating to the Merger. Because of these risks, we have supplemented the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2018, to add the following risk factors:

We expect to incur substantial costs related to the Merger and integration.

We have incurred and expect to incur a significant amount of nonrecurring costs associated with the Merger. These costs include financial advisory, legal, accounting, consulting and other advisory fees, severance/employee benefit-related costs, public company filing fees and other regulatory fees, printing costs and other related costs.

We expect to incur substantial costs in connection with the related integration. There are a large number of processes, policies, procedures, operations, technologies and systems that may need to be integrated, including our business operating platforms and other operational matters as well as integrating our purchasing, accounting and finance, sales, payroll, pricing and benefits and other administrative processes. While we have assumed that a certain level of costs will be incurred, there are many factors beyond our control that could affect the total amount or the timing of the integration costs. Moreover, many of the costs that will be incurred are, by their nature, difficult to estimate accurately. These costs could, particularly in the near term, exceed the savings that we expect to achieve from the elimination of duplicative costs and the realization of economies of scale and cost savings. These integration costs may result in significant charges against earnings, and the amount and timing of such charges are uncertain at present.

Combining with TSYS may be more difficult, costly or time consuming than expected and we may fail to realize the anticipated benefits of the Merger.

The success of the Merger will depend, in part, on the ability to realize the anticipated cost savings from combining our business with TSYS. To realize the anticipated benefits and cost savings from the Merger, we must successfully integrate and combine our businesses in a manner that permits those cost savings to be realized. If we are not able to successfully achieve these objectives, the anticipated benefits of the Merger may not be realized fully or at all or may take longer to realize than expected. In addition, the actual cost savings and anticipated benefits of the Merger could be less than anticipated.

Until the completion of the Merger, we operated independently of TSYS. It is possible that the integration process could result in the loss of key employees, the disruption of our ongoing business or inconsistencies in standards, controls, procedures and policies that adversely affect our ability to maintain relationships with clients, customers, commercial counterparties and employees or to achieve the anticipated benefits and cost savings of the Merger. Integration efforts may also divert management attention and resources. These integration matters could have an adverse effect on us for an undetermined period after completion of the Merger.

Our future results may suffer if we do not effectively manage our expanded operations.

Following the completion of the Merger, the size of our business increased significantly. Our future success will depend, in part, upon our ability to manage this expanded business, which will pose substantial challenges for management, including challenges related to the management and monitoring of new operations and associated increased costs and complexity. We may also face increased scrutiny from governmental authorities as a result of the significant increase in the size of its business. There can be no assurances that we will be successful or that we will realize the expected operating efficiencies, cost savings, revenue enhancements or other benefits currently anticipated from the Merger.

We may be unable to retain our personnel successfully.

The success of the Merger will depend in part on our ability to retain the talents and dedication of key employees. It is possible that these employees may decide not to remain with us. If key employees terminate their employment, our business activities may be adversely affected and management's attention may be diverted from successfully integrating the businesses to hiring suitable replacements, all of which may cause our business to suffer. In addition, we may not be able to locate or retain suitable replacements for any key employees who leave.

Holders of our common stock before the Merger have a reduced ownership percentage and voting interest in us after the Merger and may exercise less influence over management.

Holders of our common stock have the right to vote in the election of the board of directors and on other matters affecting us. Upon completion of the Merger, the former holders of TSYS common stock owned approximately forty-eight percent (48%) of our fully diluted shares and holders of our common stock prior to the completion of the Merger, as a group, owned approximately fifty-two percent (52%) of our fully diluted shares. Because of this, holders of our common stock who owned shares of our common stock prior to the completion of the Merger may have less influence on our management and policies than they had prior to the completion of the Merger.

Issuance of shares of our common stock in connection with the Merger may adversely affect the market price of our common stock.

In connection with the payment of the Merger consideration, we issued approximately 143.9 million shares of our common stock to TSYS shareholders. The issuance of these new shares of our common stock may result in fluctuations in the market price our common stock, including a stock price decrease.

ITEM 2—UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

(c) Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Information about the shares of our common stock that we repurchased during the quarter ended September 30, 2019 is set forth below:

<u>Period</u>	<u>Total Number of Shares Purchased ⁽¹⁾</u>	<u>Average Price Paid per Share</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</u>	<u>Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs ⁽²⁾</u> (in millions)
July 2019	46,869	\$ 171.40	—	\$ 568.0
August 2019	1,437	165.63	—	568.0
September 2019	131,243	162.39	—	568.0
Total	<u>179,549</u>	<u>\$ 164.77</u>	<u>—</u>	<u>\$ 568.0</u>

⁽¹⁾ Our board of directors has authorized us to repurchase shares of our common stock through any combination of Rule 10b5-1 open-market repurchase plans, accelerated share repurchase plans, discretionary open-market purchases or privately negotiated transactions. During the quarter ended September 30, 2019, pursuant to our employee incentive plans, we withheld 97,458 shares, at an average price per share of \$165.12 in order to satisfy employees' tax withholding and payment obligations in connection with the vesting of awards of restricted stock. In September 2019, in connection with the Merger and the vesting of the Single-Trigger Awards, we withheld 82,091 shares, at an average price per share of \$164.35, in order to satisfy tax withholding and payment obligations.

⁽²⁾ On February 13, 2019, we announced that our board of directors approved an increase to our existing share repurchase program authorization, which raised the total available authorization to \$750 million. As of September 30, 2019, the approximate dollar value of shares that may yet be purchased under our share repurchase program was \$568.0 million. The board authorization does not expire, but could be revoked at any time. In addition, we are not required by the board's authorization or otherwise to complete any repurchases by any specific time or at all.

ITEM 6—EXHIBITS

List of Exhibits

2.1	Agreement and Plan of Merger by and between Total System Services, Inc. and Global Payments Inc., dated as of May 27, 2019, incorporated by reference to Exhibit 2.1 to Global Payment Inc.'s Current Report on Form 8-K filed on May 31, 2019, ++
3.1	Third Amended and Restated Articles of Incorporation of Global Payments Inc., incorporated by reference to Exhibit 4.1 to Global Payment Inc.'s Post-Effective Amendment No. 1 on Form S-8 to the Registration Statement on Form S-4 filed on September 18, 2019.
3.2	Ninth Amended and Restated Bylaws of Global Payment's Inc., incorporated by reference to Exhibit 4.2 to Global Payment Inc.'s Post-Effective Amendment No. 1 on Form S-8 to the Registration Statement on Form S-4 filed on September 18, 2019.
4.1	Stockholders Agreement, dated August 31, 2017, by and among Global Payments Inc. and the stockholders party thereto, incorporated by reference to Exhibit 10.1 to Global Payments Inc.'s Current Report on Form 8-K filed on September 6, 2017.
4.2	Indenture, dated as of August 14, 2019, between Global Payments Inc. and U.S. Bank National Association, as trustee, incorporated by reference to Exhibit 4.1 to Global Payments Inc.'s Current Report on Form 8-K filed on August 14, 2019.
4.3	Supplemental Indenture No. 1, dated as of August 14, 2019, between Global Payments Inc. and U.S. Bank National Association, as trustee, incorporated by reference to Exhibit 4.2 Global Payments Inc.'s Current Report on Form 8-K filed on August 14, 2019.
4.4	Form of Notes (included in Exhibit 4.2).
4.5	Senior Indenture, dated March 17, 2016, between TSYS and Regions Bank, as trustee, incorporated by reference to Exhibit 4.1 of TSYS's Current Report on Form 8-K filed on March 17, 2016.
4.6	Supplemental Indenture No. 1, dated as of September 17, 2019, among Total System Services, Inc., Global Payments Inc. and Regions Bank, incorporated by reference to Exhibit 4.1 to Global Payments Inc.'s Current Report on Form 8-K filed on September 20, 2019.
4.7	Form of 3.800% Senior Note due 2021, incorporated by reference to Exhibit 4.2 of TSYS's Current Report on Form 8-K filed on March 17, 2016.
4.8	Form of 4.000% Senior Note due 2023, incorporated by reference to Exhibit 4.1 of TSYS's Current Report on Form 8-K filed on May 11, 2018.
4.9	Form of 4.800% Senior Note due 2026, incorporated by reference to Exhibit 4.3 of TSYS's Current Report on Form 8-K filed on March 17, 2016.
4.10	Indenture, dated as of May 22, 2013, between TSYS and Wells Fargo Bank, National Association, as trustee, incorporated by reference to Exhibit 4.1 of TSYS's Current Report on Form 8-K filed on May 22, 2013.
4.11	Supplemental Indenture No. 1, dated as of September 17, 2019, among Total System Services, Inc., Global Payments Inc. and Wells Fargo Bank, National Association, incorporated by reference to Exhibit 4.2 to Global Payments Inc.'s Current Report on Form 8-K filed on September 20, 2019.
4.12	Form of 3.750% Senior Note due 2023, incorporated by reference to Exhibit 4.3 of TSYS's Current Report on Form 8-K filed on May 22, 2013.
10.1*	Amended and Restated Employment Agreement, dated as of September 20, 2019, by and between Global Payments Inc. and Jeffrey S. Sloan.
10.2*	Amended and Restated Employment Agreement, dated as of September 20, 2019, by and between Global Payments Inc. and Cameron M. Bready.
10.3*	Amended and Restated Employment Agreement, dated as of September 20, 2019, by and between Global Payments Inc. and Guido F. Sacchi.
10.4*	Amended and Restated Employment Agreement, dated as of September 20, 2019, by and between Global Payments Inc. and David L. Green.
10.5*	Employment Agreement, dated as of September 20, 2019, by and between Global Payments Inc. and Paul M. Todd.
10.6*	Form of Synergy Performance Share Award Agreement.
10.7*	Global Payments Inc. Sixth Amended and Restated Non-Employee Director Compensation Plan, dated October 24, 2019.
10.8	Technical Amendment to the Credit Agreement, dated as of May 31, 2019, between Global Payments Inc. and Bank of America, N.A., as administrative agent.
10.9	Total System Services, Inc. 2017 Omnibus Plan incorporated by reference to Exhibit 10.1 to TSYS' Current Report on Form 8-K filed on April 28, 2017.

[Table of Contents](#)

10.10	Total System Services, Inc. 2012 Omnibus Plan, incorporated by reference to Exhibit 10.1 to TSYS' Current Report on Form 8-K filed on May 4, 2012.
10.11	Total System Services, Inc. 2007 Omnibus Plan, incorporated by reference to Exhibit 10.1 to TSYS' Current Report on Form 8-K filed on April 25, 2007.
10.12	Amended and Restated NetSpend Holdings, Inc. 2004 Equity Incentive Plan for Options and Restricted Shares Assumed by Total System Services, Inc., incorporated by reference to Exhibit 99.1 to TSYS' Registration Statement on Form S-8 filed on July 1, 2013.
10.13	Term Loan Credit Agreement, dated as of July 9, 2019, among Global Payments Inc., as Borrower, Bank of America, N.A. as Administrative Agent, and the other Lenders party thereto, incorporated by reference to Exhibit 10.1 to Global Payments Inc.'s Current Report on Form 8-K filed on July 16, 2019.
10.14	Credit Agreement, dated as of July 9, 2019, among Global Payments Inc., as Borrower, the other Borrowers party thereto, Bank of America, N.A., as Administrative Agent, Swing Line Lender and an L/C Issuer and the other Lenders and L/C Issuers party thereto, incorporated by reference to Exhibit 10.2 to Global Payments Inc.'s Current Report on Form 8-K filed on July 16, 2019.
31.1*	Certification of the Principal Executive Officer pursuant to Exchange Act Rule 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Principal Financial Officer pursuant to Exchange Act Rule 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the Principal Executive Officer and the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101*	The following financial information from the Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, formatted in Inline XBRL (eXtensible Business Reporting Language) and filed electronically herewith: (i) the Unaudited Consolidated Statements of Income; (ii) the Unaudited Consolidated Statements of Comprehensive Income; (iii) the Consolidated Balance Sheets; (iv) the Unaudited Consolidated Statements of Cash Flows; (v) the Unaudited Consolidated Statements of Changes in Equity; and (vi) the Notes to Unaudited Consolidated Financial Statements. The instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

++ Certain schedules and exhibits to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K and Global Payments Inc. agrees to furnish supplementally to the Securities and Exchange Commission a copy of any omitted schedule and/or exhibit upon request.

SIGNATURES

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

Global Payments Inc.

(Registrant)

Date: October 31, 2019

/s/ Paul M. Todd

Paul M. Todd

Senior Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

**AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

This EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into this 20th day of September 2019 by and between Global Payments Inc., a Georgia corporation (the "Company"), and Jeffrey S. Sloan ("Executive").

BACKGROUND

Executive shall serve as Chief Executive Officer of the Company. Executive and the Company desire to memorialize the terms of such employment in this Agreement. In addition, the Compensation Committee of the Board of Directors of the Company (the "Committee") has determined that it is in the best interests of the Company and its stockholders to assure that the Company will have the continued dedication of Executive, notwithstanding the possibility, threat or occurrence of a Change in Control (as defined in § 6). As it is desired and anticipated that Executive will continue to be employed and provide services for the Company's successor for some period of time following a Change in Control, one purpose of this Agreement is to provide Executive with compensation and benefits arrangements which ensure that the compensation and benefits expectations of Executive will be satisfied and which are competitive with those of other corporations. Therefore, in order to accomplish these objectives, the Committee has caused the Company to enter into this Agreement. This Agreement supersedes any prior agreement or other communication (oral or written) regarding Executive's employment, except as otherwise provided in § 17 of this Agreement.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Executive agree as follows:

1 Effective Date. This Agreement is effective as of September 18, 2019, the first date following the closing of the transaction contemplated by the Agreement and Plan of Merger by and between Total System Services, Inc. and the Company dated as of May 27, 2019 (such date, the "Effective Date").

2 Employment. Executive is hereby employed as the Chief Executive Officer of the Company as of the Effective Date. In such capacity, Executive shall have the duties, responsibilities and authority commensurate with such position as shall be assigned to him by the Board of Directors of the Company (the "Board"), which shall be consistent with the duties, responsibilities, and authority of persons holding such position in a publicly traded company engaged in similar lines of business. Executive shall be a member of the Board and shall report directly and exclusively to the Board.

3 Employment Period. Subject to § 7, Executive's initial Employment Period pursuant to this Agreement shall be the period which starts on the Effective Date and ends on the third (3rd) anniversary thereof; *provided*, Executive's Employment Period shall automatically be extended for one (1) additional year on the second (2nd) anniversary of the Effective Date and on each subsequent anniversary of the Effective Date unless either the Company or Executive provides notice (in accordance with § 17(f)) before such anniversary date that there will be no such extension. Executive's initial Employment Period and any subsequent extension of the initial Employment Period shall be referred to collectively as Executive's "Employment Period." A failure to extend Executive's Employment Period shall not be treated for any reason whatsoever as a termination of Executive's employment under § 7 unless the Company provides notice that there will be no such extension following a Change in Control and Executive's Employment Period would as a result of such notice end before the second (2nd) anniversary of the date of such Change in Control, in which case Executive shall have the right to resign effective at any time during the ninety (90) day period which starts on the date of such notice, and the date his resignation is effective shall be treated as a termination for Good Reason pursuant to § 7(c) of this Agreement and he shall receive all benefits called for under § 8(b) of this Agreement.

4 Extent of Service. During the Employment Period, Executive shall render his services to the Company (or to any successor, including a successor following a Change in Control) in conformity with professional standards, in a prudent and workmanlike manner and in a manner consistent with the obligations imposed on officers of corporations under applicable law. Executive shall promote the interests of the Company and its subsidiaries in carrying out Executive's duties and shall not deliberately take any action which could, or fail to take any action which failure could, reasonably be expected to have a material adverse effect upon the business of the Company or any of its subsidiaries or any of their respective affiliates. Executive agrees to devote his business time, attention, skill and efforts exclusively to the faithful performance of his duties hereunder (both before and after a Change in Control); *provided, however*, that it shall not be a violation of this Agreement for Executive to (a) devote reasonable periods of time to charitable and community activities and, with the approval of the Board, industry or professional activities; (b) manage or participate in personal business interests and investments, so long as such activities do not, in the judgment of the Board, materially interfere with the performance of Executive's responsibilities under this Agreement and comply with all Company policies and codes and all of Executive covenants and agreements; and/or (c) subject to the approval of the Committee, serve as a director, trustee, or member of a committee of any organization involving no conflict of interest with the interests of the Company so long as such activities do not, in the judgment of the Board, materially interfere with the performance of Executive's responsibilities under this Agreement and comply with all Company policies and codes and all of Executive's covenants and agreements.

5 Compensation and Benefits.

(a) Base Salary. During the Employment Period, the Company will pay to Executive a base salary in the amount of U.S. \$1,000,000 per year (the "Base Salary"), payable in equal bi-weekly or other installments as provided under the Company's standard payroll practices in effect for senior executives from time to time. Executive's Base Salary will be reviewed at least annually and, subject to approval of the Committee, the Company may increase Executive's Base Salary from time to time. The periodic review of Executive's salary by the Committee will consider, among other things, Executive's own performance and the Company's performance.

(b) Incentive and Savings Plans. During the Employment Period, Executive shall be entitled to participate in all incentive, retirement and savings plans, practices, policies and programs commensurate with Executive's position as Chief Executive Officer. Certain executive programs will be made available on a selective basis at the discretion of the Board or the Committee. Without limiting the foregoing, the following shall apply:

(i) Annual Bonus. Executive will have an annual bonus opportunity for each fiscal year of the Company based on the achievement of financial and performance objectives set by the Committee ("Bonus Opportunity"). The annual Bonus Opportunity and specific performance and financial objectives will be set forth in Executive's individual performance and incentive plan for each fiscal year. Executive's annual Bonus Opportunity at target levels for any year shall not be less than 160% of his then-current Base Salary for such year (the "Target Bonus Opportunity"). Executive must be an active employee on the date the annual bonuses are paid on a Company-wide basis in order to be eligible to receive any bonus payment (except as otherwise expressly provided in § 8), unless (A) Executive's employment terminates following a failure to extend his Employment Period in accordance with § 3, (B) his employment terminates at or after the end of the applicable fiscal year and (C) he satisfies all or substantially all of the performance requirements (other than continued service) for a bonus for such fiscal year, in which event he shall be eligible for a bonus as determined by the Committee, and such bonus, if any, shall be paid no later than two and one-half (2½) months after the end of such fiscal year.

(ii) Equity Awards. Executive will be eligible to participate in the Company's Amended and Restated 2011 Incentive Plan (the "2011 Plan") and any successor to such plan in accordance with the terms and conditions of the 2011 Plan and any successor to such plan. The Company may, from time to time, upon approval by the Committee, grant to Executive options to purchase shares of Company Common Stock, stock appreciation rights, restricted Company Common Stock, restricted stock units,

performance shares, and/or performance units and/or other Company Common Stock related grants as a long-term incentive for performance.

(c) Welfare Benefit Plans. During the Employment Period, Executive and Executive's family shall be eligible for participation in, and shall be eligible to receive all benefits under, the welfare benefit plans, practices, policies and programs provided by the Company, including, without limitation, medical, prescription, dental, disability, employee life, group life, accidental death and travel accident insurance plans and programs on the same basis as similarly situated executives of the Company (the "Welfare Plans").

(d) Expenses. During the Employment Period, Executive shall be entitled to receive prompt reimbursement for all reasonable business expenses incurred by Executive in accordance with the policies, practices and procedures of the Company; *provided, however*, (i) the amount of such expenses eligible for reimbursement in any calendar year shall not affect the expenses eligible for reimbursement in another calendar year, (ii) no such reimbursement may be exchanged or liquidated for another payment or benefit, and (iii) any reimbursements of such expenses shall be made as soon as practicable under the circumstances but in any event no later than the end of the calendar year following the calendar year in which the related expenses are incurred.

(e) Additional Benefits. During the Employment Period, Executive shall be offered the opportunity to receive or participate in any additional benefits provided to similarly situated executives of the Company in accordance with, and subject to the eligibility requirements of, the plans, practices, programs and policies of the Company and applicable laws and regulations. Executive also shall be provided with vacation entitlements in accordance with the Company's policy as in effect from time to time.

6 Change in Control.

(a) For the purposes of this Agreement, a "Change in Control" shall mean the occurrence of any of the following events after the Effective Date:

(i) The acquisition by any individual, entity or group (within the meaning of § 13(d)(3) or § 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of thirty-five percent (35%) or more of the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); *provided, however*, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change in Control: (A) any acquisition by a Person who is on the Effective Date the beneficial owner of thirty-five percent (35%) or more of the Outstanding Company Voting Securities, (B) any acquisition directly from the Company, (C) any acquisition by the Company which reduces the number of Outstanding Company Voting Securities and thereby results in any person having beneficial ownership of more than thirty-five percent (35%) of the Outstanding Company Voting Securities, (D) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (E) any acquisition by any corporation pursuant to a transaction which meets the requirements of clauses (A), (B) and (C) of subsection (ii) of this § 6; or

(ii) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the outstanding shares of the Company's common stock (the "Outstanding Company Common Stock") and Outstanding Company Voting Securities immediately prior to such Business Combination (individually, a "Company Owner") beneficially own, directly or indirectly, more than fifty percent (50%) of, respectively, the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all

or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as each Company Owner's ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any Company Owner, the Company or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, thirty-five percent (35%) or more of the combined voting power of the then-outstanding voting securities of such corporation, and (C) at least a majority of the members of the board of directors (or, for a noncorporate entity, equivalent body or committee) of the entity resulting from such Business Combination were Incumbent Directors (as defined below) at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iii) A majority of the individuals who, as of the Effective Date, constitute the Board (the "Incumbent Directors") are replaced within a twelve (12) month period; *provided, however*, that, for purposes of this § 6(a)(iii), any individual who becomes a member of the Board subsequent to the Effective Date whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of those individuals who are members of the Board and who were also Incumbent Directors (or deemed to be such pursuant to this proviso) shall be considered Incumbent Directors; *provided, further*, that any individual who was elected to the Board as a result of an 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 any "person" (such term for purposes of this definition being as defined in § 3(a)(9) of the Exchange Act, and as used in § 13(d)(3) and § 14(d)(2) of the Exchange Act) other than the Incumbent Directors shall not be considered an Incumbent Director.

(b) For purposes of this Agreement, a "§ 409A Change in Control" shall mean a "Change in Control" which also constitutes a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company, all within the meaning of § 409A of the Internal Revenue Code of 1986, as amended (the "Code").

(c) For the avoidance of doubt, the occurrence of the Effective Date and the closing of the transaction contemplated by the Agreement and Plan of Merger by and between Total System Services, Inc. and the Company dated as of May 27, 2019 shall not be considered a "Change in Control" for purposes of this Agreement.

7 Termination of Employment.

(a) Death, Retirement or Disability. Executive's employment and the Employment Period shall terminate automatically upon Executive's death or Retirement. For purposes of this Agreement, "Retirement" shall mean Executive's voluntary resignation of employment on or after attaining age fifty-five (55) with at least ten (10) years of service. If the Committee determines in good faith that the Disability of Executive has occurred (pursuant to the definition of Disability set forth in this § 7(a)), the Company may give to Executive written notice of its intention to terminate Executive's employment. In such event, Executive's employment with the Company shall terminate effective on the thirtieth (30th) day after receipt of such written notice by Executive (the "Disability Effective Date"), *provided* that, within the thirty (30) days after such receipt, Executive shall not have returned to full-time performance of Executive's duties. For purposes of this Agreement, "Disability" shall mean the inability of Executive, as determined by the Committee, to substantially perform the essential functions of his regular duties and responsibilities with or without reasonable accommodation, due to a medically determinable physical or mental illness or other disability which has lasted (or can reasonably be expected to last) for a substantially continuous period of at least six (6) consecutive months.

(b) Termination by the Company With or Without Cause. The Company may terminate Executive's employment with or without Cause. For all purposes under this Agreement, "Cause" shall mean a determination by the Committee that:

(i) Executive has failed to perform substantially Executive's duties and responsibilities under this Agreement (other than any such failure resulting from incapacity due to physical or mental illness, and specifically excluding any failure by Executive, after reasonable efforts, to meet reasonable performance expectations), after a written demand for substantial performance is delivered to Executive by the Chairman of the Committee which specifically identifies the manner in which such person believes that Executive has failed to substantially perform Executive's duties and responsibilities and which has not been cured to the reasonable satisfaction of such person within ten (10) business days of the written demand delivered to Executive; or

(ii) Executive engaged in any act of fraud, misappropriation, embezzlement or similar dishonest or wrongful act, including, without limitation, any violation of the Sarbanes-Oxley Act or similar laws or legal standards, but excluding for this purpose any non-criminal violation of Sarbanes-Oxley or similar laws or legal standards that has no significant adverse impact on the Company or its reputation and does not involve dishonesty or render Executive ineligible for any licensing, bonding or insurance coverage or for employment or engagement in any Company work or activity; or

(iii) Executive has engaged in the abuse of alcohol, prescription drugs or any substance which materially interferes with Executive's ability to perform Executive's duties and responsibilities under this Agreement or Executive has engaged in the use of illegal drugs; or

(iv) Executive has violated any laws, agreements or written Company policies or codes prohibiting employment discrimination, harassment, conflicts of interest, retaliation, competition with the Company, solicitation of Company customers or employees on behalf of anyone other than Company, improper use or disclosure of Trade Secrets, Confidential Information or other proprietary information of the Company; or

(v) Executive has committed, been convicted for, or entered a plea of guilty or *nolo contendere* (or any plea of similar substance or effect) to, a felony or a crime involving dishonesty or other moral turpitude.

The termination of Executive's employment shall not be deemed to be for Cause unless and until there shall have been delivered to Executive a copy of a resolution duly adopted by the affirmative vote of not less than a majority (or, in the case of a Change in Control, of not less than three-quarters) of the Board (determined excluding Executive if he is then a member of the Board), at a meeting of the Board called and held for such purpose (after reasonable notice is provided to Executive and Executive is given an opportunity, together with counsel, to be heard before the Board), finding that, in the good faith opinion of the Board, Executive has engaged in conduct described in any of clauses (i)-(v) above, and specifying the particulars thereof in detail.

(c) Resignation by Executive. Executive may resign for "Good Reason" or no reason. For all purposes under this Agreement, "Good Reason" shall mean the occurrence of any of the following circumstances without the written consent of Executive:

- (i) a material adverse reduction in Executive's position, duties or responsibilities; or
- (ii) the Company changes its reporting structure such that Executive no longer reports directly and exclusively to the Board; or
- (iii) a reduction by the Company: (A) in Executive's Base Salary as in effect on the Effective Date or as the same may be increased from time to time (unless a similar reduction is made in the salary of similarly situated senior executives); (B) in Executive's Target Bonus Opportunity below the minimum set forth in § 5(b)(i) (unless a similar reduction is made in the bonus opportunity of similarly situated senior executives); or (C) in the benefits pursuant to the

Welfare Plans (unless a similar reduction is made in the benefits of similarly situated senior executives); or

- (iv) any failure by the Company to comply with and satisfy § 16(c); or
- (v) a requirement that Executive be based in any office or location other than in the greater metropolitan area of Atlanta, Georgia; or
- (vi) any material breach by the Company of the terms of this Agreement.

Notwithstanding the foregoing, no event or act or omission shall constitute “Good Reason” under this § 7(c) unless (x) Executive in accordance with § 17(f) provides notice of such event or act or omission to the Committee no later than thirty (30) days after Executive has knowledge of such event or act or omission, (y) the Committee fails to remedy such event or act or omission within thirty (30) days of the receipt of such notice (the “Cure Period”) and (z) Executive resigns effective no later than ninety (90) days after the end of the Cure Period.

(d) Notice of Termination. Any termination by the Company or resignation by Executive shall be communicated by Notice of Termination to the other party hereto given in accordance with § 17(f). For purposes of this Agreement, a “Notice of Termination” means a written notice which (i) states the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive’s employment under the provision so indicated and (iii) specifies the applicable Date of Termination. The failure by Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of Executive or the Company, respectively, hereunder or preclude Executive or the Company, respectively, from asserting such fact or circumstance in enforcing Executive’s or the Company’s rights hereunder.

(e) Date of Termination, Separation from Service and Applicable Pay Date.

(i) “Date of Termination” means (1) if Executive resigns for Good Reason, the date specified in the Notice of Termination, *provided* that (A) the Committee may specify any earlier Date of Termination and (B) the Date of Termination specified in the notice shall not be less than sixty (60) days after the date of delivery of the notice if the resignation is for Good Reason following a Change in Control, (2) if Executive’s employment is terminated by the Company other than by reason of Disability, the date of receipt of the Notice of Termination, or any later date specified therein, or (3) if Executive’s employment is terminated by reason of death, Disability or Retirement, the Date of Termination will be the date of death or Retirement, or the Disability Effective Date, as the case may be.

(ii) “Separation from Service” means a “separation from service” within the meaning of § 409A of the Code which occurs in connection with Executive’s termination of employment, and the Company and Executive acknowledge and agree that such a “separation from service” may come before, after or coincide with Executive’s Date of Termination.

(iii) “Applicable Pay Date” means the date that Executive has a Separation from Service (which date shall be referred to as the “Immediate Pay Date”) or, if the Company determines that making a payment or providing a benefit to Executive on the Immediate Pay Date would require the Company to report all or any part of such payment or benefit to the Internal Revenue Service as subject to taxation under § 409A of the Code, the date that is six (6) months and one (1) day after the date Executive has a Separation from Service (which date shall be referred to as the “Delayed Pay Date”).

8 Obligations of the Company upon Termination.

(a) Prior to a Change in Control: Resignation by Executive for Good Reason; Termination by the Company Other Than for Cause, Death or Disability. If, prior to a Change in Control or on or after the second (2nd) anniversary of the date of a Change in Control, the Company terminates Executive's employment other than for Cause, death or Disability or Executive resigns for Good Reason, then (and with respect to the payments and benefits described in clauses (ii) through (x) of this § 8(a), only if Executive executes (and does not revoke) a Release in substantially the form of Exhibit A hereto (the "Release") within sixty (60) days of the Date of Termination):

(i) the Company will pay to Executive in a lump sum in cash within thirty (30) days after the Date of Termination the sum of (A) Executive's Base Salary (as in effect on the Date of Termination) earned through the Date of Termination to the extent not theretofore paid, (B) Executive's business expenses for which reimbursement has been requested pursuant to the Company's expense reimbursement policy but which have not been reimbursed before Executive's applicable Date of Termination and (C) Executive's Annual Bonus, if any, earned for the fiscal year immediately preceding the fiscal year in which the Date of Termination occurs, if such bonus has been certified as payable by the Committee but has not been paid before the Date of Termination (the sum of the amounts described in clauses (A), (B) and (C) shall be referred to as the "Accrued Obligations"); and

(ii) (A) if the Applicable Pay Date is the Delayed Pay Date, the Company will pay Executive on the Delayed Pay Date a lump sum equal to the amount of the Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(iii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary) Executive would have earned if Executive had been continuously employed by Company from the Date of Termination until the Delayed Pay Date or (B) if the Applicable Pay Date is the Immediate Pay Date, the Company will continue to pay Executive an amount equal to his monthly Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(iii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary) until payments begin under § 8(a)(iii) without any duplication of payments between this § 8(a)(ii) and § 8(a)(iii); and

(iii) commencing on the seven (7)-month anniversary of the date Executive has a Separation from Service, the Company will continue to pay Executive an amount equal to Executive's monthly Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(iii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary), payable in equal monthly or more frequent installments in accordance with the Company's then standard payroll practices for a period of eighteen (18) consecutive months; and

(iv) as additional severance (and not in lieu of any bonus for the fiscal year in which the Date of Termination occurs), the Company will pay Executive a lump sum equal to two (2) times the amount of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(iii) as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity) on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service; and

(v) the Company shall pay to Executive a lump sum cash amount within sixty (60) days following the Date of Termination equal to the product of (A) eighteen (18) multiplied by (B) one hundred percent (100%) of the monthly premiums for continuation of health care coverage under the Company's group health plan for purposes of continuation coverage under § 4980B of the Code ("COBRA") with respect to the maximum level of coverage in effect for Executive and his spouse and dependents as of immediately prior to the Date of Termination; and

(vi) the Company will pay Executive a pro-rated annual bonus for the fiscal-year in which the Date of Termination occurs equal to (i) the amount Executive would have earned, if any, under §

5(b)(i) for the year of termination based on actual financial performance for such fiscal year, times (ii) a fraction, the numerator of which is the number of full months in the fiscal year preceding the Date of Termination and the denominator of which is twelve (12); *provided* that such bonus shall be paid only if the pre-established performance targets are in fact certified by the Committee to have been met, and such bonus shall be paid in a single lump sum cash payment no later than two and one-half (2½) months after the end of the fiscal year in which the bonus is earned; *provided further* that if Executive terminates employment pursuant to § 7(c)(iii) upon a reduction in Executive's Target Bonus Opportunity, such prorated bonus shall be calculated based on Executive's Target Bonus Opportunity as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity; and

(vii) all restricted Company Common Stock or units which represent shares of Company Common Stock, excluding those that are subject to performance conditions ("Restricted Stock"), granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(viii) all options to acquire Company Common Stock or appreciation rights with respect to shares of Company Common Stock ("Options") granted to Executive following the Effective Date and held by Executive as of the Date of Termination that would have become vested (by lapse of time) within the twenty-four (24) month period immediately following the Date of Termination had Executive remained employed during such period will become immediately vested as of the Date of Termination; and

(ix) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to § 8(a)(viii)) shall remain exercisable through the earlier of (A) the original expiration date of the Option, (B) the ninetieth (90th) day following the Date of Termination, or (C) the date that is the tenth (10th) anniversary of the original date of grant of the Option; and

(x) any restricted Company Common Stock or units which represent shares of Company Common Stock contingent on the satisfaction of the related performance requirements ("Performance Restricted Stock") granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) If the Date of Termination occurs during the first year of a Performance Cycle (as defined in the applicable award agreement), a portion of the total shares of Company Common Stock subject to such award, pro-rated based on the number of days elapsed in the Performance Cycle as of the Date of Termination, shall vest assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(2) If the Date of Termination occurs after the first year of a Performance Cycle, a portion of the total shares of Company Common Stock subject to such award, pro-rated based on the number of days elapsed in the Performance Cycle as of the Date of Termination (it being understood that proration shall not apply if the Date of Termination occurs after the end of the Performance Cycle but prior to the settlement date of the award), shall vest based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code);

provided, however, if Executive is Retirement-eligible on the Date of Termination, such Performance Restricted Stock shall be treated in accordance with § 8(d)(v)(1) and not this § 8(a)(x); and

(xi) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company any other amounts or benefits, including but not limited to, previously earned but unpaid annual incentive awards, previously earned but unpaid long-term incentive awards, and properly documented and approved but unpaid business expenses, required to be paid or provided or which Executive is eligible to receive under any such plan, program, policy or practice or contract or agreement of the Company (such other amounts and benefits shall be hereinafter referred to as the “Other Benefits”);

(b) After or in Connection with a Change in Control: Resignation by Executive for Good Reason; Termination by the Company Other Than for Cause, Death or Disability. If there occurs a Change in Control and the Company terminates Executive’s employment other than for Cause, death or Disability before the second (2nd) anniversary of such Change in Control or Executive resigns for Good Reason before the second (2nd) anniversary of such Change in Control, then (and with respect to the payments and benefits described in clauses (ii) through (ix) of this § 8(b), only if Executive executes (and does not revoke) the Release within sixty (60) days of the Date of Termination):

(i) the Company (or its successor) shall pay to Executive the Accrued Obligations in a lump sum in cash within thirty (30) days after the Date of Termination; and

(ii) the Company (or its successor) will pay Executive three (3) times the amount of Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(iii) as in effect immediately prior to such reduction in Base Salary). If the Change in Control is a § 409A Change in Control, the three (3) times Base Salary amount payable under this § 8(b)(ii) will be paid in a single lump sum on the Applicable Pay Date. However, if the Change in Control is not a § 409A Change in Control, the three (3) times Base Salary amount payable under this § 8(b)(ii) will be paid in three (3) parts

(A) the first part will be paid in the amount and at the time and in form called for in § 8(a)(ii),

(B) the second part will be paid in the amount and at the time and in the form called for in § 8(a)(iii), and

(C) the balance will be paid in a single lump sum on the date that is nine (9) months and one (1) day after the date of Executive’s Separation from Service; and

(iii) as additional severance (and not in lieu of any bonus for the fiscal year in which the Date of Termination occurs), the Company (or its successor) will pay Executive a lump sum equal to three (3) times the amount of Executive’s Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(iii) as in effect immediately prior to such reduction in Executive’s Target Bonus Opportunity) on the date that is nine (9) months and one (1) day after the date of Executive’s Separation from Service; and

(iv) the Company shall pay to Executive a lump sum cash amount within sixty (60) days following the Date of Termination equal to the product of (A) eighteen (18) multiplied by (B) one hundred percent (100%) of the monthly premiums for continuation of health care coverage under the Company’s group health plan for purposes of continuation coverage under COBRA with respect to the maximum level of coverage in effect for Executive and his spouse and dependents as of immediately prior to the Date of Termination; and

(v) Executive will be entitled to a pro-rated bonus under § 5(b)(i) for the fiscal year in which the Date of Termination occurs, the amount and timing of which shall depend upon when the Date of Termination occurs, as follows:

(1) if the Date of Termination occurs before the end of the fiscal year in which the Change in Control occurred, the pro-rated bonus will equal (i) one hundred percent (100%) of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(iii) upon a reduction in Executive's Target Bonus Opportunity, as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity), times (ii) a fraction, the numerator of which is the number of full months in the fiscal year preceding the Date of Termination and the denominator of which is twelve (12), and such pro-rated bonus shall be paid no later than two and one-half (2½) months after the end of the Company's fiscal year which includes Executive's Date of Termination; or

(2) if the Date of Termination occurs during a fiscal year that began after the Change in Control occurred, the pro-rated bonus (based on the number of full months in the fiscal year preceding the Date of Termination as described in § 8(b)(v)(1)) will be based on actual performance results as certified by the Committee at the end of the fiscal year and will be paid to Executive no later than two and one-half (2½) months after the end of the Company's fiscal year which includes Executive's Date of Termination; *provided* that if Executive terminates employment pursuant to § 7(c)(iii) upon a reduction in Executive's Target Bonus Opportunity, such prorated bonus shall be calculated based on Executive's Target Bonus Opportunity as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity; and

(vi) all Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(vii) all Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested and exercisable as of the Date of Termination; and

(viii) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to § 8(b)(vii)) will remain exercisable through the earlier of (A) the original expiration date of the Option, or (B) the ninetieth (90th) day following the Date of Termination, or (C) the date that is the tenth (10th) anniversary of the original date of grant of the Option; and

(ix) any Performance Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) If the Date of Termination occurs during the first year of a Performance Cycle, the award shall vest in full (without proration) assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(2) If the Date of Termination occurs after the first year of a Performance Cycle, the award shall vest in full (without proration) based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); *provided, however*, if Executive is Retirement-eligible on the Date of Termination, such Performance Restricted Stock shall be treated in accordance with § 8(d)(iv)(1) and not this § 8(b)(ix); and

(x) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive his Other Benefits pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company.

(c) In Anticipation of a Change in Control: Termination by the Company Other Than for Cause, Death or Disability or Resignation by Executive for Good Reason. If Executive's employment is terminated by the Company other than for Cause, death or Disability or Executive resigns for Good Reason after the issuance of press release or a filing is made with the Securities and Exchange Commission regarding a transaction which could lead to a Change in Control and there is a Change in Control as a result of the consummation of such transaction no later than nine (9) months and one (1) day after the date of Executive's Separation from Service, then

(i) Executive will continue to be eligible to receive his benefits under § 8(a) in the amount and form and at the time provided in § 8(a), but

(ii) Executive will in addition receive the benefits described in § 8(b), if greater, as if his employment had been terminated without Cause or he had resigned for Good Reason at the consummation of such Change in Control, *provided* Executive immediately following the Change in Control shall have timely executed and not revoked the Release described in § 8(b), and, *further provided*

(1) there will under no circumstances be any duplication whatsoever of any payments or benefits between this § 8(c)(ii) and § 8(c)(i);

(2) the additional severance benefits provided under § 8(b)(ii)(C) will be paid in a single lump sum on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service;

(3) the severance benefits provided under § 8(b)(iii) will be paid in lieu of the severance benefits contemplated by § 8(a)(iv) in a single lump sum on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service;

(4) if the Change in Control occurs before the date the pro-rated annual bonus provided under § 8(a)(vi) is scheduled to be paid, then Executive will be entitled to the greater of either the pro-rated annual bonus determined and paid under § 8(a)(vi) or the pro-rated bonus determined under § 8(b)(v)(1) but paid in the form and at the time called for under § 8(a)(vi);

(5) any outstanding Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination which failed to vest under § 8(a)(viii) will vest under § 8(b)(vii) at the Change in Control, and the date of the Change in Control will be treated under § 8(b)(viii) as Executive's Date of Termination; and

(6) if the Change in Control occurs before settlement of Performance Restricted Shares granted to Executive following the Effective Date and held by Executive as of the Date of Termination, Executive will be entitled to the number of shares of

Company Common Stock to be delivered under § 8(b)(ix), which will be delivered in the form and at the time such shares of Company Common Stock are otherwise scheduled to be delivered under § 8(a)(x).

(d) Death, Disability or Retirement. Upon the Date of Termination due to Executive's death, Disability or Retirement:

(i) the Company shall pay to Executive the Accrued Obligations in a lump sum in cash within thirty (30) days after the Date of Termination; and

(ii) all Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(iii) all Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested and exercisable as of the Date of Termination; and

(iv) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to the foregoing sentence) shall remain exercisable through the earliest of (A) the original expiration date of the Option, (B) the ninetieth (90th) day following the Date of Termination or such longer period as specified in the plan document governing the applicable award, or (C) the date that is the 10th anniversary of the original date of grant of the Option; and

(v) any grant of Performance Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) in the case of termination on account of Retirement only, the award shall vest in full (without proration) based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); or

(2) in the case of termination on account of death or Disability only, the award shall vest in full (without proration) assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(vi) for the period of months required by COBRA after the Date of Termination due to Executive's death, Disability or Retirement, Executive or his dependents shall have the right to elect continuation of healthcare coverage under the Company's group plan (if allowed by the plan) in accordance with COBRA, *provided* Executive or his dependents shall pay the entire cost of such coverage; and

(vii) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive his Other Benefits pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company. The term Other Benefits as used in this § 8(d) shall include, without limitation, and Executive or his estate and/or beneficiaries shall be entitled to receive, benefits under such plans, programs, practices and policies relating to death, disability or retirement benefits, if any, as are applicable to Executive on the Date of Termination.

(e) Cause or Voluntary Resignation without Good Reason. Regardless of whether or not a Change in Control shall have occurred, if Executive's employment is terminated for Cause, or if Executive

voluntarily resigns without Good Reason, the Company's obligations under this Agreement to Executive shall terminate, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid to Executive in a lump sum in cash within thirty (30) days after the Date of Termination. For the period required by COBRA after the Date of Termination for Cause or for the voluntary resignation by Executive, Executive shall have the right to elect continuation of healthcare coverage under the Company's group plan in accordance with COBRA, *provided* Executive shall pay the entire cost of such coverage.

(f) Full Settlement. Subject to § 17(d), the payments and benefits provided under this § 8 shall be in full satisfaction of the obligations of the Company and its affiliates to Executive under this Agreement or any other plan, agreement, policy or arrangement of the Company and its affiliates upon his termination of employment.

9 Non-exclusivity of Rights. Nothing in this Agreement shall prevent or limit Executive's continuing or future participation in any plan, program, policy or practice provided by the Company and for which Executive may qualify, nor, subject to § 17(d), shall anything herein limit or otherwise affect such rights as Executive may have under any contract or agreement with the Company. Amounts which are vested benefits or which Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

10 Treatment of Certain Payments.

(a) Anything in the Agreement 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 Executive to the excise tax under § 4999 of the Code, the Accounting Firm shall determine whether to reduce any of the Payments paid or payable pursuant to the Agreement (the "Agreement Payments") so that the Parachute Value (as defined below) of all Payments, in the aggregate, equals the Safe Harbor Amount (as defined below). The Agreement Payments shall be so reduced only if the Accounting Firm determines that Executive would have a greater Net After-Tax Receipt (as defined below) of aggregate Payments if the Agreement Payments were so reduced. If the Accounting Firm determines that Executive would not have a greater Net After-Tax Receipt of aggregate Payments if the Agreement Payments were so reduced, Executive shall receive all Agreement Payments to which Executive is entitled hereunder.

(b) If the Accounting Firm determines that Agreement 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 Executive notice to that effect and a copy of the detailed calculation thereof. All determinations made by the Accounting Firm under this § 10 shall be binding upon the Company and Executive and shall be made as soon as reasonably practicable and in no event later than fifteen (15) days following the Date of Termination. For purposes of reducing the Agreement Payments so that the Parachute Value of all Payments, in the aggregate, equals the Safe Harbor Amount, only amounts payable under the Agreement (and no other Payments) shall be reduced. The reduction of the amounts payable hereunder, if applicable, shall be made by reducing the payments and benefits in the following order: (i) cash payments that may not be valued under Treas. Reg. § 1.280G-1, Q&A-24(c) ("24(c)"), (ii) equity-based payments that may not be valued under 24(c), (iii) cash payments that may be valued under 24(c), (iv) equity-based payments that may be valued under 24(c) and (v) other types of benefits. With respect to each category of the foregoing, such reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of § 409A of the Code and next with respect to payments that are deferred compensation, in each case, beginning with payments or benefits that are to be paid the farthest in time from the Accounting Firm's determination. All fees and expenses of the Accounting Firm shall be borne solely by the Company.

(c) As a result of the uncertainty in the application of § 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that amounts will have been paid or distributed by the Company to or for the benefit of Executive pursuant to this Agreement that should not have been so paid or distributed (each, an "Overpayment") or that additional amounts that will have not been paid or

distributed by the Company to or for the benefit of Executive pursuant to this Agreement could have been so paid or distributed (each, an “Underpayment”). In the event that the Accounting Firm, based upon the assertion of a deficiency by the Internal Revenue Service against the Company or Executive that the Accounting Firm believes has a high probability of success determines that an Overpayment has been made, any such Overpayment paid or distributed by the Company to or for the benefit of Executive shall be repaid by Executive to the Company (as applicable) together with interest at the applicable federal rate provided for in § 7872(f)(2) of the Code; *provided, however*, that no such repayment shall be required if and to the extent such deemed repayment would not either reduce the amount on which Executive is subject to tax under § 1 and § 4999 of the Code or generate a refund of such taxes. In the event that the Accounting Firm, based upon controlling precedent or substantial authority, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid by the Company to or for the benefit of Executive together with interest at the applicable federal rate provided for in § 7872(f)(2) of the Code.

(d) To the extent requested by Executive, the Company shall cooperate with Executive in good faith in valuing, and the Accounting Firm shall take into account the value of, services provided or to be provided by Executive (including, without limitation, Executive’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 § 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 § 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 § 280G of the Code in accordance with Q&A-5(a) of the final regulations under § 280G of the Code.

(e) The following terms shall have the following meanings for purposes of this § 10:

(i) “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 § 280G of the Code that is selected by the Company prior to a Change in Control for purposes of making the applicable determinations hereunder and is reasonably acceptable to Executive, which firm shall not, without Executive’s consent, be a firm serving as accountant or auditor for the individual, entity or group effecting the Change in Control.

(ii) “Net After-Tax Receipt” shall mean the present value (as determined in accordance with § 280G(b)(2)(A)(ii) and § 280G(d)(4) of the Code) of a Payment net of all taxes imposed on Executive with respect thereto under § 1 and § 4999 of the Code and under applicable state and local laws, determined by applying the highest marginal rate under § 1 of the Code and under state and local laws which applied to Executive’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 Executive in the relevant tax year(s).

(iii) “Parachute Value” of a Payment shall mean the present value as of the date of the change in control for purposes of § 280G of the Code of the portion of such Payment that constitutes a “parachute payment” under § 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 § 4999 of the Code will apply to such Payment.

(iv) “Payment” shall mean any payment or distribution in the nature of compensation (within the meaning of § 280G(b)(2) of the Code) to or for the benefit of Executive, whether paid or payable pursuant to the Agreement or otherwise.

(v) “Safe Harbor Amount” shall mean 2.99 times Executive’s “base amount,” within the meaning of § 280G(b)(3) of the Code.

(f) The provisions of this § 10 shall survive the expiration of the Agreement.

11 Costs of Enforcement. In no event shall Executive be obligated to seek other employment by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not Executive obtains other employment. In any action taken in good faith relating to the enforcement of this Agreement or any provision herein, including any arbitration provision in § 14, Executive shall be entitled to be paid any and all costs and expenses incurred by him in enforcing or establishing his rights thereunder, including, without limitation, reasonable attorneys' fees, and whether or not incurred in trial, bankruptcy or appellate proceedings, but only if Executive is successful on at least one material issue raised in the enforcement proceeding. Any costs or expenses that otherwise meet the requirements for reimbursement under this § 11 shall be reimbursed within one hundred and twenty (120) days of submission by Executive of a request for reimbursement, but in no event later than the last day of Executive's taxable year following the taxable year in which Executive becomes entitled to such reimbursement by reason of being successful on at least one material issue (provided a request for reimbursement has been made).

12 Representations and Warranties. Executive hereby represents and warrants to the Company that Executive is not a party to, or otherwise subject to, any covenant not to compete with any person or entity other than a contract with his current employer, a copy of which has been provided to the Company.

13 Restrictions on Conduct of Executive.

(a) General. Executive and the Company understand and agree that the purpose of the provisions of this § 13 is to protect legitimate business interests of the Company, as more fully described below, and is not intended to eliminate Executive's post-employment competition with the Company per se, nor is it intended to impair or infringe upon Executive's right to work, earn a living, or acquire and possess property from the fruits of his labor. Executive hereby acknowledges that the post-employment restrictions set forth in this § 13 are reasonable and that they do not, and will not, unduly impair his ability to earn a living after the termination of this Agreement. Therefore, subject to the limitations of reasonableness imposed by law, Executive shall be subject to the restrictions set forth in this § 13. For the purposes of this § 13, "Company" shall be deemed to include the Company and all its parents, affiliates, subsidiaries and successors.

(b) Definitions. The following terms used in this § 13 shall have the meanings assigned to them below, which definitions shall apply to both the singular and the plural forms of such terms:

"Competitive Position" means any employment with a Competitor in which Executive has duties for such Competitor that relate to Competitive Services.

"Competitive Services" means services competitive with the business activities engaged in by the Company or an affiliate as of the date of termination of Grantee's employment for any reason or any earlier date of an alleged breach by Grantee of the restrictions in § 13 hereof, which include, but are not limited to, the provision of products and services to facilitate or assist with the movement in electronic commerce of payment and financial information, merchant acquiring, demand deposit accounts and other financial service solutions to the underbanked and other consumers and businesses, payment solutions to card issuers, and software, payroll and processing solutions.

"Competitor" means any individual, corporation, partnership, joint venture, limited liability company, association, or other entity or enterprise which is engaged, wholly or in part, in Competitive Services.

"Confidential Information" means all information regarding the Company, its activities, business or clients that is the subject of reasonable efforts by the Company to maintain its confidentiality and that is not generally disclosed by practice or authority to persons not employed by the Company, but that does not rise to the level of a Trade Secret. "Confidential Information" shall include, but is not limited to, financial plans and data concerning the Company; management planning information; business plans; operational methods; market studies; marketing plans or strategies; product development techniques or plans; lists of current or prospective customers; details of customer contracts; current and anticipated customer requirements; past, current and planned research and development; business acquisition plans; and new personnel acquisition plans. "Confidential Information" shall not include information that has become generally available to the public by the act of one who has the right to disclose such

information without violating any right or privilege of the Company. This definition shall not limit any definition of “confidential information” or any equivalent term under state or federal law.

“Determination Date” means the date of termination of Executive’s employment with the Company for any reason whatsoever or any earlier date of an alleged breach of the Restrictive Covenants by Executive.

“Person” means any individual or any corporation, partnership, joint venture, limited liability company, association or other entity or enterprise.

“Principal or Representative” means a principal, owner, partner, shareholder, joint venturer, investor, member, trustee, director, officer, manager, employee, agent, representative or consultant.

“Protected Customers” means any Person to whom the Company has sold or provided its products or services during the twelve (12) months prior to the Determination Date.

“Protected Employees” means employees of the Company who were employed by the Company at any time within six (6) months prior to the Determination Date.

“Restricted Period” means the Employment Period and a period extending two (2) years from the termination of Executive’s employment with the Company.

“Restricted Territory” means the area in which the Company or an affiliate conducts business, which includes without limitation the entire United States and its territories and possessions.

“Restrictive Covenants” means the restrictive covenants contained in § 13(c) hereof.

“Trade Secret” means all information, without regard to form, including, but not limited to, technical or non-technical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, distribution lists or a list of actual or potential customers, advertisers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Without limiting the foregoing, Trade Secret means any item of Confidential Information that constitutes a “trade secret” under the common law or applicable state law.

(c) Restrictive Covenants.

(i) Restriction on Disclosure and Use of Confidential Information and Trade Secrets. Executive understands and agrees that the Confidential Information and Trade Secrets constitute valuable assets of the Company and its affiliated entities, and may not be converted to Executive’s own use. Accordingly, Executive hereby agrees that Executive shall not, directly or indirectly, at any time during the Employment Period or at any time following the end of the Employment Period for any reason reveal, divulge, or disclose to any Person not expressly authorized by the Company any Confidential Information, and Executive shall not, directly or indirectly, at any time during the Employment Period or at any time following the end of the Employment Period for any reason use or make use of any Confidential Information in connection with any business activity other than that of the Company. Throughout the term of this Agreement and at all times after the date that this Agreement terminates for any reason, Executive shall not directly or indirectly transmit or disclose any Trade Secret of the Company to any Person, and shall not make use of any such Trade Secret, directly or indirectly, for himself or for others, without the prior written consent of the Company. The parties acknowledge and agree that this Agreement is not intended to, and does not, alter either the Company’s rights or Executive’s obligations under any state or federal statutory or common law regarding trade secrets and unfair trade practices.

Executive understands that nothing in this § 13 or this Agreement prohibits or limits Executive from: (i) disclosing information that is required to be disclosed by law, court order or other valid and appropriate legal process; *provided, however*, that in the event such disclosure is required by law, Executive shall provide the Company with prompt notice of such requirement so that the Company may seek an appropriate protective order prior to any such required disclosure by Executive; (ii) reporting possible violations of federal, state, or local law or regulation to any governmental agency or entity, or from making other disclosures that are protected under the whistleblower provisions of federal, state, or local law or regulation, and Executive shall not need the prior authorization of the Company to make any such reports or disclosures and shall not be required to notify the Company that Executive has made such reports or disclosures; (iii) disclosing a trade secret (as defined by 18 U.S.C. § 1839) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, in either event solely for the purpose of reporting or investigating a suspected violation of law; or (iv) disclosing a trade secret (as defined by 18 U.S.C. § 1839) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal and that Executive shall not be held civilly or criminally liable for disclosures covered by clauses (iii) or (iv).

(ii) Non-solicitation of Protected Employees. Executive understands and agrees that the relationship between the Company and each of its Protected Employees constitutes a valuable asset of the Company and may not be converted to Executive's own use. Accordingly, Executive hereby agrees that during the Restricted Period Executive shall not directly or indirectly on Executive's own behalf or as a Principal or Representative of any Person or otherwise solicit or induce any Protected Employee with whom Executive worked or otherwise had material contact through his employment with the Company to terminate his or her employment relationship with the Company or to enter into employment with any other Person.

(iii) Restriction on Relationships with Protected Customers. Executive understands and agrees that the relationship between the Company and each of its Protected Customers constitutes a valuable asset of the Company and may not be converted to Executive's own use. Accordingly, Executive hereby agrees that, during the Restricted Period, Executive shall not, without the prior written consent of the Company, directly or indirectly, on Executive's own behalf or as a Principal or Representative of any Person, solicit, divert, take away or attempt to solicit, divert or take away a Protected Customer for the purpose of providing or selling Competitive Services; *provided, however*, that the prohibition of this covenant shall apply only to Protected Customers with whom Executive had Material Contact on the Company's behalf during the twelve (12) months immediately preceding the termination of his employment hereunder. For purposes of this Agreement, Executive shall be deemed to have "Material Contact" with a Protected Customer if he had business dealings with the Protected Customer on the Company's behalf.

(iv) Non-competition with the Company. The parties acknowledge: (A) that Executive's services under this Agreement require special expertise and talent in the provision of Competitive Services and that Executive will have substantial contacts with customers, suppliers, advertisers and vendors of the Company; (B) that pursuant to this Agreement, Executive will be placed in a position of trust and responsibility and he will have access to a substantial amount of Confidential Information and Trade Secrets and that the Company is placing him in such position and giving him access to such information in reliance upon his agreement not to compete with the Company during the Restricted Period; (C) that due to his management duties, Executive will be the repository of a substantial portion of the goodwill of the Company and would have an unfair advantage in competing with the Company; (D) that due to Executive's special experience and talent, the loss of Executive's services to the Company under this Agreement cannot reasonably or adequately be compensated solely by damages in an action at law; (E) that Executive is capable of competing with the Company; and (F) that Executive is capable of obtaining gainful, lucrative and desirable employment that does not violate the restrictions contained in this Agreement. In consideration of the compensation and benefits being paid and to be paid by the Company to Executive hereunder, Executive hereby agrees that, during the Restricted Period, Executive will not, without prior written consent of the Company, directly or indirectly seek or obtain a Competitive Position

in the Restricted Territory; *provided, however*, that (1) the provisions of this Agreement shall not be deemed to prohibit the ownership by Executive of any securities of the Company or its affiliated entities or not more than five percent (5%) of any class of securities of any corporation having a class of securities registered pursuant to the Exchange Act; (2) for purposes of this § 13(c)(iv) only, the Restricted Period shall be reduced to eighteen (18) months if Executive's employment is terminated by Company or Executive pursuant to § 8(a) (Prior to a Change in Control: Resignation by Executive for Good Reason; Termination by the Company Other Than for Cause, Death or Disability); and (3) this § 13(c)(iv) shall lapse and terminate at the end of the Employment Period if the Company gives notice to Executive pursuant to § 3 that this Agreement will not be extended.

(d) Enforcement of Restrictive Covenants.

(i) Rights and Remedies Upon Breach. In the event Executive breaches, or threatens to commit a breach of, any of the provisions of the Restrictive Covenants, the Company shall have the following rights and remedies, which shall be independent of any others and severally enforceable, and shall be in addition to, and not in lieu of, any other rights and remedies available to the Company at law or in equity:

(1) the right and remedy to enjoin, preliminarily and permanently, Executive from violating the Restrictive Covenants and to have the Restrictive Covenants specifically enforced by any court of competent jurisdiction, it being agreed that any breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Company and that money damages would not provide an adequate remedy to the Company;

(2) the right and remedy to require Executive to account for and pay over to the Company all compensation, profits, monies, accruals, increments or other benefits derived or received by Executive as the result of any transactions constituting a breach of the Restrictive Covenants; and

(3) the right and remedy to cease paying and to the return of any termination-related payments or benefits (other than the Accrued Obligations or Other Benefits) if Executive violates any of the Restrictive Covenants and fails to remedy such violation to the reasonable satisfaction of the Board within ten (10) days of written notice of such violation.

(ii) Severability of Covenants. Executive acknowledges and agrees that the Restrictive Covenants are reasonable and valid in time and scope and in all other respects. The covenants set forth in this Agreement shall be considered and construed as separate and independent covenants. Should any part or provision of any covenant be held invalid, void or unenforceable in any court of competent jurisdiction, such invalidity, voidness or unenforceability shall not render invalid, void or unenforceable any other part or provision of this Agreement. If any portion of the foregoing provisions is found to be invalid or unenforceable by a court of competent jurisdiction because its duration, the territory, the definition of activities or the definition of information covered is considered to be invalid or unreasonable in scope, the invalid or unreasonable term shall be redefined, or a new enforceable term provided, such that the intent of the Company and Executive in agreeing to the provisions of this Agreement will not be impaired and the provision in question shall be enforceable to the fullest extent of the applicable laws. This § 13 shall survive the expiration or termination of this Agreement, *provided, however*, that the non-competition covenants set forth in § 13(c)(iv) shall not survive and shall terminate at the end of the Employment Period if the Company gives notice to Executive pursuant to § 3 that this Agreement will not be extended.

14 Arbitration. Any claim or dispute arising under this Agreement (other than under § 13) shall be subject to arbitration, and prior to commencing any court action, the parties agree that they shall arbitrate all such controversies. The arbitration shall be conducted in Atlanta, Georgia, in accordance with the Employment Dispute Rules of the American Arbitration Association and the Federal Arbitration Act, 9 U.S.C. §1, *et. seq.* The

arbitrator(s) shall be authorized to award both liquidated and actual damages, in addition to injunctive relief, but no punitive damages. The arbitrator(s) shall also award attorney's fees and costs, without regard to any restriction on the amount of such award under Georgia or other applicable law, as required under § 11. Such an award shall be binding and conclusive upon the parties hereto, subject to 9 U.S.C. § 10. Each party shall have the right to have the award made the judgment of a court of competent jurisdiction.

Initials of parties as to this § 14:

Company: DLG

Executive: JSS

15 Rabbi Trust. In order to ensure the payment of the severance benefit provided for in §§ 8(b)(ii) and (iii) of this Agreement, immediately following the commencement of any action by a third party with the aim of effecting a Change in Control, or the publicly announced threat by a third party to commence any such action, the Company shall fully fund through the Global Payments Inc. Benefit Security Trust, or similar "rabbi trust" the amount of the severance payment that would have been paid to Executive under §§ 8(b)(ii) and (iii) if the Date of Termination had occurred on the date of commencement, or publicly-announced threat of commencement, of such action by the third party; *provided, however*, that the trust shall not be funded if the funding thereof would result in taxable income to Executive by reason of § 409A(b) of the Code; *and provided, further*, in no event shall any trust assets at any time be located or transferred outside of the United States, within the meaning of § 409A(b) of the Code. Amounts shall be paid to Executive from such trust as provided under this Agreement and the trust. The right of Executive to receive payments under this Agreement shall be an unsecured claim against the general assets of the Company and Executive shall have no rights in or against any specific assets of the Company. Finally, nothing in this § 15 shall relieve the Company of any liabilities under this Agreement to the extent such liabilities are not satisfied by a trust described in this § 15.

16 Assignment and Successors.

(a) This Agreement is personal to Executive and without the prior written consent of the Company shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "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 Agreement by operation of law, or otherwise.

17 Miscellaneous.

(a) Waiver. Failure of either party to insist, in one or more instances, on performance by the other in strict accordance with the terms and conditions of this Agreement shall not be deemed a waiver or relinquishment of any right granted in this Agreement or of the future performance of any such term or condition or of any other term or condition of this Agreement, unless such waiver is contained in a writing signed by the party making the waiver.

(b) Severability. If any provision or covenant, or any part thereof, of this Agreement should be held by any court to be invalid, illegal or unenforceable, either in whole or in part, such invalidity, illegality or

unenforceability shall not affect the validity, legality or enforceability of the remaining provisions or covenants, or any part thereof, of this Agreement, all of which shall remain in full force and effect.

(c) Other Agents. Nothing in this Agreement is to be interpreted as limiting the Company from employing other personnel on such terms and conditions as may be satisfactory to it.

(d) Entire Agreement. This Agreement contains the entire agreement between the Company and Executive with respect to the subject matter hereof and, from and after the Effective Date, this Agreement shall supersede any other agreement (oral or written) between the Company and Executive with respect to the subject matter hereof; *provided, however*, to the extent Executive continues following the Effective Date to hold outstanding equity-based awards of the Company that were granted prior to the Effective Date, treatment of such awards shall not be governed by this Agreement and shall instead be governed by the terms of the Employment Agreement between Executive and the Company dated March 30, 2010, as amended by the Amendment to Employment Agreement between Executive and the Company dated October 1, 2013, as amended by the Second Amendment to Employment Agreement between Executive and the Company dated August 29, 2014, as amended by the Third Amendment to Employment Agreement between Executive and the Company dated August 27, 2018, the terms of which are otherwise superseded by this Agreement.

(e) Governing Law. Except to the extent preempted by federal law, and without regard to conflict of laws principles, the laws of the State of Georgia shall govern this Agreement in all respects, whether as to its validity, construction, capacity, performance or otherwise.

(f) Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given if delivered or three (3) days after mailing if mailed, first class, certified mail, postage prepaid:

To Company: Global Payments Inc.

 3550 Lenox Road

 Suite 3000

 Atlanta, Georgia 30326

 Office of the Corporate Secretary

To Executive: At his current address or last known address on file with the Company

Any party may change the address to which notices, requests, demands and other communications shall be delivered or mailed by giving notice thereof to the other party in the same manner provided herein.

(g) Indemnification. The Company shall indemnify Executive to the maximum extent permitted under the Company's bylaws. Subject to reasonable availability of such insurance coverage and subject to applicable laws and regulations, a directors' and officers' liability insurance policy (or policies) shall be maintained, during the Employment Period and for six (6) years thereafter, providing coverage that is no less favorable to Executive than the coverage provided to any other present officer or director of the Company and, following a Change in Control, the coverage shall be no less favorable to Executive than the coverage provided as of the date of the Change in Control.

(h) Amendments and Modifications. This Agreement may be amended or modified only by a writing signed by the Company and Executive, which makes specific reference to this Agreement.

(i) § 409A.

(i) The Company and Executive intend no payments to be made and no benefits to be provided under this Agreement will be subject to taxation under § 409A of the Code and that the terms of this Agreement will be interpreted in good faith in a manner which is intended to minimize the risk that Executive will be subject to tax under § 409A of the Code with respect to any such payments or benefits, and the Company and Executive agree to cooperate fully and in good faith with one another to seek to minimize such risk. In no event may Executive, directly or indirectly, designate the calendar year of any payment under this Agreement, and to the extent required by § 409A of the Code, any payment that may be paid in more than one taxable year (depending on the time that Executive executes the Release) shall be paid in the later taxable year.

(ii) Items eligible for expense reimbursement under the terms of this Agreement shall be reimbursed in a manner intended to qualify for an exemption under § 409A of the Code, which shall include implementing the following limitations with respect to reimbursements: (A) the amount of such expenses eligible for reimbursement in any calendar year shall not affect the expenses eligible for reimbursement in another calendar year, (B) no such reimbursement may be exchanged or liquidated for another payment or benefit, (C) any reimbursements of such expenses shall be made as soon as practicable under the circumstances but in any event no later than the end of the calendar year following the calendar in which the related expenses were incurred and (D) the Company's obligation to make reimbursements or to provide in-kind benefits that constitute deferred compensation under § 409A of the Code shall not extend beyond Executive's lifetime or, if later, the end of the twenty (20) year period which starts on the Effective Date.

(iii) Any payments that qualify for the "short-term deferral" exception, the separation pay exception or another exception under § 409A of the Code shall be paid under the applicable exception. The Company and Executive agree that each installment of payments and benefits provided under this Agreement shall be treated as a separate identified payment for purposes of § 409A of the Code and that neither the Company nor Executive shall have the right to accelerate or defer the delivery of any such payments or benefits if a determination is made in good faith that any such acceleration or deferral would present a risk that Executive would be subject to any tax under § 409A of the Code; *provided, however*, to the extent permitted by § 409A of the Code, if the Applicable Pay Date is the Delayed Pay Date and Executive dies before such Delayed Pay Date, then any payments or benefits due on the Delayed Pay Date will be made within thirty (30) days following Executive's death (or, if earlier on the Delayed Pay Date). Notwithstanding any other provision of this Agreement to the contrary, if Executive is considered a "specified employee" for purposes of § 409A of the Code (as determined in accordance with the methodology established by the Company and its affiliates as in effect on the date of Executive's Separation from Service), any payment that constitutes nonqualified deferred compensation within the meaning of § 409A of the Code that is otherwise due to Executive under this Agreement during the six (6) month period immediately following Executive's Separation from Service on account of Executive's Separation from Service shall be accumulated and paid to Executive on the Delayed Pay Date, to the extent necessary to prevent the imposition of tax penalties on Executive under § 409A of the Code. If Executive dies during the postponement period, the amounts and entitlements delayed on account of § 409A of the Code shall be paid to the personal representative of his estate on the first to occur of the Delayed Pay Date or thirty (30) days after the date of Executive's death.

(iv) Executive acknowledges and agrees that nothing in this Agreement shall be construed as a guarantee or indemnity by the Company for the tax consequences to the payments and benefits called for under this Agreement, including any tax consequences under § 409A of the Code, and Executive agrees that Executive shall be responsible for paying all taxes due with respect to such payments made and benefits provided to Executive.

(j) Tax Withholding. The Company may withhold from any amounts payable under this Agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(k) References; Construction. All references to sections (§) in this Agreement shall be to sections (§) of this Agreement except as expressly set forth in this Agreement. The section headings used in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation hereof. For purposes of this Agreement, the term “including” shall mean “including, without limitation.”

(l) Accounting Discrepancies. Executive shall be subject to any policy adopted by the Company after the Effective Date which is applicable to senior executives of the Company generally and which requires restitution by such an executive with respect to any payment made or benefit provided to, or on behalf of, such an executive, the calculation of which is based in whole or in part on accounting discrepancies or erroneous financial information.

(m) Survivability. The provisions of this Agreement that by their terms call for performance subsequent to the termination of either Executive’s employment or this Agreement (including the terms of §§ 8, 10, 13 and 17(g)) shall so survive such termination.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company and Executive hereto have duly executed and delivered this Employment Agreement as of the date first above written.

GLOBAL PAYMENTS INC.

By: /s/ David L. Green

Name: David L. Green

Title: Senior Executive Vice President &
General Counsel

EXECUTIVE:

/s/ Jeffrey S. Sloan

Jeffrey S. Sloan

EXHIBIT A

Form of Release

This Release is granted effective as of the [DATE] day of [MONTH], [YEAR], by Jeffrey S. Sloan (“Executive”) in favor of Global Payments Inc. (the “Company”). This is the Release referred to that certain Employment Agreement effective as of September 18, 2019 by and between the Company and Executive (the “Employment Agreement”). Executive gives this Release in consideration of the Company’s promises and covenants as recited in the Employment Agreement, with respect to which this Release is an integral part.

1. Release of the Company. Executive, for himself, his successors, assigns, attorneys, and all those entitled to assert his rights, now and forever hereby releases and discharges the Company and its respective officers, directors, stockholders, trustees, employees, agents, parent corporations, subsidiaries, affiliates, estates, successors, assigns and attorneys (the “Released Parties”), from any and all claims, actions, causes of action, sums of money due, suits, debts, liens, covenants, contracts, obligations, costs, expenses, damages, judgments, agreements, promises, demands, claims for attorneys’ fees and costs, or liabilities whatsoever, in law or in equity, which Executive ever had or now has against the Released Parties, including, without limitation, any claims arising by reason of or in any way connected with any employment relationship which existed between the Company or any of its parents, subsidiaries, affiliates, or predecessors, and Executive. It is understood and agreed that this Release is intended to cover all actions, causes of action, claims or demands for any damage, loss or injury, whether known or unknown, of any nature whatsoever, including those which may be traced either directly or indirectly to the aforesaid employment relationship, or the termination of that relationship, that Executive has, had or purports to have, from the beginning of time to the date of this Release, and including but not limited to claims for employment discrimination under federal or state law, except as provided in Paragraph 2; claims arising under the Age Discrimination in Employment Act, 29 U.S.C. § 621, *et seq.*, Title VII of the Civil Rights Act, 42 U.S.C. § 2000(e), *et seq.*, or the Americans With Disabilities Act, 42 U.S.C. § 12101 *et seq.*; claims for statutory or common law wrongful discharge, claims arising under the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*; claims for attorney’s fees, expenses and costs; claims for defamation; claims for emotional distress; claims for wages or vacation pay; claims for benefits, including any claims arising under the Executive Retirement Income Security Act, 29 U.S.C. § 1001, *et seq.*; and claims under any other applicable federal, state or local laws or legal concepts; *provided, however*, that nothing herein shall release the Company of (a) obligations to Executive to make termination payments under § 8 of the Employment Agreement or any other rights under the Employment Agreement, (b) any indemnification obligations to Executive under the Company’s bylaws, certificate of incorporation, Delaware law or otherwise; (c) obligations with respect to insurance coverage under any directors’ and officers’ liability insurance policies; (d) any rights that Executive may have as a stockholder of the Company; or (e) vested interests in any pension plan or other benefit or deferred compensation plan.

2. Release of Claims Under Age Discrimination in Employment Act. Without limiting the generality of the foregoing, Executive agrees that by executing this Release, he has released and waived any and all claims he has or may have as of the date of this Release for age discrimination under the Age Discrimination in Employment Act, 29 U.S.C. § 621, *et seq.*, Executive acknowledges and agrees Executive has been, and hereby is, advised by Company to consult with an attorney prior to executing this Release. Executive further acknowledges and agrees that Company has offered Executive the opportunity, before executing this Release, to consider this Release for a period of twenty-one (21) calendar days; and that the consideration he receives for this Release is in addition to amounts to which he was already entitled. It is further understood that this Release is not effective until seven (7) calendar days after the execution of this Release and that Executive may revoke this Release within seven (7) calendar days from the date of execution hereof.

3. Non-Admission. It is understood and agreed by Executive that the payment made to him is not to be construed as an admission of any liability whatsoever on the part of the Company or any of the other Released Parties, by whom liability is expressly denied.

4. Non-Disparagement. Executive agrees that he will not in any way disparage Company, its affiliated and related companies, or their current and former employees, officers, directors, agents and

representatives, or make or solicit any comments, statements, or the like to the media or to others that may be considered to be derogatory or detrimental to the good name or business reputation of any of the aforementioned parties or entities. This paragraph shall not limit the rights of Executive (a) to make any disclosures that are protected under the whistleblower provisions of federal law or regulation or provide testimony pursuant to a valid subpoena or in a judicial or administrative proceeding in which Executive is required to testify or otherwise as required by law or legal process; or (b) to make a complaint to, provide truthful information to, or participate in an investigation conducted by the Equal Employment Opportunity Commission, the National Labor Relations Board, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission.

5. Acknowledgement and Revocation Period. Executive agrees that he has carefully read this Release and is signing it voluntarily. Executive acknowledges that he has had twenty one (21) days from receipt of this Release to review it prior to signing or that, if Executive is signing this Release prior to the expiration of such twenty-one (21) day period, Executive is waiving his right to review the Release for such full twenty-one (21) day period prior to signing it. Executive has the right to revoke this release within seven (7) days following the date of its execution by him. In order to revoke this Release, Executive must deliver notice of the revocation in writing to Company's General Counsel before the expiration of the seven (7) day period. However, if Executive revokes this Release within such seven (7) day period, no severance benefit will be payable to him under the Employment Agreement and he shall return to the Company any such payment received prior to that date.

6. No Revocation After Seven Days. Executive acknowledges and agrees that this Release may not be revoked at any time after the expiration of the seven (7) day revocation period and that he/she will not institute any suit, action, or proceeding, whether at law or equity, challenging the enforceability of this Release. Executive further acknowledges and agrees that, with the exception of an action to challenge the waiver of claims under the ADEA, Executive shall not ever attempt to challenge the terms of this Release, attempt to obtain an order declaring this Release to be null and void, or institute litigation against the Company or any other Releasee based upon a claim that is covered by the terms of the release contained herein, without first repaying all monies paid to him/her under § 8 of the Employment Agreement. Furthermore, with the exception of an action to challenge his waiver of claims under the ADEA, if Executive does not prevail in an action to challenge this Release, to obtain an order declaring this Release to be null and void, or in any action against the Company or any other Releasee based upon a claim that is covered by the release set forth herein, Executive shall pay to the Company and/or the appropriate Releasee all their costs and attorneys' fees incurred in their defense of Executive's action.

7. Governing Law and Severability. This Release and the rights and obligations of the parties hereto shall be governed and construed in accordance with the laws of the State of Georgia. If any provision hereof is unenforceable or is held to be unenforceable, such provision shall be fully severable, and this document and its terms shall be construed and enforced as if such unenforceable provision had never comprised a part hereof, the remaining provisions hereof shall remain in full force and effect, and the court or tribunal construing the provisions shall add as a part hereof a provision as similar in terms and effect to such unenforceable provision as may be enforceable, in lieu of the unenforceable provision.

EXECUTIVE HAS CAREFULLY READ THIS RELEASE AND ACKNOWLEDGES THAT IT CONSTITUTES A GENERAL RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS AGAINST THE COMPANY UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT. EXECUTIVE ACKNOWLEDGES THAT HE HAS HAD A FULL OPPORTUNITY TO CONSULT WITH AN ATTORNEY OR OTHER ADVISOR OF HIS CHOOSING CONCERNING HIS EXECUTION OF THIS RELEASE AND THAT HE IS SIGNING THIS RELEASE VOLUNTARILY AND WITH THE FULL INTENT OF RELEASING THE COMPANY FROM ALL SUCH CLAIMS.

Jeffrey S. Sloan

Date: _____

A-3

**AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

This EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into this 20th day of September 2019 by and between Global Payments Inc., a Georgia corporation (the "Company"), and Cameron M. Bready ("Executive").

BACKGROUND

Executive shall serve as President and Chief Operating Officer of the Company. Executive and the Company desire to memorialize the terms of such employment in this Agreement. In addition, the Compensation Committee of the Board of Directors of the Company (the "Committee") has determined that it is in the best interests of the Company and its stockholders to assure that the Company will have the continued dedication of Executive, notwithstanding the possibility, threat or occurrence of a Change in Control (as defined in § 6). As it is desired and anticipated that Executive will continue to be employed and provide services for the Company's successor for some period of time following a Change in Control, one purpose of this Agreement is to provide Executive with compensation and benefits arrangements which ensure that the compensation and benefits expectations of Executive will be satisfied and which are competitive with those of other corporations. Therefore, in order to accomplish these objectives, the Committee has caused the Company to enter into this Agreement. This Agreement supersedes any prior agreement or other communication (oral or written) regarding Executive's employment, except as otherwise provided in § 17 of this Agreement.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Executive agree as follows:

1 Effective Date. This Agreement is effective as of September 18, 2019, the first date following the closing of the transaction contemplated by the Agreement and Plan of Merger by and between Total System Services, Inc. and the Company dated as of May 27, 2019 (such date, the "Effective Date").

2 Employment. Executive is hereby employed as President and Chief Operating Officer of the Company as of the Effective Date. In such capacity, Executive shall have the duties and responsibilities commensurate with such position as shall be assigned to him by the Chief Executive Officer of the Company (the "Chief Executive Officer").

3 Employment Period. Subject to § 7, Executive's initial Employment Period pursuant to this Agreement shall be the period which starts on the Effective Date and ends on the third (3rd) anniversary thereof; *provided*, Executive's Employment Period shall automatically be extended for one (1) additional year on the second (2nd) anniversary of the Effective Date and on each subsequent anniversary of the Effective Date unless either the Company or Executive provides notice (in accordance with § 17(f)) before such anniversary date that there will be no such extension. Executive's initial Employment Period and any subsequent extension of the initial Employment Period shall be referred to collectively as Executive's "Employment Period." A failure to extend Executive's Employment Period shall not be treated for any reason whatsoever as a termination of Executive's employment under § 7 unless the Company provides notice that there will be no such extension following a Change in Control and Executive's Employment Period would as a result of such notice end before the second (2nd) anniversary of the date of such Change in Control, in which case Executive shall have the right to resign effective at any time during the ninety (90) day period which starts on the date of such notice, and the date his resignation is effective shall be treated as a termination for Good Reason pursuant to § 7(c) of this Agreement and he shall receive all benefits called for under § 8(b) of this Agreement.

4 Extent of Service. During the Employment Period, Executive shall render his services to the Company (or to any successor, including a successor following a Change in Control) in conformity with professional standards, in a prudent and workmanlike manner and in a manner consistent with the obligations i

imposed on officers of corporations under applicable law. Executive shall promote the interests of the Company and its subsidiaries in carrying out Executive's duties and shall not deliberately take any action which could, or fail to take any action which failure could, reasonably be expected to have a material adverse effect upon the business of the Company or any of its subsidiaries or any of their respective affiliates. Executive agrees to devote his business time, attention, skill and efforts exclusively to the faithful performance of his duties hereunder (both before and after a Change in Control); *provided, however*, that it shall not be a violation of this Agreement for Executive to (a) devote reasonable periods of time to charitable and community activities and, with the approval of the Chief Executive Officer, industry or professional activities; (b) manage or participate in personal business interests and investments, so long as such activities do not, in the judgment of the Chief Executive Officer, materially interfere with the performance of Executive's responsibilities under this Agreement and comply with all Company policies and codes and all of Executive covenants and agreements; and/or (c) subject to the approval of the Committee, serve as a director, trustee, or member of a committee of any organization involving no conflict of interest with the interests of the Company so long as such activities do not, in the judgment of the Chief Executive Officer, materially interfere with the performance of Executive's responsibilities under this Agreement and comply with all Company policies and codes and all of Executive's covenants and agreements.

5 Compensation and Benefits.

(a) Base Salary. During the Employment Period, the Company will pay to Executive a base salary in the amount of U.S. \$700,000 per year (the "Base Salary"), payable in equal bi-weekly or other installments as provided under the Company's standard payroll practices in effect for senior executives from time to time. Executive's Base Salary will be reviewed at least annually and, subject to approval of the Committee, the Company may increase Executive's Base Salary from time to time. The periodic review of Executive's salary by the Committee will consider, among other things, Executive's own performance and the Company's performance.

(b) Incentive and Savings Plans. During the Employment Period, Executive shall be entitled to participate in all incentive, retirement and savings plans, practices, policies and programs applicable generally to employees of the Company at the senior executive level, excluding the Chief Executive Officer. Certain executive programs will be made available on a selective basis at the discretion of the Chief Executive Officer, the Board of Directors of the Company (the "Board") or the Committee. Without limiting the foregoing, the following shall apply:

(i) Annual Bonus. Executive will have an annual bonus opportunity for each fiscal year of the Company based on the achievement of financial and performance objectives set by the Committee ("Bonus Opportunity"). The annual Bonus Opportunity and specific performance and financial objectives will be set forth in Executive's individual performance and incentive plan for each fiscal year. Executive's annual Bonus Opportunity at target levels for any year shall not be less than 115% of his then-current Base Salary for such year (the "Target Bonus Opportunity"). Executive must be an active employee on the date the annual bonuses are paid on a Company-wide basis in order to be eligible to receive any bonus payment (except as otherwise expressly provided in § 8), unless (A) Executive's employment terminates following a failure to extend his Employment Period in accordance with § 3, (B) his employment terminates at or after the end of the applicable fiscal year and (C) he satisfies all or substantially all of the performance requirements (other than continued service) for a bonus for such fiscal year, in which event he shall be eligible for a bonus as determined by the Committee, and such bonus, if any, shall be paid no later than two and one-half (2½) months after the end of such fiscal year.

(ii) Equity Awards. Executive will be eligible to participate in the Company's Amended and Restated 2011 Incentive Plan (the "2011 Plan") and any successor to such plan in accordance with the terms and conditions of the 2011 Plan and any successor to such plan. The Company may, from time to time, upon approval by the Committee, grant to Executive options to purchase shares of Company Common Stock, stock appreciation rights, restricted Company Common Stock, restricted stock units, performance shares, and/or performance units and/or other Company Common Stock related grants as a long-term incentive for performance.

(c) Welfare Benefit Plans. During the Employment Period, Executive and Executive's family shall be eligible for participation in, and shall be eligible to receive all benefits under, the welfare benefit plans, practices, policies and programs provided by the Company, including, without limitation, medical, prescription, dental, disability, employee life, group life, accidental death and travel accident insurance plans and programs on the same basis as similarly situated executives of the Company (the "Welfare Plans").

(d) Expenses. During the Employment Period, Executive shall be entitled to receive prompt reimbursement for all reasonable business expenses incurred by Executive in accordance with the policies, practices and procedures of the Company; *provided, however*, (i) the amount of such expenses eligible for reimbursement in any calendar year shall not affect the expenses eligible for reimbursement in another calendar year, (ii) no such reimbursement may be exchanged or liquidated for another payment or benefit, and (iii) any reimbursements of such expenses shall be made as soon as practicable under the circumstances but in any event no later than the end of the calendar year following the calendar year in which the related expenses are incurred.

(e) Additional Benefits. During the Employment Period, Executive shall be offered the opportunity to receive or participate in any additional benefits provided to similarly situated executives of the Company in accordance with, and subject to the eligibility requirements of, the plans, practices, programs and policies of the Company and applicable laws and regulations. Executive also shall be provided with vacation entitlements in accordance with the Company's policy as in effect from time to time.

6 Change in Control.

(a) For the purposes of this Agreement, a "Change in Control" shall mean the occurrence of any of the following events after the Effective Date:

(i) The acquisition by any individual, entity or group (within the meaning of § 13(d)(3) or § 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of thirty-five percent (35%) or more of the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); *provided, however*, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change in Control: (A) any acquisition by a Person who is on the Effective Date the beneficial owner of thirty-five percent (35%) or more of the Outstanding Company Voting Securities, (B) any acquisition directly from the Company, (C) any acquisition by the Company which reduces the number of Outstanding Company Voting Securities and thereby results in any person having beneficial ownership of more than thirty-five percent (35%) of the Outstanding Company Voting Securities, (D) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (E) any acquisition by any corporation pursuant to a transaction which meets the requirements of clauses (A), (B) and (C) of subsection (ii) of this § 6; or

(ii) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the outstanding shares of the Company's common stock (the "Outstanding Company Common Stock") and Outstanding Company Voting Securities immediately prior to such Business Combination (individually, a "Company Owner") beneficially own, directly or indirectly, more than fifty percent (50%) of, respectively, the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as each Company Owner's ownership, immediately prior to such

Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any Company Owner, the Company or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, thirty-five percent (35%) or more of the combined voting power of the then-outstanding voting securities of such corporation, and (C) at least a majority of the members of the board of directors (or, for a noncorporate entity, equivalent body or committee) of the entity resulting from such Business Combination were Incumbent Directors (as defined below) at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iii) A majority of the individuals who, as of the Effective Date, constitute the Board (the “Incumbent Directors”) are replaced within a twelve (12) month period; *provided, however*, that, for purposes of this § 6(a)(iii), any individual who becomes a member of the Board subsequent to the Effective Date whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least a majority of those individuals who are members of the Board and who were also Incumbent Directors (or deemed to be such pursuant to this proviso) shall be considered Incumbent Directors; *provided, further*, that any individual who was elected to the Board as a result of an 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 any “person” (such term for purposes of this definition being as defined in § 3(a)(9) of the Exchange Act, and as used in § 13(d)(3) and § 14(d)(2) of the Exchange Act) other than the Incumbent Directors shall not be considered an Incumbent Director.

(b) For purposes of this Agreement, a “§ 409A Change in Control” shall mean a “Change in Control” which also constitutes a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company, all within the meaning of § 409A of the Internal Revenue Code of 1986, as amended (the “Code”).

(c) For the avoidance of doubt, the occurrence of the Effective Date and the closing of the transaction contemplated by the Agreement and Plan of Merger by and between Total System Services, Inc. and the Company dated as of May 27, 2019 shall not be considered a “Change in Control” for purposes of this Agreement.

7 Termination of Employment.

(a) Death, Retirement or Disability. Executive’s employment and the Employment Period shall terminate automatically upon Executive’s death or Retirement. For purposes of this Agreement, “Retirement” shall mean Executive’s voluntary resignation of employment on or after attaining age fifty-five (55) with at least ten (10) years of service. If the Committee determines in good faith that the Disability of Executive has occurred (pursuant to the definition of Disability set forth in this § 7(a)), the Company may give to Executive written notice of its intention to terminate Executive’s employment. In such event, Executive’s employment with the Company shall terminate effective on the thirtieth (30th) day after receipt of such written notice by Executive (the “Disability Effective Date”), *provided* that, within the thirty (30) days after such receipt, Executive shall not have returned to full-time performance of Executive’s duties. For purposes of this Agreement, “Disability” shall mean the inability of Executive, as determined by the Committee, to substantially perform the essential functions of his regular duties and responsibilities with or without reasonable accommodation, due to a medically determinable physical or mental illness or other disability which has lasted (or can reasonably be expected to last) for a substantially continuous period of at least six (6) consecutive months.

(b) Termination by the Company With or Without Cause. The Company may terminate Executive’s employment with or without Cause. For all purposes under this Agreement, “Cause” shall mean a determination by the Committee that:

(i) Executive has failed to perform substantially Executive’s duties and responsibilities under this Agreement (other than any such failure resulting from incapacity due to physical

or mental illness, and specifically excluding any failure by Executive, after reasonable efforts, to meet reasonable performance expectations), after a written demand for substantial performance is delivered to Executive by the Chief Executive Officer or the Chairman of the Committee which specifically identifies the manner in which such person believes that Executive has failed to substantially perform Executive's duties and responsibilities and which has not been cured to the reasonable satisfaction of such person within ten (10) business days of the written demand delivered to Executive; or

(ii) Executive engaged in any act of fraud, misappropriation, embezzlement or similar dishonest or wrongful act, including, without limitation, any violation of the Sarbanes-Oxley Act or similar laws or legal standards, but excluding for this purpose any non-criminal violation of Sarbanes-Oxley or similar laws or legal standards that has no significant adverse impact on the Company or its reputation and does not involve dishonesty or render Executive ineligible for any licensing, bonding or insurance coverage or for employment or engagement in any Company work or activity; or

(iii) Executive has engaged in the abuse of alcohol, prescription drugs or any substance which materially interferes with Executive's ability to perform Executive's duties and responsibilities under this Agreement or Executive has engaged in the use of illegal drugs; or

(iv) Executive has violated any laws, agreements or written Company policies or codes prohibiting employment discrimination, harassment, conflicts of interest, retaliation, competition with the Company, solicitation of Company customers or employees on behalf of anyone other than Company, improper use or disclosure of Trade Secrets, Confidential Information or other proprietary information of the Company; or

(v) Executive has committed, been convicted for, or entered a plea of guilty or *nolo contendere* (or any plea of similar substance or effect) to, a felony or a crime involving dishonesty or other moral turpitude.

(c) Resignation by Executive. Executive may resign for "Good Reason" or no reason. For all purposes under this Agreement, "Good Reason" shall mean the occurrence of any of the following circumstances without the written consent of Executive:'

(i) a material adverse reduction in Executive's position, duties or responsibilities; or

(ii) a reduction by the Company: (A) in Executive's Base Salary as in effect on the Effective Date or as the same may be increased from time to time (unless a similar reduction is made in the salary of similarly situated senior executives); (B) in Executive's Target Bonus Opportunity below the minimum set forth in § 5(b)(i) (unless a similar reduction is made in the bonus opportunity of similarly situated senior executives); or (C) in the benefits pursuant to the Welfare Plans (unless a similar reduction is made in the benefits of similarly situated senior executives); or

(iii) any failure by the Company to comply with and satisfy § 16(c); or

(iv) a requirement that Executive be based in any office or location other than in the greater metropolitan area of Atlanta, Georgia; or

(v) any material breach by the Company of the terms of this Agreement.

Notwithstanding the foregoing, no event or act or omission shall constitute "Good Reason" under this § 7(c) unless (x) Executive in accordance with § 17(f) provides notice of such event or act or omission to the Committee no later than thirty (30) days after Executive has knowledge of such event or act or omission, (y) the Committee fails to remedy such event or act or omission within thirty (30) days of the receipt of such notice (the "Cure Period") and (z) Executive resigns effective no later than ninety (90) days after the end of the Cure Period.

(d) Notice of Termination. Any termination by the Company or resignation by Executive shall be communicated by Notice of Termination to the other party hereto given in accordance with § 17(f). For purposes of this Agreement, a “Notice of Termination” means a written notice which (i) states the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive’s employment under the provision so indicated and (iii) specifies the applicable Date of Termination. The failure by Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of Executive or the Company, respectively, hereunder or preclude Executive or the Company, respectively, from asserting such fact or circumstance in enforcing Executive’s or the Company’s rights hereunder.

(e) Date of Termination, Separation from Service and Applicable Pay Date.

(i) “Date of Termination” means (1) if Executive resigns for Good Reason, the date specified in the Notice of Termination, *provided* that (A) the Committee may specify any earlier Date of Termination and (B) the Date of Termination specified in the notice shall not be less than sixty (60) days after the date of delivery of the notice if the resignation is for Good Reason following a Change in Control, (2) if Executive’s employment is terminated by the Company other than by reason of Disability, the date of receipt of the Notice of Termination, or any later date specified therein, or (3) if Executive’s employment is terminated by reason of death, Disability or Retirement, the Date of Termination will be the date of death or Retirement, or the Disability Effective Date, as the case may be.

(ii) “Separation from Service” means a “separation from service” within the meaning of § 409A of the Code which occurs in connection with Executive’s termination of employment, and the Company and Executive acknowledge and agree that such a “separation from service” may come before, after or coincide with Executive’s Date of Termination.

(iii) “Applicable Pay Date” means the date that Executive has a Separation from Service (which date shall be referred to as the “Immediate Pay Date”) or, if the Company determines that making a payment or providing a benefit to Executive on the Immediate Pay Date would require the Company to report all or any part of such payment or benefit to the Internal Revenue Service as subject to taxation under § 409A of the Code, the date that is six (6) months and one (1) day after the date Executive has a Separation from Service (which date shall be referred to as the “Delayed Pay Date”).

8 Obligations of the Company upon Termination.

(a) Prior to a Change in Control: Resignation by Executive for Good Reason; Termination by the Company Other Than for Cause, Death or Disability. If, prior to a Change in Control or on or after the second (2nd) anniversary of the date of a Change in Control, the Company terminates Executive’s employment other than for Cause, death or Disability or Executive resigns for Good Reason, then (and with respect to the payments and benefits described in clauses (ii) through (x) of this § 8(a), only if Executive executes (and does not revoke) a Release in substantially the form of Exhibit A hereto (the “Release”) within sixty (60) days of the Date of Termination):

(i) the Company will pay to Executive in a lump sum in cash within thirty (30) days after the Date of Termination the sum of (A) Executive’s Base Salary (as in effect on the Date of Termination) earned through the Date of Termination to the extent not theretofore paid, (B) Executive’s business expenses for which reimbursement has been requested pursuant to the Company’s expense reimbursement policy but which have not been reimbursed before Executive’s applicable Date of Termination and (C) Executive’s Annual Bonus, if any, earned for the fiscal year immediately preceding the fiscal year in which the Date of Termination occurs, if such bonus has been certified as payable by the Committee but has not been paid before the Date of Termination (the sum of the amounts described in clauses (A), (B) and (C) shall be referred to as the “Accrued Obligations”); and

(ii) (A) if the Applicable Pay Date is the Delayed Pay Date, the Company will pay Executive on the Delayed Pay Date a lump sum equal to the amount of the Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary) Executive would have earned if Executive had been continuously employed by Company from the Date of Termination until the Delayed Pay Date or (B) if the Applicable Pay Date is the Immediate Pay Date, the Company will continue to pay Executive an amount equal to his monthly Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary) until payments begin under § 8(a)(iii) without any duplication of payments between this § 8(a)(ii) and § 8(a)(iii); and

(iii) commencing on the seven (7)-month anniversary of the date Executive has a Separation from Service, the Company will continue to pay Executive an amount equal to Executive's monthly Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary), payable in equal monthly or more frequent installments in accordance with the Company's then standard payroll practices for a period of twelve (12) consecutive months; and

(iv) as additional severance (and not in lieu of any bonus for the fiscal year in which the Date of Termination occurs), the Company will pay Executive a lump sum equal to one and one-half (1½) times the amount of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity) on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service; and

(v) the Company shall pay to Executive a lump sum cash amount within sixty (60) days following the Date of Termination equal to the product of (A) eighteen (18) multiplied by (B) one hundred percent (100%) of the monthly premiums for continuation of health care coverage under the Company's group health plan for purposes of continuation coverage under § 4980B of the Code ("COBRA") with respect to the maximum level of coverage in effect for Executive and his spouse and dependents as of immediately prior to the Date of Termination; and

(vi) the Company will pay Executive a pro-rated annual bonus for the fiscal-year in which the Date of Termination occurs equal to (i) the amount Executive would have earned, if any, under § 5(b)(i) for the year of termination based on actual financial performance for such fiscal year, times (ii) a fraction, the numerator of which is the number of full months in the fiscal year preceding the Date of Termination and the denominator of which is twelve (12); *provided* that such bonus shall be paid only if the pre-established performance targets are in fact certified by the Committee to have been met, and such bonus shall be paid in a single lump sum cash payment no later than two and one-half (2½) months after the end of the fiscal year in which the bonus is earned; *provided further* that if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, such prorated bonus shall be calculated based on Executive's Target Bonus Opportunity as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity; and

(vii) all restricted Company Common Stock or units which represent shares of Company Common Stock, excluding those that are subject to performance conditions ("Restricted Stock"), granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(viii) all options to acquire Company Common Stock or appreciation rights with respect to shares of Company Common Stock ("Options") granted to Executive following the Effective Date and

held by Executive as of the Date of Termination that would have become vested (by lapse of time) within the twenty-four (24) month period immediately following the Date of Termination had Executive remained employed during such period will become immediately vested as of the Date of Termination; and

(ix) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to § 8(a)(viii)) shall remain exercisable through the earlier of (A) the original expiration date of the Option, (B) the ninetieth (90th) day following the Date of Termination, or (C) the date that is the tenth (10th) anniversary of the original date of grant of the Option; and

(x) any restricted Company Common Stock or units which represent shares of Company Common Stock contingent on the satisfaction of the related performance requirements (“Performance Restricted Stock”) granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) If the Date of Termination occurs during the first year of a Performance Cycle (as defined in the applicable award agreement), a portion of the total shares of Company Common Stock subject to such award, pro-rated based on the number of days elapsed in the Performance Cycle as of the Date of Termination, shall vest assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(2) If the Date of Termination occurs after the first year of a Performance Cycle, a portion of the total shares of Company Common Stock subject to such award, pro-rated based on the number of days elapsed in the Performance Cycle as of the Date of Termination (it being understood that proration shall not apply if the Date of Termination occurs after the end of the Performance Cycle but prior to the settlement date of the award), shall vest based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); *provided, however*, if Executive is Retirement-eligible on the Date of Termination, such Performance Restricted Stock shall be treated in accordance with § 8(d)(v)(1) and not this § 8(a)(x); and

(xi) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company any other amounts or benefits, including but not limited to, previously earned but unpaid annual incentive awards, previously earned but unpaid long-term incentive awards, and properly documented and approved but unpaid business expenses, required to be paid or provided or which Executive is eligible to receive under any such plan, program, policy or practice or contract or agreement of the Company (such other amounts and benefits shall be hereinafter referred to as the “Other Benefits”);

(b) After or in Connection with a Change in Control: Resignation by Executive for Good Reason: Termination by the Company Other Than for Cause, Death or Disability. If there occurs a Change in Control and the Company terminates Executive’s employment other than for Cause, death or Disability before the second (2nd) anniversary of such Change in Control or Executive resigns for Good Reason before the second (2nd) anniversary of such Change in Control, then (and with respect to the payments and benefits described in clauses (ii) through (ix) of this § 8(b), only if Executive executes (and does not revoke) the Release within sixty (60) days of the Date of Termination):

(i) the Company (or its successor) shall pay to Executive the Accrued Obligations in a lump sum in cash within thirty (30) days after the Date of Termination; and

(ii) the Company (or its successor) will pay Executive two (2) times the amount of Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) as in effect immediately prior to such reduction in Base Salary). If the Change in Control is a § 409A Change in Control, the two (2) times Base Salary amount payable under this § 8(b)(ii) will be paid in a single lump sum on the Applicable Pay Date. However, if the Change in Control is not a § 409A Change in Control, the two (2) times Base Salary amount payable under this § 8(b)(ii) will be paid in three (3) parts-

- (A) the first part will be paid in the amount and at the time and in form called for in § 8(a)(ii),
- (B) the second part will be paid in the amount and at the time and in the form called for in § 8(a)(iii), and
- (C) the balance will be paid in a single lump sum on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service; and

(iii) as additional severance (and not in lieu of any bonus for the fiscal year in which the Date of Termination occurs), the Company (or its successor) will pay Executive a lump sum equal to two (2) times the amount of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity) on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service; and

(iv) the Company shall pay to Executive a lump sum cash amount within sixty (60) days following the Date of Termination equal to the product of (A) eighteen (18) multiplied by (B) one hundred percent (100%) of the monthly premiums for continuation of health care coverage under the Company's group health plan for purposes of continuation coverage under COBRA with respect to the maximum level of coverage in effect for Executive and his spouse and dependents as of immediately prior to the Date of Termination; and

(v) Executive will be entitled to a pro-rated bonus under § 5(b)(i) for the fiscal year in which the Date of Termination occurs, the amount and timing of which shall depend upon when the Date of Termination occurs, as follows:

(1) if the Date of Termination occurs before the end of the fiscal year in which the Change in Control occurred, the pro-rated bonus will equal (i) one hundred percent (100%) of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity), times (ii) a fraction, the numerator of which is the number of full months in the fiscal year preceding the Date of Termination and the denominator of which is twelve (12), and such pro-rated bonus shall be paid no later than two and one-half (2½) months after the end of the Company's fiscal year which includes Executive's Date of Termination; or

(2) if the Date of Termination occurs during a fiscal year that began after the Change in Control occurred, the pro-rated bonus (based on the number of full months in the fiscal year preceding the Date of Termination as described in § 8(b)(v)(1)) will be based on actual performance results as certified by the Committee at the end of the fiscal year and will be paid to Executive no later than two and one-half (2½) months after the end of the Company's fiscal year which includes Executive's Date of Termination; *provided* that if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, such prorated

bonus shall be calculated based on Executive's Target Bonus Opportunity as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity; and

(vi) all Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(vii) all Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested and exercisable as of the Date of Termination; and

(viii) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to § 8(b)(vii)) will remain exercisable through the earlier of (A) the original expiration date of the Option, or (B) the ninetieth (90th) day following the Date of Termination, or (C) the date that is the tenth (10th) anniversary of the original date of grant of the Option; and

(ix) any Performance Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) If the Date of Termination occurs during the first year of a Performance Cycle, the award shall vest in full (without proration) assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(2) If the Date of Termination occurs after the first year of a Performance Cycle, the award shall vest in full (without proration) based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); *provided, however*, if Executive is Retirement-eligible on the Date of Termination, such Performance Restricted Stock shall be treated in accordance with § 8(d)(iv)(1) and not this § 8(b)(ix); and

(x) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive his Other Benefits pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company.

(c) In Anticipation of a Change in Control: Termination by the Company Other Than for Cause, Death or Disability or Resignation by Executive for Good Reason. If Executive's employment is terminated by the Company other than for Cause, death or Disability or Executive resigns for Good Reason after the issuance of press release or a filing is made with the Securities and Exchange Commission regarding a transaction which could lead to a Change in Control and there is a Change in Control as a result of the consummation of such transaction no later than nine (9) months and one (1) day after the date of Executive's Separation from Service, then

(i) Executive will continue to be eligible to receive his benefits under § 8(a) in the amount and form and at the time provided in § 8(a), but

(ii) Executive will in addition receive the benefits described in § 8(b), if greater, as if his employment had been terminated without Cause or he had resigned for Good Reason at the consummation of such Change in Control, *provided* Executive immediately following the Change in Control shall have timely executed and not revoked the Release described in § 8(b), and, *further provided*

(1) there will under no circumstances be any duplication whatsoever of any payments or benefits between this § 8(c)(ii) and § 8(c)(i);

(2) the additional severance benefits provided under § 8(b)(ii)(C) will be paid in a single lump sum on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service;

(3) the severance benefits provided under § 8(b)(iii) will be paid in lieu of the severance benefits contemplated by § 8(a)(iv) in a single lump sum on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service;

(4) if the Change in Control occurs before the date the pro-rated annual bonus provided under § 8(a)(vi) is scheduled to be paid, then Executive will be entitled to the greater of either the pro-rated annual bonus determined and paid under § 8(a)(vi) or the pro-rated bonus determined under § 8(b)(v)(1) but paid in the form and at the time called for under § 8(a)(vi);

(5) any outstanding Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination which failed to vest under § 8(a)(viii) will vest under § 8(b)(vii) at the Change in Control, and the date of the Change in Control will be treated under § 8(b)(viii) as Executive's Date of Termination; and

(6) if the Change in Control occurs before settlement of Performance Restricted Shares granted to Executive following the Effective Date and held by Executive as of the Date of Termination, Executive will be entitled to the number of shares of Company Common Stock to be delivered under § 8(b)(ix), which will be delivered in the form and at the time such shares of Company Common Stock are otherwise scheduled to be delivered under § 8(a)(x).

(d) Death, Disability or Retirement. Upon the Date of Termination due to Executive's death, Disability or Retirement:

(i) the Company shall pay to Executive the Accrued Obligations in a lump sum in cash within thirty (30) days after the Date of Termination; and

(ii) all Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(iii) all Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested and exercisable as of the Date of Termination; and

(iv) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to the foregoing sentence) shall remain exercisable through the earliest of (A) the original expiration date of the Option, (B) the ninetieth (90th) day following the Date of Termination or such longer period as specified in the plan document governing the applicable award, or (C) the date that is the 10th anniversary of the original date of grant of the Option; and

(v) any grant of Performance Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) in the case of termination on account of Retirement only, the award shall vest in full (without proration) based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); or

(2) in the case of termination on account of death or Disability only, the award shall vest in full (without proration) assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(vi) for the period of months required by COBRA after the Date of Termination due to Executive's death, Disability or Retirement, Executive or his dependents shall have the right to elect continuation of healthcare coverage under the Company's group plan (if allowed by the plan) in accordance with COBRA, *provided* Executive or his dependents shall pay the entire cost of such coverage; and

(vii) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive his Other Benefits pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company. The term Other Benefits as used in this § 8(d) shall include, without limitation, and Executive or his estate and/or beneficiaries shall be entitled to receive, benefits under such plans, programs, practices and policies relating to death, disability or retirement benefits, if any, as are applicable to Executive on the Date of Termination.

(e) Cause or Voluntary Resignation without Good Reason. Regardless of whether or not a Change in Control shall have occurred, if Executive's employment is terminated for Cause, or if Executive voluntarily resigns without Good Reason, the Company's obligations under this Agreement to Executive shall terminate, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid to Executive in a lump sum in cash within thirty (30) days after the Date of Termination. For the period required by COBRA after the Date of Termination for Cause or for the voluntary resignation by Executive, Executive shall have the right to elect continuation of healthcare coverage under the Company's group plan in accordance with COBRA, *provided* Executive shall pay the entire cost of such coverage.

(f) Full Settlement. Subject to § 17(d), the payments and benefits provided under this § 8 shall be in full satisfaction of the obligations of the Company and its affiliates to Executive under this Agreement or any other plan, agreement, policy or arrangement of the Company and its affiliates upon his termination of employment.

9 Non-exclusivity of Rights. Nothing in this Agreement shall prevent or limit Executive's continuing or future participation in any plan, program, policy or practice provided by the Company and for which Executive may qualify, nor, subject to § 17(d), shall anything herein limit or otherwise affect such rights as Executive may have under any contract or agreement with the Company. Amounts which are vested benefits or which Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

10 Treatment of Certain Payments.

(a) Anything in the Agreement 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 Executive to the excise tax under § 4999 of the Code, the Accounting Firm shall determine whether to reduce any of the Payments paid or payable pursuant to the Agreement (the "Agreement Payments") so that the Parachute Value (as defined below) of all Payments, in the aggregate, equals the Safe Harbor Amount (as defined below). The

Agreement Payments shall be so reduced only if the Accounting Firm determines that Executive would have a greater Net After-Tax Receipt (as defined below) of aggregate Payments if the Agreement Payments were so reduced. If the Accounting Firm determines that Executive would not have a greater Net After-Tax Receipt of aggregate Payments if the Agreement Payments were so reduced, Executive shall receive all Agreement Payments to which Executive is entitled hereunder.

(b) If the Accounting Firm determines that Agreement 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 Executive notice to that effect and a copy of the detailed calculation thereof. All determinations made by the Accounting Firm under this § 10 shall be binding upon the Company and Executive and shall be made as soon as reasonably practicable and in no event later than fifteen (15) days following the Date of Termination. For purposes of reducing the Agreement Payments so that the Parachute Value of all Payments, in the aggregate, equals the Safe Harbor Amount, only amounts payable under the Agreement (and no other Payments) shall be reduced. The reduction of the amounts payable hereunder, if applicable, shall be made by reducing the payments and benefits in the following order: (i) cash payments that may not be valued under Treas. Reg. § 1.280G-1, Q&A-24(c) (“24(c)”), (ii) equity-based payments that may not be valued under 24(c), (iii) cash payments that may be valued under 24(c), (iv) equity-based payments that may be valued under 24(c) and (v) other types of benefits. With respect to each category of the foregoing, such reduction shall occur first with respect to amounts that are not “deferred compensation” within the meaning of § 409A of the Code and next with respect to payments that are deferred compensation, in each case, beginning with payments or benefits that are to be paid the farthest in time from the Accounting Firm’s determination. All fees and expenses of the Accounting Firm shall be borne solely by the Company.

(c) As a result of the uncertainty in the application of § 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that amounts will have been paid or distributed by the Company to or for the benefit of Executive pursuant to this Agreement that should not have been so paid or distributed (each, an “Overpayment”) or that additional amounts that will have not been paid or distributed by the Company to or for the benefit of Executive pursuant to this Agreement could have been so paid or distributed (each, an “Underpayment”). In the event that the Accounting Firm, based upon the assertion of a deficiency by the Internal Revenue Service against the Company or Executive that the Accounting Firm believes has a high probability of success determines that an Overpayment has been made, any such Overpayment paid or distributed by the Company to or for the benefit of Executive shall be repaid by Executive to the Company (as applicable) together with interest at the applicable federal rate provided for in § 7872(f)(2) of the Code; *provided, however*, that no such repayment shall be required if and to the extent such deemed repayment would not either reduce the amount on which Executive is subject to tax under § 1 and § 4999 of the Code or generate a refund of such taxes. In the event that the Accounting Firm, based upon controlling precedent or substantial authority, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid by the Company to or for the benefit of Executive together with interest at the applicable federal rate provided for in § 7872(f)(2) of the Code.

(d) To the extent requested by Executive, the Company shall cooperate with Executive in good faith in valuing, and the Accounting Firm shall take into account the value of, services provided or to be provided by Executive (including, without limitation, Executive’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 § 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 § 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 § 280G of the Code in accordance with Q&A-5(a) of the final regulations under § 280G of the Code.

(e) The following terms shall have the following meanings for purposes of this § 10:

(i) “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 § 280G of the Code that is selected by the Company prior to a Change in Control for purposes of making the applicable determinations hereunder and is reasonably acceptable to Executive, which firm shall not, without Executive’s consent, be a firm serving as accountant or auditor for the individual, entity or group effecting the Change in Control.

(ii) “Net After-Tax Receipt” shall mean the present value (as determined in accordance with § 280G(b)(2)(A)(ii) and § 280G(d)(4) of the Code) of a Payment net of all taxes imposed on Executive with respect thereto under § 1 and § 4999 of the Code and under applicable state and local laws, determined by applying the highest marginal rate under § 1 of the Code and under state and local laws which applied to Executive’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 Executive in the relevant tax year(s).

(iii) “Parachute Value” of a Payment shall mean the present value as of the date of the change in control for purposes of § 280G of the Code of the portion of such Payment that constitutes a “parachute payment” under § 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 § 4999 of the Code will apply to such Payment.

(iv) “Payment” shall mean any payment or distribution in the nature of compensation (within the meaning of § 280G(b)(2) of the Code) to or for the benefit of Executive, whether paid or payable pursuant to the Agreement or otherwise.

(v) “Safe Harbor Amount” shall mean 2.99 times Executive’s “base amount,” within the meaning of § 280G(b)(3) of the Code.

(f) The provisions of this § 10 shall survive the expiration of the Agreement.

11 Costs of Enforcement. In no event shall Executive be obligated to seek other employment by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not Executive obtains other employment. In any action taken in good faith relating to the enforcement of this Agreement or any provision herein, including any arbitration provision in § 14, Executive shall be entitled to be paid any and all costs and expenses incurred by him in enforcing or establishing his rights thereunder, including, without limitation, reasonable attorneys’ fees, and whether or not incurred in trial, bankruptcy or appellate proceedings, but only if Executive is successful on at least one material issue raised in the enforcement proceeding. Any costs or expenses that otherwise meet the requirements for reimbursement under this § 11 shall be reimbursed within one hundred and twenty (120) days of submission by Executive of a request for reimbursement, but in no event later than the last day of Executive’s taxable year following the taxable year in which Executive becomes entitled to such reimbursement by reason of being successful on at least one material issue (provided a request for reimbursement has been made).

12 Representations and Warranties. Executive hereby represents and warrants to the Company that Executive is not a party to, or otherwise subject to, any covenant not to compete with any person or entity other than a contract with his current employer, a copy of which has been provided to the Company.

13 Restrictions on Conduct of Executive.

(a) General. Executive and the Company understand and agree that the purpose of the provisions of this § 13 is to protect legitimate business interests of the Company, as more fully described below, and is not intended to eliminate Executive’s post-employment competition with the Company per se, nor is it intended to impair or infringe upon Executive’s right to work, earn a living, or acquire and possess property from the fruits of his labor. Executive hereby acknowledges that the post-employment restrictions set forth in this § 13 are reasonable and that they do not, and will not, unduly impair his ability to earn a living after the termination of this Agreement.

Therefore, subject to the limitations of reasonableness imposed by law, Executive shall be subject to the restrictions set forth in this § 13. For the purposes of this § 13, "Company" shall be deemed to include the Company and all its parents, affiliates, subsidiaries and successors.

(b) Definitions. The following terms used in this § 13 shall have the meanings assigned to them below, which definitions shall apply to both the singular and the plural forms of such terms:

"Competitive Position" means any employment with a Competitor in which Executive has duties for such Competitor that relate to Competitive Services.

"Competitive Services" means services competitive with the business activities engaged in by the Company or an affiliate as of the date of termination of Grantee's employment for any reason or any earlier date of an alleged breach by Grantee of the restrictions in § 13 hereof, which include, but are not limited to, the provision of products and services to facilitate or assist with the movement in electronic commerce of payment and financial information, merchant acquiring, demand deposit accounts and other financial service solutions to the underbanked and other consumers and businesses, payment solutions to card issuers, and software, payroll and processing solutions.

"Competitor" means any individual, corporation, partnership, joint venture, limited liability company, association, or other entity or enterprise which is engaged, wholly or in part, in Competitive Services.

"Confidential Information" means all information regarding the Company, its activities, business or clients that is the subject of reasonable efforts by the Company to maintain its confidentiality and that is not generally disclosed by practice or authority to persons not employed by the Company, but that does not rise to the level of a Trade Secret. "Confidential Information" shall include, but is not limited to, financial plans and data concerning the Company; management planning information; business plans; operational methods; market studies; marketing plans or strategies; product development techniques or plans; lists of current or prospective customers; details of customer contracts; current and anticipated customer requirements; past, current and planned research and development; business acquisition plans; and new personnel acquisition plans. "Confidential Information" shall not include information that has become generally available to the public by the act of one who has the right to disclose such information without violating any right or privilege of the Company. This definition shall not limit any definition of "confidential information" or any equivalent term under state or federal law.

"Determination Date" means the date of termination of Executive's employment with the Company for any reason whatsoever or any earlier date of an alleged breach of the Restrictive Covenants by Executive.

"Person" means any individual or any corporation, partnership, joint venture, limited liability company, association or other entity or enterprise.

"Principal or Representative" means a principal, owner, partner, shareholder, joint venturer, investor, member, trustee, director, officer, manager, employee, agent, representative or consultant.

"Protected Customers" means any Person to whom the Company has sold or provided its products or services during the twelve (12) months prior to the Determination Date.

"Protected Employees" means employees of the Company who were employed by the Company at any time within six (6) months prior to the Determination Date.

"Restricted Period" means the Employment Period and a period extending two (2) years from the termination of Executive's employment with the Company.

"Restricted Territory" means the area in which the Company or an affiliate conducts business, which includes without limitation the entire United States and its territories and possessions.

"Restrictive Covenants" means the restrictive covenants contained in § 13(c) hereof.

“Trade Secret” means all information, without regard to form, including, but not limited to, technical or non-technical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, distribution lists or a list of actual or potential customers, advertisers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Without limiting the foregoing, Trade Secret means any item of Confidential Information that constitutes a “trade secret” under the common law or applicable state law.

(c) Restrictive Covenants.

(i) Restriction on Disclosure and Use of Confidential Information and Trade Secrets. Executive understands and agrees that the Confidential Information and Trade Secrets constitute valuable assets of the Company and its affiliated entities, and may not be converted to Executive’s own use. Accordingly, Executive hereby agrees that Executive shall not, directly or indirectly, at any time during the Employment Period or at any time following the end of the Employment Period for any reason reveal, divulge, or disclose to any Person not expressly authorized by the Company any Confidential Information, and Executive shall not, directly or indirectly, at any time during the Employment Period or at any time following the end of the Employment Period for any reason use or make use of any Confidential Information in connection with any business activity other than that of the Company. Throughout the term of this Agreement and at all times after the date that this Agreement terminates for any reason, Executive shall not directly or indirectly transmit or disclose any Trade Secret of the Company to any Person, and shall not make use of any such Trade Secret, directly or indirectly, for himself or for others, without the prior written consent of the Company. The parties acknowledge and agree that this Agreement is not intended to, and does not, alter either the Company’s rights or Executive’s obligations under any state or federal statutory or common law regarding trade secrets and unfair trade practices.

Executive understands that nothing in this § 13 or this Agreement prohibits or limits Executive from: (i) disclosing information that is required to be disclosed by law, court order or other valid and appropriate legal process; *provided, however*, that in the event such disclosure is required by law, Executive shall provide the Company with prompt notice of such requirement so that the Company may seek an appropriate protective order prior to any such required disclosure by Executive; (ii) reporting possible violations of federal, state, or local law or regulation to any governmental agency or entity, or from making other disclosures that are protected under the whistleblower provisions of federal, state, or local law or regulation, and Executive shall not need the prior authorization of the Company to make any such reports or disclosures and shall not be required to notify the Company that Executive has made such reports or disclosures; (iii) disclosing a trade secret (as defined by 18 U.S.C. § 1839) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, in either event solely for the purpose of reporting or investigating a suspected violation of law; or (iv) disclosing a trade secret (as defined by 18 U.S.C. § 1839) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal and that Executive shall not be held civilly or criminally liable for disclosures covered by clauses (iii) or (iv).

(ii) Non-solicitation of Protected Employees. Executive understands and agrees that the relationship between the Company and each of its Protected Employees constitutes a valuable asset of the Company and may not be converted to Executive’s own use. Accordingly, Executive hereby agrees that during the Restricted Period Executive shall not directly or indirectly on Executive’s own behalf or as a Principal or Representative of any Person or otherwise solicit or induce any Protected Employee with whom Executive worked or otherwise had material contact through his employment with the Company to terminate his or her employment relationship with the Company or to enter into employment with any other Person.

(iii) Restriction on Relationships with Protected Customers. Executive understands and agrees that the relationship between the Company and each of its Protected Customers constitutes a valuable asset of the Company and may not be converted to Executive's own use. Accordingly, Executive hereby agrees that, during the Restricted Period, Executive shall not, without the prior written consent of the Company, directly or indirectly, on Executive's own behalf or as a Principal or Representative of any Person, solicit, divert, take away or attempt to solicit, divert or take away a Protected Customer for the purpose of providing or selling Competitive Services; *provided, however*, that the prohibition of this covenant shall apply only to Protected Customers with whom Executive had Material Contact on the Company's behalf during the twelve (12) months immediately preceding the termination of his employment hereunder. For purposes of this Agreement, Executive shall be deemed to have "Material Contact" with a Protected Customer if he had business dealings with the Protected Customer on the Company's behalf.

(iv) Non-competition with the Company. The parties acknowledge: (A) that Executive's services under this Agreement require special expertise and talent in the provision of Competitive Services and that Executive will have substantial contacts with customers, suppliers, advertisers and vendors of the Company; (B) that pursuant to this Agreement, Executive will be placed in a position of trust and responsibility and he will have access to a substantial amount of Confidential Information and Trade Secrets and that the Company is placing him in such position and giving him access to such information in reliance upon his agreement not to compete with the Company during the Restricted Period; (C) that due to his management duties, Executive will be the repository of a substantial portion of the goodwill of the Company and would have an unfair advantage in competing with the Company; (D) that due to Executive's special experience and talent, the loss of Executive's services to the Company under this Agreement cannot reasonably or adequately be compensated solely by damages in an action at law; (E) that Executive is capable of competing with the Company; and (F) that Executive is capable of obtaining gainful, lucrative and desirable employment that does not violate the restrictions contained in this Agreement. In consideration of the compensation and benefits being paid and to be paid by the Company to Executive hereunder, Executive hereby agrees that, during the Restricted Period, Executive will not, without prior written consent of the Company, directly or indirectly seek or obtain a Competitive Position in the Restricted Territory; *provided, however*, that (1) the provisions of this Agreement shall not be deemed to prohibit the ownership by Executive of any securities of the Company or its affiliated entities or not more than five percent (5%) of any class of securities of any corporation having a class of securities registered pursuant to the Exchange Act; (2) for purposes of this § 13(c)(iv) only, the Restricted Period shall be reduced to eighteen (18) months if Executive's employment is terminated by Company or Executive pursuant to § 8(a) (Prior to a Change in Control: Resignation by Executive for Good Reason; Termination by the Company Other Than for Cause, Death or Disability); and (3) this § 13(c)(iv) shall lapse and terminate at the end of the Employment Period if the Company gives notice to Executive pursuant to § 3 that this Agreement will not be extended.

(d) Enforcement of Restrictive Covenants.

(i) Rights and Remedies Upon Breach. In the event Executive breaches, or threatens to commit a breach of, any of the provisions of the Restrictive Covenants, the Company shall have the following rights and remedies, which shall be independent of any others and severally enforceable, and shall be in addition to, and not in lieu of, any other rights and remedies available to the Company at law or in equity:

(1) the right and remedy to enjoin, preliminarily and permanently, Executive from violating the Restrictive Covenants and to have the Restrictive Covenants specifically enforced by any court of competent jurisdiction, it being agreed that any breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Company and that money damages would not provide an adequate remedy to the Company;

(2) the right and remedy to require Executive to account for and pay over to the Company all compensation, profits, monies, accruals, increments or other benefits derived or received by Executive as the result of any transactions constituting a breach of the Restrictive Covenants; and

(3) the right and remedy to cease paying and to the return of any termination-related payments or benefits (other than the Accrued Obligations or Other Benefits) if Executive violates any of the Restrictive Covenants and fails to remedy such violation to the reasonable satisfaction of the Chief Executive Officer within ten (10) days of written notice of such violation.

(ii) Severability of Covenants. Executive acknowledges and agrees that the Restrictive Covenants are reasonable and valid in time and scope and in all other respects. The covenants set forth in this Agreement shall be considered and construed as separate and independent covenants. Should any part or provision of any covenant be held invalid, void or unenforceable in any court of competent jurisdiction, such invalidity, voidness or unenforceability shall not render invalid, void or unenforceable any other part or provision of this Agreement. If any portion of the foregoing provisions is found to be invalid or unenforceable by a court of competent jurisdiction because its duration, the territory, the definition of activities or the definition of information covered is considered to be invalid or unreasonable in scope, the invalid or unreasonable term shall be redefined, or a new enforceable term provided, such that the intent of the Company and Executive in agreeing to the provisions of this Agreement will not be impaired and the provision in question shall be enforceable to the fullest extent of the applicable laws. This § 13 shall survive the expiration or termination of this Agreement, *provided, however*, that the non-competition covenants set forth in § 13(c)(iv) shall not survive and shall terminate at the end of the Employment Period if the Company gives notice to Executive pursuant to § 3 that this Agreement will not be extended.

14 Arbitration. Any claim or dispute arising under this Agreement (other than under § 13) shall be subject to arbitration, and prior to commencing any court action, the parties agree that they shall arbitrate all such controversies. The arbitration shall be conducted in Atlanta, Georgia, in accordance with the Employment Dispute Rules of the American Arbitration Association and the Federal Arbitration Act, 9 U.S.C. §1, *et. seq.* The arbitrator(s) shall be authorized to award both liquidated and actual damages, in addition to injunctive relief, but no punitive damages. The arbitrator(s) shall also award attorney's fees and costs, without regard to any restriction on the amount of such award under Georgia or other applicable law, as required under § 11. Such an award shall be binding and conclusive upon the parties hereto, subject to 9 U.S.C. § 10. Each party shall have the right to have the award made the judgment of a court of competent jurisdiction.

Initials of parties as to this § 14:

Company: JSS

Executive: CMB

15 Rabbi Trust. In order to ensure the payment of the severance benefit provided for in §§ 8(b)(ii) and (iii) of this Agreement, immediately following the commencement of any action by a third party with the aim of effecting a Change in Control, or the publicly announced threat by a third party to commence any such action, the Company shall fully fund through the Global Payments Inc. Benefit Security Trust, or similar "rabbi trust" the amount of the severance payment that would have been paid to Executive under §§ 8(b)(ii) and (iii) if the Date of Termination had occurred on the date of commencement, or publicly-announced threat of commencement, of such action by the third party; *provided, however*, that the trust shall not be funded if the funding thereof would result in taxable income to Executive by reason of § 409A(b) of the Code; *and provided, further*, in no event shall any trust assets at any time be located or transferred outside of the United States, within the meaning of § 409A(b) of the Code. Amounts shall be paid to Executive from such trust as provided under this Agreement and the trust. The right of Executive to receive payments under this Agreement shall be an unsecured claim against the general assets of the Company and Executive shall have no rights in or against any specific assets of the Company. Finally, n

othing in this § 15 shall relieve the Company of any liabilities under this Agreement to the extent such liabilities are not satisfied by a trust described in this § 15.

16 Assignment and Successors.

(a) This Agreement is personal to Executive and without the prior written consent of the Company shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "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 Agreement by operation of law, or otherwise.

17 Miscellaneous.

(a) Waiver. Failure of either party to insist, in one or more instances, on performance by the other in strict accordance with the terms and conditions of this Agreement shall not be deemed a waiver or relinquishment of any right granted in this Agreement or of the future performance of any such term or condition or of any other term or condition of this Agreement, unless such waiver is contained in a writing signed by the party making the waiver.

(b) Severability. If any provision or covenant, or any part thereof, of this Agreement should be held by any court to be invalid, illegal or unenforceable, either in whole or in part, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of the remaining provisions or covenants, or any part thereof, of this Agreement, all of which shall remain in full force and effect.

(c) Other Agents. Nothing in this Agreement is to be interpreted as limiting the Company from employing other personnel on such terms and conditions as may be satisfactory to it.

(d) Entire Agreement. This Agreement contains the entire agreement between the Company and Executive with respect to the subject matter hereof and, from and after the Effective Date, this Agreement shall supersede any other agreement (oral or written) between the Company and Executive with respect to the subject matter hereof; *provided, however*, to the extent Executive continues following the Effective Date to hold outstanding equity-based awards of the Company that were granted prior to the Effective Date, treatment of such awards shall not be governed by this Agreement and shall instead be governed by the terms of the Employment Agreement between Executive and the Company dated May 21, 2014, as amended by Amendment to Employment Agreement between Executive and the Company dated August 27, 2018, the terms of which are otherwise superseded by this Agreement.

(e) Governing Law. Except to the extent preempted by federal law, and without regard to conflict of laws principles, the laws of the State of Georgia shall govern this Agreement in all respects, whether as to its validity, construction, capacity, performance or otherwise.

(f) Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given if delivered or three (3) days after mailing if mailed, first class, certified mail, postage prepaid:

To Company: Global Payments Inc.
3550 Lenox Road
Suite 3000
Atlanta, Georgia 30326
Office of the Corporate Secretary

To Executive: At his current address or last known address on file with the Company

Any party may change the address to which notices, requests, demands and other communications shall be delivered or mailed by giving notice thereof to the other party in the same manner provided herein.

(g) Indemnification. The Company shall indemnify Executive to the maximum extent permitted under the Company's bylaws. Subject to reasonable availability of such insurance coverage and subject to applicable laws and regulations, a directors' and officers' liability insurance policy (or policies) shall be maintained, during the Employment Period and for six (6) years thereafter, providing coverage that is no less favorable to Executive than the coverage provided to any other present officer or director of the Company and, following a Change in Control, the coverage shall be no less favorable to Executive than the coverage provided as of the date of the Change in Control.

(h) Amendments and Modifications. This Agreement may be amended or modified only by a writing signed by the Company and Executive, which makes specific reference to this Agreement.

(i) § 409A.

(i) The Company and Executive intend no payments to be made and no benefits to be provided under this Agreement will be subject to taxation under § 409A of the Code and that the terms of this Agreement will be interpreted in good faith in a manner which is intended to minimize the risk that Executive will be subject to tax under § 409A of the Code with respect to any such payments or benefits, and the Company and Executive agree to cooperate fully and in good faith with one another to seek to minimize such risk. In no event may Executive, directly or indirectly, designate the calendar year of any payment under this Agreement, and to the extent required by § 409A of the Code, any payment that may be paid in more than one taxable year (depending on the time that Executive executes the Release) shall be paid in the later taxable year.

(ii) Items eligible for expense reimbursement under the terms of this Agreement shall be reimbursed in a manner intended to qualify for an exemption under § 409A of the Code, which shall include implementing the following limitations with respect to reimbursements: (A) the amount of such expenses eligible for reimbursement in any calendar year shall not affect the expenses eligible for reimbursement in another calendar year, (B) no such reimbursement may be exchanged or liquidated for another payment or benefit, (C) any reimbursements of such expenses shall be made as soon as practicable under the circumstances but in any event no later than the end of the calendar year following the calendar in which the related expenses were incurred and (D) the Company's obligation to make reimbursements or to provide in-kind benefits that constitute deferred compensation under § 409A of the Code shall not extend beyond Executive's lifetime or, if later, the end of the twenty (20) year period which starts on the Effective Date.

(iii) Any payments that qualify for the "short-term deferral" exception, the separation pay exception or another exception under § 409A of the Code shall be paid under the applicable exception. The Company and Executive agree that each installment of payments and benefits provided under this Agreement shall be treated as a separate identified payment for purposes of § 409A of the Code and that neither the Company nor Executive shall have the right to accelerate or defer the delivery of any such payments or benefits if a determination is made in good faith that any such acceleration or deferral would

present a risk that Executive would be subject to any tax under § 409A of the Code; *provided, however*, to the extent permitted by § 409A of the Code, if the Applicable Pay Date is the Delayed Pay Date and Executive dies before such Delayed Pay Date, then any payments or benefits due on the Delayed Pay Date will be made within thirty (30) days following Executive's death (or, if earlier on the Delayed Pay Date). Notwithstanding any other provision of this Agreement to the contrary, if Executive is considered a "specified employee" for purposes of § 409A of the Code (as determined in accordance with the methodology established by the Company and its affiliates as in effect on the date of Executive's Separation from Service), any payment that constitutes nonqualified deferred compensation within the meaning of § 409A of the Code that is otherwise due to Executive under this Agreement during the six (6) month period immediately following Executive's Separation from Service on account of Executive's Separation from Service shall be accumulated and paid to Executive on the Delayed Pay Date, to the extent necessary to prevent the imposition of tax penalties on Executive under § 409A of the Code. If Executive dies during the postponement period, the amounts and entitlements delayed on account of § 409A of the Code shall be paid to the personal representative of his estate on the first to occur of the Delayed Pay Date or thirty (30) days after the date of Executive's death.

(iv) Executive acknowledges and agrees that nothing in this Agreement shall be construed as a guarantee or indemnity by the Company for the tax consequences to the payments and benefits called for under this Agreement, including any tax consequences under § 409A of the Code, and Executive agrees that Executive shall be responsible for paying all taxes due with respect to such payments made and benefits provided to Executive.

(j) Tax Withholding. The Company may withhold from any amounts payable under this Agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(k) References; Construction. All references to sections (§) in this Agreement shall be to sections (§) of this Agreement except as expressly set forth in this Agreement. The section headings used in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation hereof. For purposes of this Agreement, the term "including" shall mean "including, without limitation."

(l) Accounting Discrepancies. Executive shall be subject to any policy adopted by the Company after the Effective Date which is applicable to senior executives of the Company generally and which requires restitution by such an executive with respect to any payment made or benefit provided to, or on behalf of, such an executive, the calculation of which is based in whole or in part on accounting discrepancies or erroneous financial information.

(m) Survivability. The provisions of this Agreement that by their terms call for performance subsequent to the termination of either Executive's employment or this Agreement (including the terms of §§ 8, 10, 13 and 17(g)) shall so survive such termination.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company and Executive hereto have duly executed and delivered this Employment Agreement as of the date first above written.

GLOBAL PAYMENTS INC.

By: /s/ Jeffrey S. Sloan

Name: Jeffrey S. Sloan

Title: Chief Executive Officer

EXECUTIVE:

/s/ Cameron M. Bready

Cameron M. Bready

EXHIBIT A

Form of Release

This Release is granted effective as of the [DATE] day of [MONTH], [YEAR], by Cameron M. Bready (“Executive”) in favor of Global Payments Inc. (the “Company”). This is the Release referred to that certain Employment Agreement effective as of September 18, 2019 by and between the Company and Executive (the “Employment Agreement”). Executive gives this Release in consideration of the Company’s promises and covenants as recited in the Employment Agreement, with respect to which this Release is an integral part.

1. Release of the Company. Executive, for himself, his successors, assigns, attorneys, and all those entitled to assert his rights, now and forever hereby releases and discharges the Company and its respective officers, directors, stockholders, trustees, employees, agents, parent corporations, subsidiaries, affiliates, estates, successors, assigns and attorneys (the “Released Parties”), from any and all claims, actions, causes of action, sums of money due, suits, debts, liens, covenants, contracts, obligations, costs, expenses, damages, judgments, agreements, promises, demands, claims for attorneys’ fees and costs, or liabilities whatsoever, in law or in equity, which Executive ever had or now has against the Released Parties, including, without limitation, any claims arising by reason of or in any way connected with any employment relationship which existed between the Company or any of its parents, subsidiaries, affiliates, or predecessors, and Executive. It is understood and agreed that this Release is intended to cover all actions, causes of action, claims or demands for any damage, loss or injury, whether known or unknown, of any nature whatsoever, including those which may be traced either directly or indirectly to the aforesaid employment relationship, or the termination of that relationship, that Executive has, had or purports to have, from the beginning of time to the date of this Release, and including but not limited to claims for employment discrimination under federal or state law, except as provided in Paragraph 2; claims arising under the Age Discrimination in Employment Act, 29 U.S.C. § 621, *et seq.*, Title VII of the Civil Rights Act, 42 U.S.C. § 2000(e), *et seq.*, or the Americans With Disabilities Act, 42 U.S.C. § 12101 *et seq.*; claims for statutory or common law wrongful discharge, claims arising under the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*; claims for attorney’s fees, expenses and costs; claims for defamation; claims for emotional distress; claims for wages or vacation pay; claims for benefits, including any claims arising under the Executive Retirement Income Security Act, 29 U.S.C. § 1001, *et seq.*; and claims under any other applicable federal, state or local laws or legal concepts; *provided, however*, that nothing herein shall release the Company of (a) obligations to Executive to make termination payments under § 8 of the Employment Agreement or any other rights under the Employment Agreement, (b) any indemnification obligations to Executive under the Company’s bylaws, certificate of incorporation, Delaware law or otherwise; (c) obligations with respect to insurance coverage under any directors’ and officers’ liability insurance policies; (d) any rights that Executive may have as a stockholder of the Company; or (e) vested interests in any pension plan or other benefit or deferred compensation plan.

2. Release of Claims Under Age Discrimination in Employment Act. Without limiting the generality of the foregoing, Executive agrees that by executing this Release, he has released and waived any and all claims he has or may have as of the date of this Release for age discrimination under the Age Discrimination in Employment Act, 29 U.S.C. § 621, *et seq.*, Executive acknowledges and agrees Executive has been, and hereby is, advised by Company to consult with an attorney prior to executing this Release. Executive further acknowledges and agrees that Company has offered Executive the opportunity, before executing this Release, to consider this Release for a period of twenty-one (21) calendar days; and that the consideration he receives for this Release is in addition to amounts to which he was already entitled. It is further understood that this Release is not effective until seven (7) calendar days after the execution of this Release and that Executive may revoke this Release within seven (7) calendar days from the date of execution hereof.

3. Non-Admission. It is understood and agreed by Executive that the payment made to him is not to be construed as an admission of any liability whatsoever on the part of the Company or any of the other Released Parties, by whom liability is expressly denied.

4. Non-Disparagement. Executive agrees that he will not in any way disparage Company, its affiliated and related companies, or their current and former employees, officers, directors, agents and representatives, or make or solicit any comments, statements, or the like to the media or to others that may be

considered to be derogatory or detrimental to the good name or business reputation of any of the aforementioned parties or entities. This paragraph shall not limit the rights of Executive (a) to make any disclosures that are protected under the whistleblower provisions of federal law or regulation or provide testimony pursuant to a valid subpoena or in a judicial or administrative proceeding in which Executive is required to testify or otherwise as required by law or legal process; or (b) to make a complaint to, provide truthful information to, or participate in an investigation conducted by the Equal Employment Opportunity Commission, the National Labor Relations Board, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission.

5. Acknowledgement and Revocation Period. Executive agrees that he has carefully read this Release and is signing it voluntarily. Executive acknowledges that he has had twenty one (21) days from receipt of this Release to review it prior to signing or that, if Executive is signing this Release prior to the expiration of such twenty-one (21) day period, Executive is waiving his right to review the Release for such full twenty-one (21) day period prior to signing it. Executive has the right to revoke this release within seven (7) days following the date of its execution by him. In order to revoke this Release, Executive must deliver notice of the revocation in writing to Company's General Counsel before the expiration of the seven (7) day period. However, if Executive revokes this Release within such seven (7) day period, no severance benefit will be payable to him under the Employment Agreement and he shall return to the Company any such payment received prior to that date.

6. No Revocation After Seven Days. Executive acknowledges and agrees that this Release may not be revoked at any time after the expiration of the seven (7) day revocation period and that he/she will not institute any suit, action, or proceeding, whether at law or equity, challenging the enforceability of this Release. Executive further acknowledges and agrees that, with the exception of an action to challenge the waiver of claims under the ADEA, Executive shall not ever attempt to challenge the terms of this Release, attempt to obtain an order declaring this Release to be null and void, or institute litigation against the Company or any other Releasee based upon a claim that is covered by the terms of the release contained herein, without first repaying all monies paid to him/her under § 8 of the Employment Agreement. Furthermore, with the exception of an action to challenge his waiver of claims under the ADEA, if Executive does not prevail in an action to challenge this Release, to obtain an order declaring this Release to be null and void, or in any action against the Company or any other Releasee based upon a claim that is covered by the release set forth herein, Executive shall pay to the Company and/or the appropriate Releasee all their costs and attorneys' fees incurred in their defense of Executive's action.

7. Governing Law and Severability. This Release and the rights and obligations of the parties hereto shall be governed and construed in accordance with the laws of the State of Georgia. If any provision hereof is unenforceable or is held to be unenforceable, such provision shall be fully severable, and this document and its terms shall be construed and enforced as if such unenforceable provision had never comprised a part hereof, the remaining provisions hereof shall remain in full force and effect, and the court or tribunal construing the provisions shall add as a part hereof a provision as similar in terms and effect to such unenforceable provision as may be enforceable, in lieu of the unenforceable provision.

EXECUTIVE HAS CAREFULLY READ THIS RELEASE AND ACKNOWLEDGES THAT IT CONSTITUTES A GENERAL RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS AGAINST THE COMPANY UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT. EXECUTIVE ACKNOWLEDGES THAT HE HAS HAD A FULL OPPORTUNITY TO CONSULT WITH AN ATTORNEY OR OTHER ADVISOR OF HIS CHOOSING CONCERNING HIS EXECUTION OF THIS RELEASE AND THAT HE IS SIGNING THIS RELEASE VOLUNTARILY AND WITH THE FULL INTENT OF RELEASING THE COMPANY FROM ALL SUCH CLAIMS.

Cameron M. Bready

Date: _____

**AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

This EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into this 20th day of September 2019 by and between Global Payments Inc., a Georgia corporation (the "Company"), and Guido F. Sacchi ("Executive").

BACKGROUND

Executive shall serve as Senior Executive Vice President and Chief Information Officer of the Company. Executive and the Company desire to memorialize the terms of such employment in this Agreement. In addition, the Compensation Committee of the Board of Directors of the Company (the "Committee") has determined that it is in the best interests of the Company and its stockholders to assure that the Company will have the continued dedication of Executive, notwithstanding the possibility, threat or occurrence of a Change in Control (as defined in § 6). As it is desired and anticipated that Executive will continue to be employed and provide services for the Company's successor for some period of time following a Change in Control, one purpose of this Agreement is to provide Executive with compensation and benefits arrangements which ensure that the compensation and benefits expectations of Executive will be satisfied and which are competitive with those of other corporations. Therefore, in order to accomplish these objectives, the Committee has caused the Company to enter into this Agreement. This Agreement supersedes any prior agreement or other communication (oral or written) regarding Executive's employment, except as otherwise provided in § 17 of this Agreement.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Executive agree as follows:

1 Effective Date. This Agreement is effective as of September 18, 2019, the first date following the closing of the transaction contemplated by the Agreement and Plan of Merger by and between Total System Services, Inc. and the Company dated as of May 27, 2019 (such date, the "Effective Date").

2 Employment. Executive is hereby employed as Senior Executive Vice President and Chief Information Officer of the Company as of the Effective Date. In such capacity, Executive shall have the duties and responsibilities commensurate with such position as shall be assigned to him by the Chief Executive Officer of the Company (the "Chief Executive Officer").

3 Employment Period. Subject to § 7, Executive's initial Employment Period pursuant to this Agreement shall be the period which starts on the Effective Date and ends on the third (3rd) anniversary thereof; *provided*, Executive's Employment Period shall automatically be extended for one (1) additional year on the second (2nd) anniversary of the Effective Date and on each subsequent anniversary of the Effective Date unless either the Company or Executive provides notice (in accordance with § 17(f)) before such anniversary date that there will be no such extension. Executive's initial Employment Period and any subsequent extension of the initial Employment Period shall be referred to collectively as Executive's "Employment Period." A failure to extend Executive's Employment Period shall not be treated for any reason whatsoever as a termination of Executive's employment under § 7 unless the Company provides notice that there will be no such extension following a Change in Control and Executive's Employment Period would as a result of such notice end before the second (2nd) anniversary of the date of such Change in Control, in which case Executive shall have the right to resign effective at any time during the ninety (90) day period which starts on the date of such notice, and the date his resignation is effective shall be treated as a termination for Good Reason pursuant to § 7(c) of this Agreement and he shall receive all benefits called for under § 8(b) of this Agreement.

4 Extent of Service. During the Employment Period, Executive shall render his services to the Company (or to any successor, including a successor following a Change in Control) in conformity with professional standards, in a prudent and workmanlike manner and in a manner consistent with the obligations

imposed on officers of corporations under applicable law. Executive shall promote the interests of the Company and its subsidiaries in carrying out Executive's duties and shall not deliberately take any action which could, or fail to take any action which failure could, reasonably be expected to have a material adverse effect upon the business of the Company or any of its subsidiaries or any of their respective affiliates. Executive agrees to devote his business time, attention, skill and efforts exclusively to the faithful performance of his duties hereunder (both before and after a Change in Control); *provided, however*, that it shall not be a violation of this Agreement for Executive to (a) devote reasonable periods of time to charitable and community activities and, with the approval of the Chief Executive Officer, industry or professional activities; (b) manage or participate in personal business interests and investments, so long as such activities do not, in the judgment of the Chief Executive Officer, materially interfere with the performance of Executive's responsibilities under this Agreement and comply with all Company policies and codes and all of Executive covenants and agreements; and/or (c) subject to the approval of the Committee, serve as a director, trustee, or member of a committee of any organization involving no conflict of interest with the interests of the Company so long as such activities do not, in the judgment of the Chief Executive Officer, materially interfere with the performance of Executive's responsibilities under this Agreement and comply with all Company policies and codes and all of Executive's covenants and agreements.

5 Compensation and Benefits.

(a) Base Salary. During the Employment Period, the Company will pay to Executive a base salary in the amount of U.S. \$575,000 per year (the "Base Salary"), payable in equal bi-weekly or other installments as provided under the Company's standard payroll practices in effect for senior executives from time to time. Executive's Base Salary will be reviewed at least annually and, subject to approval of the Committee, the Company may increase Executive's Base Salary from time to time. The periodic review of Executive's salary by the Committee will consider, among other things, Executive's own performance and the Company's performance.

(b) Incentive and Savings Plans. During the Employment Period, Executive shall be entitled to participate in all incentive, retirement and savings plans, practices, policies and programs applicable generally to employees of the Company at the senior executive level, excluding the Chief Executive Officer. Certain executive programs will be made available on a selective basis at the discretion of the Chief Executive Officer, the Board of Directors of the Company (the "Board") or the Committee. Without limiting the foregoing, the following shall apply:

(i) Annual Bonus. Executive will have an annual bonus opportunity for each fiscal year of the Company based on the achievement of financial and performance objectives set by the Committee ("Bonus Opportunity"). The annual Bonus Opportunity and specific performance and financial objectives will be set forth in Executive's individual performance and incentive plan for each fiscal year. Executive's annual Bonus Opportunity at target levels for any year shall not be less than 100% of his then-current Base Salary for such year (the "Target Bonus Opportunity"). Executive must be an active employee on the date the annual bonuses are paid on a Company-wide basis in order to be eligible to receive any bonus payment (except as otherwise expressly provided in § 8), unless (A) Executive's employment terminates following a failure to extend his Employment Period in accordance with § 3, (B) his employment terminates at or after the end of the applicable fiscal year and (C) he satisfies all or substantially all of the performance requirements (other than continued service) for a bonus for such fiscal year, in which event he shall be eligible for a bonus as determined by the Committee, and such bonus, if any, shall be paid no later than two and one-half (2½) months after the end of such fiscal year.

(ii) Equity Awards. Executive will be eligible to participate in the Company's Amended and Restated 2011 Incentive Plan (the "2011 Plan") and any successor to such plan in accordance with the terms and conditions of the 2011 Plan and any successor to such plan. The Company may, from time to time, upon approval by the Committee, grant to Executive options to purchase shares of Company Common Stock, stock appreciation rights, restricted Company Common Stock, restricted stock units, performance shares, and/or performance units and/or other Company Common Stock related grants as a long-term incentive for performance.

(c) Welfare Benefit Plans. During the Employment Period, Executive and Executive's family shall be eligible for participation in, and shall be eligible to receive all benefits under, the welfare benefit plans, practices, policies and programs provided by the Company, including, without limitation, medical, prescription, dental, disability, employee life, group life, accidental death and travel accident insurance plans and programs on the same basis as similarly situated executives of the Company (the "Welfare Plans").

(d) Expenses. During the Employment Period, Executive shall be entitled to receive prompt reimbursement for all reasonable business expenses incurred by Executive in accordance with the policies, practices and procedures of the Company; *provided, however*, (i) the amount of such expenses eligible for reimbursement in any calendar year shall not affect the expenses eligible for reimbursement in another calendar year, (ii) no such reimbursement may be exchanged or liquidated for another payment or benefit, and (iii) any reimbursements of such expenses shall be made as soon as practicable under the circumstances but in any event no later than the end of the calendar year following the calendar year in which the related expenses are incurred.

(e) Additional Benefits. During the Employment Period, Executive shall be offered the opportunity to receive or participate in any additional benefits provided to similarly situated executives of the Company in accordance with, and subject to the eligibility requirements of, the plans, practices, programs and policies of the Company and applicable laws and regulations. Executive also shall be provided with vacation entitlements in accordance with the Company's policy as in effect from time to time.

6 Change in Control.

(a) For the purposes of this Agreement, a "Change in Control" shall mean the occurrence of any of the following events after the Effective Date:

(i) The acquisition by any individual, entity or group (within the meaning of § 13(d)(3) or § 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of thirty-five percent (35%) or more of the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); *provided, however*, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change in Control: (A) any acquisition by a Person who is on the Effective Date the beneficial owner of thirty-five percent (35%) or more of the Outstanding Company Voting Securities, (B) any acquisition directly from the Company, (C) any acquisition by the Company which reduces the number of Outstanding Company Voting Securities and thereby results in any person having beneficial ownership of more than thirty-five percent (35%) of the Outstanding Company Voting Securities, (D) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (E) any acquisition by any corporation pursuant to a transaction which meets the requirements of clauses (A), (B) and (C) of subsection (ii) of this § 6; or

(ii) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the outstanding shares of the Company's common stock (the "Outstanding Company Common Stock") and Outstanding Company Voting Securities immediately prior to such Business Combination (individually, a "Company Owner") beneficially own, directly or indirectly, more than fifty percent (50%) of, respectively, the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as each Company Owner's ownership, immediately prior to such

Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any Company Owner, the Company or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, thirty-five percent (35%) or more of the combined voting power of the then-outstanding voting securities of such corporation, and (C) at least a majority of the members of the board of directors (or, for a noncorporate entity, equivalent body or committee) of the entity resulting from such Business Combination were Incumbent Directors (as defined below) at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iii) A majority of the individuals who, as of the Effective Date, constitute the Board (the “Incumbent Directors”) are replaced within a twelve (12) month period; *provided, however*, that, for purposes of this § 6(a)(iii), any individual who becomes a member of the Board subsequent to the Effective Date whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least a majority of those individuals who are members of the Board and who were also Incumbent Directors (or deemed to be such pursuant to this proviso) shall be considered Incumbent Directors; *provided, further*, that any individual who was elected to the Board as a result of an 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 any “person” (such term for purposes of this definition being as defined in § 3(a)(9) of the Exchange Act, and as used in § 13(d)(3) and § 14(d)(2) of the Exchange Act) other than the Incumbent Directors shall not be considered an Incumbent Director.

(b) For purposes of this Agreement, a “§ 409A Change in Control” shall mean a “Change in Control” which also constitutes a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company, all within the meaning of § 409A of the Internal Revenue Code of 1986, as amended (the “Code”).

(c) For the avoidance of doubt, the occurrence of the Effective Date and the closing of the transaction contemplated by the Agreement and Plan of Merger by and between Total System Services, Inc. and the Company dated as of May 27, 2019 shall not be considered a “Change in Control” for purposes of this Agreement.

7 Termination of Employment.

(a) Death, Retirement or Disability. Executive’s employment and the Employment Period shall terminate automatically upon Executive’s death or Retirement. For purposes of this Agreement, “Retirement” shall mean Executive’s voluntary resignation of employment on or after attaining age fifty-five (55) with at least ten (10) years of service. If the Committee determines in good faith that the Disability of Executive has occurred (pursuant to the definition of Disability set forth in this § 7(a)), the Company may give to Executive written notice of its intention to terminate Executive’s employment. In such event, Executive’s employment with the Company shall terminate effective on the thirtieth (30th) day after receipt of such written notice by Executive (the “Disability Effective Date”), *provided* that, within the thirty (30) days after such receipt, Executive shall not have returned to full-time performance of Executive’s duties. For purposes of this Agreement, “Disability” shall mean the inability of Executive, as determined by the Committee, to substantially perform the essential functions of his regular duties and responsibilities with or without reasonable accommodation, due to a medically determinable physical or mental illness or other disability which has lasted (or can reasonably be expected to last) for a substantially continuous period of at least six (6) consecutive months.

(b) Termination by the Company With or Without Cause. The Company may terminate Executive’s employment with or without Cause. For all purposes under this Agreement, “Cause” shall mean a determination by the Committee that:

(i) Executive has failed to perform substantially Executive’s duties and responsibilities under this Agreement (other than any such failure resulting from incapacity due to physical

or mental illness, and specifically excluding any failure by Executive, after reasonable efforts, to meet reasonable performance expectations), after a written demand for substantial performance is delivered to Executive by the Chief Executive Officer or the Chairman of the Committee which specifically identifies the manner in which such person believes that Executive has failed to substantially perform Executive's duties and responsibilities and which has not been cured to the reasonable satisfaction of such person within ten (10) business days of the written demand delivered to Executive; or

(ii) Executive engaged in any act of fraud, misappropriation, embezzlement or similar dishonest or wrongful act, including, without limitation, any violation of the Sarbanes-Oxley Act or similar laws or legal standards, but excluding for this purpose any non-criminal violation of Sarbanes-Oxley or similar laws or legal standards that has no significant adverse impact on the Company or its reputation and does not involve dishonesty or render Executive ineligible for any licensing, bonding or insurance coverage or for employment or engagement in any Company work or activity; or

(iii) Executive has engaged in the abuse of alcohol, prescription drugs or any substance which materially interferes with Executive's ability to perform Executive's duties and responsibilities under this Agreement or Executive has engaged in the use of illegal drugs; or

(iv) Executive has violated any laws, agreements or written Company policies or codes prohibiting employment discrimination, harassment, conflicts of interest, retaliation, competition with the Company, solicitation of Company customers or employees on behalf of anyone other than Company, improper use or disclosure of Trade Secrets, Confidential Information or other proprietary information of the Company; or

(v) Executive has committed, been convicted for, or entered a plea of guilty or *nolo contendere* (or any plea of similar substance or effect) to, a felony or a crime involving dishonesty or other moral turpitude.

(c) Resignation by Executive. Executive may resign for "Good Reason" or no reason. For all purposes under this Agreement, "Good Reason" shall mean the occurrence of any of the following circumstances without the written consent of Executive:

(i) a material adverse reduction in Executive's position, duties or responsibilities; or

(ii) a reduction by the Company: (A) in Executive's Base Salary as in effect on the Effective Date or as the same may be increased from time to time (unless a similar reduction is made in the salary of similarly situated senior executives); (B) in Executive's Target Bonus Opportunity below the minimum set forth in § 5(b)(i) (unless a similar reduction is made in the bonus opportunity of similarly situated senior executives); or (C) in the benefits pursuant to the Welfare Plans (unless a similar reduction is made in the benefits of similarly situated senior executives); or

(iii) any failure by the Company to comply with and satisfy § 16(c); or

(iv) a requirement that Executive be based in any office or location other than in the greater metropolitan area of Atlanta, Georgia; or

(v) any material breach by the Company of the terms of this Agreement.

Notwithstanding the foregoing, no event or act or omission shall constitute "Good Reason" under this § 7(c) unless (x) Executive in accordance with § 17(f) provides notice of such event or act or omission to the Committee no later than thirty (30) days after Executive has knowledge of such event or act or omission, (y) the Committee fails to remedy such event or act or omission within thirty (30) days of the receipt of such notice (the "Cure Period") and (z) Executive resigns effective no later than ninety (90) days after the end of the Cure Period.

(d) Notice of Termination. Any termination by the Company or resignation by Executive shall be communicated by Notice of Termination to the other party hereto given in accordance with § 17(f). For purposes of this Agreement, a “Notice of Termination” means a written notice which (i) states the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive’s employment under the provision so indicated and (iii) specifies the applicable Date of Termination. The failure by Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of Executive or the Company, respectively, hereunder or preclude Executive or the Company, respectively, from asserting such fact or circumstance in enforcing Executive’s or the Company’s rights hereunder.

(e) Date of Termination, Separation from Service and Applicable Pay Date.

(i) “Date of Termination” means (1) if Executive resigns for Good Reason, the date specified in the Notice of Termination, *provided* that (A) the Committee may specify any earlier Date of Termination and (B) the Date of Termination specified in the notice shall not be less than sixty (60) days after the date of delivery of the notice if the resignation is for Good Reason following a Change in Control, (2) if Executive’s employment is terminated by the Company other than by reason of Disability, the date of receipt of the Notice of Termination, or any later date specified therein, or (3) if Executive’s employment is terminated by reason of death, Disability or Retirement, the Date of Termination will be the date of death or Retirement, or the Disability Effective Date, as the case may be.

(ii) “Separation from Service” means a “separation from service” within the meaning of § 409A of the Code which occurs in connection with Executive’s termination of employment, and the Company and Executive acknowledge and agree that such a “separation from service” may come before, after or coincide with Executive’s Date of Termination.

(iii) “Applicable Pay Date” means the date that Executive has a Separation from Service (which date shall be referred to as the “Immediate Pay Date”) or, if the Company determines that making a payment or providing a benefit to Executive on the Immediate Pay Date would require the Company to report all or any part of such payment or benefit to the Internal Revenue Service as subject to taxation under § 409A of the Code, the date that is six (6) months and one (1) day after the date Executive has a Separation from Service (which date shall be referred to as the “Delayed Pay Date”).

8 Obligations of the Company upon Termination.

(a) Prior to a Change in Control: Resignation by Executive for Good Reason; Termination by the Company Other Than for Cause, Death or Disability. If, prior to a Change in Control or on or after the second (2nd) anniversary of the date of a Change in Control, the Company terminates Executive’s employment other than for Cause, death or Disability or Executive resigns for Good Reason, then (and with respect to the payments and benefits described in clauses (ii) through (x) of this § 8(a), only if Executive executes (and does not revoke) a Release in substantially the form of Exhibit A hereto (the “Release”) within sixty (60) days of the Date of Termination):

(i) the Company will pay to Executive in a lump sum in cash within thirty (30) days after the Date of Termination the sum of (A) Executive’s Base Salary (as in effect on the Date of Termination) earned through the Date of Termination to the extent not theretofore paid, (B) Executive’s business expenses for which reimbursement has been requested pursuant to the Company’s expense reimbursement policy but which have not been reimbursed before Executive’s applicable Date of Termination and (C) Executive’s Annual Bonus, if any, earned for the fiscal year immediately preceding the fiscal year in which the Date of Termination occurs, if such bonus has been certified as payable by the Committee but has not been paid before the Date of Termination (the sum of the amounts described in clauses (A), (B) and (C) shall be referred to as the “Accrued Obligations”); and

(ii) (A) if the Applicable Pay Date is the Delayed Pay Date, the Company will pay Executive on the Delayed Pay Date a lump sum equal to the amount of the Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary) Executive would have earned if Executive had been continuously employed by Company from the Date of Termination until the Delayed Pay Date or (B) if the Applicable Pay Date is the Immediate Pay Date, the Company will continue to pay Executive an amount equal to his monthly Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary) until payments begin under § 8(a)(iii) without any duplication of payments between this § 8(a)(ii) and § 8(a)(iii); and

(iii) commencing on the seven (7)-month anniversary of the date Executive has a Separation from Service, the Company will continue to pay Executive an amount equal to Executive's monthly Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary), payable in equal monthly or more frequent installments in accordance with the Company's then standard payroll practices for a period of twelve (12) consecutive months; and

(iv) as additional severance (and not in lieu of any bonus for the fiscal year in which the Date of Termination occurs), the Company will pay Executive a lump sum equal to one and one-half (1½) times the amount of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity) on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service; and

(v) the Company shall pay to Executive a lump sum cash amount within sixty (60) days following the Date of Termination equal to the product of (A) eighteen (18) multiplied by (B) one hundred percent (100%) of the monthly premiums for continuation of health care coverage under the Company's group health plan for purposes of continuation coverage under § 4980B of the Code ("COBRA") with respect to the maximum level of coverage in effect for Executive and his spouse and dependents as of immediately prior to the Date of Termination; and

(vi) the Company will pay Executive a pro-rated annual bonus for the fiscal-year in which the Date of Termination occurs equal to (i) the amount Executive would have earned, if any, under § 5(b)(i) for the year of termination based on actual financial performance for such fiscal year, times (ii) a fraction, the numerator of which is the number of full months in the fiscal year preceding the Date of Termination and the denominator of which is twelve (12); *provided* that such bonus shall be paid only if the pre-established performance targets are in fact certified by the Committee to have been met, and such bonus shall be paid in a single lump sum cash payment no later than two and one-half (2½) months after the end of the fiscal year in which the bonus is earned; *provided further* that if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, such prorated bonus shall be calculated based on Executive's Target Bonus Opportunity as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity; and

(vii) all restricted Company Common Stock or units which represent shares of Company Common Stock, excluding those that are subject to performance conditions ("Restricted Stock"), granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(viii) all options to acquire Company Common Stock or appreciation rights with respect to shares of Company Common Stock ("Options") granted to Executive following the Effective Date and

held by Executive as of the Date of Termination that would have become vested (by lapse of time) within the twenty-four (24) month period immediately following the Date of Termination had Executive remained employed during such period will become immediately vested as of the Date of Termination; and

(ix) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to § 8(a)(viii)) shall remain exercisable through the earlier of (A) the original expiration date of the Option, (B) the ninetieth (90th) day following the Date of Termination, or (C) the date that is the tenth (10th) anniversary of the original date of grant of the Option; and

(x) any restricted Company Common Stock or units which represent shares of Company Common Stock contingent on the satisfaction of the related performance requirements (“Performance Restricted Stock”) granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) If the Date of Termination occurs during the first year of a Performance Cycle (as defined in the applicable award agreement), a portion of the total shares of Company Common Stock subject to such award, pro-rated based on the number of days elapsed in the Performance Cycle as of the Date of Termination, shall vest assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(2) If the Date of Termination occurs after the first year of a Performance Cycle, a portion of the total shares of Company Common Stock subject to such award, pro-rated based on the number of days elapsed in the Performance Cycle as of the Date of Termination (it being understood that proration shall not apply if the Date of Termination occurs after the end of the Performance Cycle but prior to the settlement date of the award), shall vest based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); *provided, however*, if Executive is Retirement-eligible on the Date of Termination, such Performance Restricted Stock shall be treated in accordance with § 8(d)(v)(1) and not this § 8(a)(x); and

(xi) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company any other amounts or benefits, including but not limited to, previously earned but unpaid annual incentive awards, previously earned but unpaid long-term incentive awards, and properly documented and approved but unpaid business expenses, required to be paid or provided or which Executive is eligible to receive under any such plan, program, policy or practice or contract or agreement of the Company (such other amounts and benefits shall be hereinafter referred to as the “Other Benefits”);

(b) After or in Connection with a Change in Control: Resignation by Executive for Good Reason: Termination by the Company Other Than for Cause, Death or Disability. If there occurs a Change in Control and the Company terminates Executive’s employment other than for Cause, death or Disability before the second (2nd) anniversary of such Change in Control or Executive resigns for Good Reason before the second (2nd) anniversary of such Change in Control, then (and with respect to the payments and benefits described in clauses (ii) through (ix) of this § 8(b), only if Executive executes (and does not revoke) the Release within sixty (60) days of the Date of Termination):

(i) the Company (or its successor) shall pay to Executive the Accrued Obligations in a lump sum in cash within thirty (30) days after the Date of Termination; and

(ii) the Company (or its successor) will pay Executive two (2) times the amount of Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) as in effect immediately prior to such reduction in Base Salary). If the Change in Control is a § 409A Change in Control, the two (2) times Base Salary amount payable under this § 8(b)(ii) will be paid in a single lump sum on the Applicable Pay Date. However, if the Change in Control is not a § 409A Change in Control, the two (2) times Base Salary amount payable under this § 8(b)(ii) will be paid in three (3) parts-

(A) the first part will be paid in the amount and at the time and in form called for in § 8(a)(ii),

(B) the second part will be paid in the amount and at the time and in the form called for in § 8(a)(iii), and

(C) the balance will be paid in a single lump sum on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service; and

(iii) as additional severance (and not in lieu of any bonus for the fiscal year in which the Date of Termination occurs), the Company (or its successor) will pay Executive a lump sum equal to two (2) times the amount of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity) on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service; and

(iv) the Company shall pay to Executive a lump sum cash amount within sixty (60) days following the Date of Termination equal to the product of (A) eighteen (18) multiplied by (B) one hundred percent (100%) of the monthly premiums for continuation of health care coverage under the Company's group health plan for purposes of continuation coverage under COBRA with respect to the maximum level of coverage in effect for Executive and his spouse and dependents as of immediately prior to the Date of Termination; and

(v) Executive will be entitled to a pro-rated bonus under § 5(b)(i) for the fiscal year in which the Date of Termination occurs, the amount and timing of which shall depend upon when the Date of Termination occurs, as follows:

(1) if the Date of Termination occurs before the end of the fiscal year in which the Change in Control occurred, the pro-rated bonus will equal (i) one hundred percent (100%) of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity), times (ii) a fraction, the numerator of which is the number of full months in the fiscal year preceding the Date of Termination and the denominator of which is twelve (12), and such pro-rated bonus shall be paid no later than two and one-half (2½) months after the end of the Company's fiscal year which includes Executive's Date of Termination; or

(2) if the Date of Termination occurs during a fiscal year that began after the Change in Control occurred, the pro-rated bonus (based on the number of full months in the fiscal year preceding the Date of Termination as described in § 8(b)(v)(1)) will be based on actual performance results as certified by the Committee at the end of the fiscal year and will be paid to Executive no later than two and one-half (2½) months after the end of the Company's fiscal year which includes Executive's Date of Termination; *provided* that if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, such prorated bonus shall be calculated based on Executive's Target Bonus Opportunity as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity; and

(vi) all Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(vii) all Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested and exercisable as of the Date of Termination; and

(viii) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to § 8(b)(vii)) will remain exercisable through the earlier of (A) the original expiration date of the Option, or (B) the ninetieth (90th) day following the Date of Termination, or (C) the date that is the tenth (10th) anniversary of the original date of grant of the Option; and

(ix) any Performance Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) If the Date of Termination occurs during the first year of a Performance Cycle, the award shall vest in full (without proration) assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(2) If the Date of Termination occurs after the first year of a Performance Cycle, the award shall vest in full (without proration) based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); *provided, however*, if Executive is Retirement-eligible on the Date of Termination, such Performance Restricted Stock shall be treated in accordance with § 8(d)(iv)(1) and not this § 8(b)(ix); and

(x) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive his Other Benefits pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company.

(c) In Anticipation of a Change in Control: Termination by the Company Other Than for Cause, Death or Disability or Resignation by Executive for Good Reason. If Executive's employment is terminated by the Company other than for Cause, death or Disability or Executive resigns for Good Reason after the issuance of press release or a filing is made with the Securities and Exchange Commission regarding a transaction which could lead to a Change in Control and there is a Change in Control as a result of the consummation of such transaction no later than nine (9) months and one (1) day after the date of Executive's Separation from Service, then

(i) Executive will continue to be eligible to receive his benefits under § 8(a) in the amount and form and at the time provided in § 8(a), but

(ii) Executive will in addition receive the benefits described in § 8(b), if greater, as if his employment had been terminated without Cause or he had resigned for Good Reason at the consummation of such Change in Control, *provided* Executive immediately following the Change in Control shall have timely executed and not revoked the Release described in § 8(b), and, *further provided*

(1) there will under no circumstances be any duplication whatsoever of any payments or benefits between this § 8(c)(ii) and § 8(c)(i);

(2) the additional severance benefits provided under § 8(b)(ii)(C) will be paid in a single lump sum on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service;

(3) the severance benefits provided under § 8(b)(iii) will be paid in lieu of the severance benefits contemplated by § 8(a)(iv) in a single lump sum on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service;

(4) if the Change in Control occurs before the date the pro-rated annual bonus provided under § 8(a)(vi) is scheduled to be paid, then Executive will be entitled to the greater of either the pro-rated annual bonus determined and paid under § 8(a)(vi) or the pro-rated bonus determined under § 8(b)(v)(1) but paid in the form and at the time called for under § 8(a)(vi);

(5) any outstanding Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination which failed to vest under § 8(a)(viii) will vest under § 8(b)(vii) at the Change in Control, and the date of the Change in Control will be treated under § 8(b)(viii) as Executive's Date of Termination; and

(6) if the Change in Control occurs before settlement of Performance Restricted Shares granted to Executive following the Effective Date and held by Executive as of the Date of Termination, Executive will be entitled to the number of shares of Company Common Stock to be delivered under § 8(b)(ix), which will be delivered in the form and at the time such shares of Company Common Stock are otherwise scheduled to be delivered under § 8(a)(x).

(d) Death, Disability or Retirement. Upon the Date of Termination due to Executive's death, Disability or Retirement:

(i) the Company shall pay to Executive the Accrued Obligations in a lump sum in cash within thirty (30) days after the Date of Termination; and

(ii) all Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(iii) all Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested and exercisable as of the Date of Termination; and

(iv) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to the foregoing sentence) shall remain exercisable through the earliest of (A) the original expiration date of the Option, (B) the ninetieth (90th) day following the Date of Termination or such longer period as specified in the plan document governing the applicable award, or (C) the date that is the 10th anniversary of the original date of grant of the Option; and

(v) any grant of Performance Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) in the case of termination on account of Retirement only, the award shall vest in full (without proration) based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); or

(2) in the case of termination on account of death or Disability only, the award shall vest in full (without proration) assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(vi) for the period of months required by COBRA after the Date of Termination due to Executive's death, Disability or Retirement, Executive or his dependents shall have the right to elect continuation of healthcare coverage under the Company's group plan (if allowed by the plan) in accordance with COBRA, *provided* Executive or his dependents shall pay the entire cost of such coverage; and

(vii) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive his Other Benefits pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company. The term Other Benefits as used in this § 8(d) shall include, without limitation, and Executive or his estate and/or beneficiaries shall be entitled to receive, benefits under such plans, programs, practices and policies relating to death, disability or retirement benefits, if any, as are applicable to Executive on the Date of Termination.

(e) Cause or Voluntary Resignation without Good Reason. Regardless of whether or not a Change in Control shall have occurred, if Executive's employment is terminated for Cause, or if Executive voluntarily resigns without Good Reason, the Company's obligations under this Agreement to Executive shall terminate, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid to Executive in a lump sum in cash within thirty (30) days after the Date of Termination. For the period required by COBRA after the Date of Termination for Cause or for the voluntary resignation by Executive, Executive shall have the right to elect continuation of healthcare coverage under the Company's group plan in accordance with COBRA, *provided* Executive shall pay the entire cost of such coverage.

(f) Full Settlement. Subject to § 17(d), the payments and benefits provided under this § 8 shall be in full satisfaction of the obligations of the Company and its affiliates to Executive under this Agreement or any other plan, agreement, policy or arrangement of the Company and its affiliates upon his termination of employment.

9 Non-exclusivity of Rights. Nothing in this Agreement shall prevent or limit Executive's continuing or future participation in any plan, program, policy or practice provided by the Company and for which Executive may qualify, nor, subject to § 17(d), shall anything herein limit or otherwise affect such rights as Executive may have under any contract or agreement with the Company. Amounts which are vested benefits or which Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

10 Treatment of Certain Payments.

(a) Anything in the Agreement 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 Executive to the excise tax under § 4999 of the Code, the Accounting Firm shall determine whether to reduce any of the Payments paid or payable pursuant to the Agreement (the "Agreement Payments") so that the Parachute Value (as defined below) of all Payments, in the aggregate, equals the Safe Harbor Amount (as defined below). The

Agreement Payments shall be so reduced only if the Accounting Firm determines that Executive would have a greater Net After-Tax Receipt (as defined below) of aggregate Payments if the Agreement Payments were so reduced. If the Accounting Firm determines that Executive would not have a greater Net After-Tax Receipt of aggregate Payments if the Agreement Payments were so reduced, Executive shall receive all Agreement Payments to which Executive is entitled hereunder.

(b) If the Accounting Firm determines that Agreement 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 Executive notice to that effect and a copy of the detailed calculation thereof. All determinations made by the Accounting Firm under this § 10 shall be binding upon the Company and Executive and shall be made as soon as reasonably practicable and in no event later than fifteen (15) days following the Date of Termination. For purposes of reducing the Agreement Payments so that the Parachute Value of all Payments, in the aggregate, equals the Safe Harbor Amount, only amounts payable under the Agreement (and no other Payments) shall be reduced. The reduction of the amounts payable hereunder, if applicable, shall be made by reducing the payments and benefits in the following order: (i) cash payments that may not be valued under Treas. Reg. § 1.280G-1, Q&A-24(c) (“24(c)”), (ii) equity-based payments that may not be valued under 24(c), (iii) cash payments that may be valued under 24(c), (iv) equity-based payments that may be valued under 24(c) and (v) other types of benefits. With respect to each category of the foregoing, such reduction shall occur first with respect to amounts that are not “deferred compensation” within the meaning of § 409A of the Code and next with respect to payments that are deferred compensation, in each case, beginning with payments or benefits that are to be paid the farthest in time from the Accounting Firm’s determination. All fees and expenses of the Accounting Firm shall be borne solely by the Company.

(c) As a result of the uncertainty in the application of § 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that amounts will have been paid or distributed by the Company to or for the benefit of Executive pursuant to this Agreement that should not have been so paid or distributed (each, an “Overpayment”) or that additional amounts that will have not been paid or distributed by the Company to or for the benefit of Executive pursuant to this Agreement could have been so paid or distributed (each, an “Underpayment”). In the event that the Accounting Firm, based upon the assertion of a deficiency by the Internal Revenue Service against the Company or Executive that the Accounting Firm believes has a high probability of success determines that an Overpayment has been made, any such Overpayment paid or distributed by the Company to or for the benefit of Executive shall be repaid by Executive to the Company (as applicable) together with interest at the applicable federal rate provided for in § 7872(f)(2) of the Code; *provided, however*, that no such repayment shall be required if and to the extent such deemed repayment would not either reduce the amount on which Executive is subject to tax under § 1 and § 4999 of the Code or generate a refund of such taxes. In the event that the Accounting Firm, based upon controlling precedent or substantial authority, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid by the Company to or for the benefit of Executive together with interest at the applicable federal rate provided for in § 7872(f)(2) of the Code.

(d) To the extent requested by Executive, the Company shall cooperate with Executive in good faith in valuing, and the Accounting Firm shall take into account the value of, services provided or to be provided by Executive (including, without limitation, Executive’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 § 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 § 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 § 280G of the Code in accordance with Q&A-5(a) of the final regulations under § 280G of the Code.

(e) The following terms shall have the following meanings for purposes of this § 10:

(i) “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 § 280G of the Code that is selected by the Company prior to a Change in Control for purposes of making the applicable determinations hereunder and is reasonably acceptable to Executive, which firm shall not, without Executive’s consent, be a firm serving as accountant or auditor for the individual, entity or group effecting the Change in Control.

(ii) “Net After-Tax Receipt” shall mean the present value (as determined in accordance with § 280G(b)(2)(A)(ii) and § 280G(d)(4) of the Code) of a Payment net of all taxes imposed on Executive with respect thereto under § 1 and § 4999 of the Code and under applicable state and local laws, determined by applying the highest marginal rate under § 1 of the Code and under state and local laws which applied to Executive’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 Executive in the relevant tax year(s).

(iii) “Parachute Value” of a Payment shall mean the present value as of the date of the change in control for purposes of § 280G of the Code of the portion of such Payment that constitutes a “parachute payment” under § 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 § 4999 of the Code will apply to such Payment.

(iv) “Payment” shall mean any payment or distribution in the nature of compensation (within the meaning of § 280G(b)(2) of the Code) to or for the benefit of Executive, whether paid or payable pursuant to the Agreement or otherwise.

(v) “Safe Harbor Amount” shall mean 2.99 times Executive’s “base amount,” within the meaning of § 280G(b)(3) of the Code.

(f) The provisions of this § 10 shall survive the expiration of the Agreement.

11 Costs of Enforcement. In no event shall Executive be obligated to seek other employment by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not Executive obtains other employment. In any action taken in good faith relating to the enforcement of this Agreement or any provision herein, including any arbitration provision in § 14, Executive shall be entitled to be paid any and all costs and expenses incurred by him in enforcing or establishing his rights thereunder, including, without limitation, reasonable attorneys’ fees, and whether or not incurred in trial, bankruptcy or appellate proceedings, but only if Executive is successful on at least one material issue raised in the enforcement proceeding. Any costs or expenses that otherwise meet the requirements for reimbursement under this § 11 shall be reimbursed within one hundred and twenty (120) days of submission by Executive of a request for reimbursement, but in no event later than the last day of Executive’s taxable year following the taxable year in which Executive becomes entitled to such reimbursement by reason of being successful on at least one material issue (provided a request for reimbursement has been made).

12 Representations and Warranties. Executive hereby represents and warrants to the Company that Executive is not a party to, or otherwise subject to, any covenant not to compete with any person or entity other than a contract with his current employer, a copy of which has been provided to the Company.

13 Restrictions on Conduct of Executive.

(a) General. Executive and the Company understand and agree that the purpose of the provisions of this § 13 is to protect legitimate business interests of the Company, as more fully described below, and is not intended to eliminate Executive’s post-employment competition with the Company per se, nor is it intended to impair or infringe upon Executive’s right to work, earn a living, or acquire and possess property from the fruits of his labor. Executive hereby acknowledges that the post-employment restrictions set forth in this § 13 are reasonable and that they do not, and will not, unduly impair his ability to earn a living after the termination of this Agreement.

Therefore, subject to the limitations of reasonableness imposed by law, Executive shall be subject to the restrictions set forth in this § 13. For the purposes of this § 13, "Company" shall be deemed to include the Company and all its parents, affiliates, subsidiaries and successors.

(b) Definitions. The following terms used in this § 13 shall have the meanings assigned to them below, which definitions shall apply to both the singular and the plural forms of such terms:

"Competitive Position" means any employment with a Competitor in which Executive has duties for such Competitor that relate to Competitive Services.

"Competitive Services" means services competitive with the business activities engaged in by the Company or an affiliate as of the date of termination of Grantee's employment for any reason or any earlier date of an alleged breach by Grantee of the restrictions in § 13 hereof, which include, but are not limited to, the provision of products and services to facilitate or assist with the movement in electronic commerce of payment and financial information, merchant acquiring, demand deposit accounts and other financial service solutions to the underbanked and other consumers and businesses, payment solutions to card issuers, and software, payroll and processing solutions.

"Competitor" means any individual, corporation, partnership, joint venture, limited liability company, association, or other entity or enterprise which is engaged, wholly or in part, in Competitive Services.

"Confidential Information" means all information regarding the Company, its activities, business or clients that is the subject of reasonable efforts by the Company to maintain its confidentiality and that is not generally disclosed by practice or authority to persons not employed by the Company, but that does not rise to the level of a Trade Secret. "Confidential Information" shall include, but is not limited to, financial plans and data concerning the Company; management planning information; business plans; operational methods; market studies; marketing plans or strategies; product development techniques or plans; lists of current or prospective customers; details of customer contracts; current and anticipated customer requirements; past, current and planned research and development; business acquisition plans; and new personnel acquisition plans. "Confidential Information" shall not include information that has become generally available to the public by the act of one who has the right to disclose such information without violating any right or privilege of the Company. This definition shall not limit any definition of "confidential information" or any equivalent term under state or federal law.

"Determination Date" means the date of termination of Executive's employment with the Company for any reason whatsoever or any earlier date of an alleged breach of the Restrictive Covenants by Executive.

"Person" means any individual or any corporation, partnership, joint venture, limited liability company, association or other entity or enterprise.

"Principal or Representative" means a principal, owner, partner, shareholder, joint venturer, investor, member, trustee, director, officer, manager, employee, agent, representative or consultant.

"Protected Customers" means any Person to whom the Company has sold or provided its products or services during the twelve (12) months prior to the Determination Date.

"Protected Employees" means employees of the Company who were employed by the Company at any time within six (6) months prior to the Determination Date.

"Restricted Period" means the Employment Period and a period extending two (2) years from the termination of Executive's employment with the Company.

"Restricted Territory" means the area in which the Company or an affiliate conducts business, which includes without limitation the entire United States and its territories and possessions.

"Restrictive Covenants" means the restrictive covenants contained in § 13(c) hereof.

“Trade Secret” means all information, without regard to form, including, but not limited to, technical or non-technical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, distribution lists or a list of actual or potential customers, advertisers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Without limiting the foregoing, Trade Secret means any item of Confidential Information that constitutes a “trade secret” under the common law or applicable state law.

(c) Restrictive Covenants.

(i) Restriction on Disclosure and Use of Confidential Information and Trade Secrets.

Executive understands and agrees that the Confidential Information and Trade Secrets constitute valuable assets of the Company and its affiliated entities, and may not be converted to Executive’s own use. Accordingly, Executive hereby agrees that Executive shall not, directly or indirectly, at any time during the Employment Period or at any time following the end of the Employment Period for any reason reveal, divulge, or disclose to any Person not expressly authorized by the Company any Confidential Information, and Executive shall not, directly or indirectly, at any time during the Employment Period or at any time following the end of the Employment Period for any reason use or make use of any Confidential Information in connection with any business activity other than that of the Company. Throughout the term of this Agreement and at all times after the date that this Agreement terminates for any reason, Executive shall not directly or indirectly transmit or disclose any Trade Secret of the Company to any Person, and shall not make use of any such Trade Secret, directly or indirectly, for himself or for others, without the prior written consent of the Company. The parties acknowledge and agree that this Agreement is not intended to, and does not, alter either the Company’s rights or Executive’s obligations under any state or federal statutory or common law regarding trade secrets and unfair trade practices.

Executive understands that nothing in this § 13 or this Agreement prohibits or limits Executive from: (i) disclosing information that is required to be disclosed by law, court order or other valid and appropriate legal process; *provided, however*, that in the event such disclosure is required by law, Executive shall provide the Company with prompt notice of such requirement so that the Company may seek an appropriate protective order prior to any such required disclosure by Executive; (ii) reporting possible violations of federal, state, or local law or regulation to any governmental agency or entity, or from making other disclosures that are protected under the whistleblower provisions of federal, state, or local law or regulation, and Executive shall not need the prior authorization of the Company to make any such reports or disclosures and shall not be required to notify the Company that Executive has made such reports or disclosures; (iii) disclosing a trade secret (as defined by 18 U.S.C. § 1839) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, in either event solely for the purpose of reporting or investigating a suspected violation of law; or (iv) disclosing a trade secret (as defined by 18 U.S.C. § 1839) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal and that Executive shall not be held civilly or criminally liable for disclosures covered by clauses (iii) or (iv).

(ii) Non-solicitation of Protected Employees. Executive understands and agrees that the relationship between the Company and each of its Protected Employees constitutes a valuable asset of the Company and may not be converted to Executive’s own use. Accordingly, Executive hereby agrees that during the Restricted Period Executive shall not directly or indirectly on Executive’s own behalf or as a Principal or Representative of any Person or otherwise solicit or induce any Protected Employee with whom Executive worked or otherwise had material contact through his employment with the Company to terminate his or her employment relationship with the Company or to enter into employment with any other Person.

(iii) Restriction on Relationships with Protected Customers. Executive understands and agrees that the relationship between the Company and each of its Protected Customers constitutes a valuable asset of the Company and may not be converted to Executive's own use. Accordingly, Executive hereby agrees that, during the Restricted Period, Executive shall not, without the prior written consent of the Company, directly or indirectly, on Executive's own behalf or as a Principal or Representative of any Person, solicit, divert, take away or attempt to solicit, divert or take away a Protected Customer for the purpose of providing or selling Competitive Services; *provided, however*, that the prohibition of this covenant shall apply only to Protected Customers with whom Executive had Material Contact on the Company's behalf during the twelve (12) months immediately preceding the termination of his employment hereunder. For purposes of this Agreement, Executive shall be deemed to have "Material Contact" with a Protected Customer if he had business dealings with the Protected Customer on the Company's behalf.

(iv) Non-competition with the Company. The parties acknowledge: (A) that Executive's services under this Agreement require special expertise and talent in the provision of Competitive Services and that Executive will have substantial contacts with customers, suppliers, advertisers and vendors of the Company; (B) that pursuant to this Agreement, Executive will be placed in a position of trust and responsibility and he will have access to a substantial amount of Confidential Information and Trade Secrets and that the Company is placing him in such position and giving him access to such information in reliance upon his agreement not to compete with the Company during the Restricted Period; (C) that due to his management duties, Executive will be the repository of a substantial portion of the goodwill of the Company and would have an unfair advantage in competing with the Company; (D) that due to Executive's special experience and talent, the loss of Executive's services to the Company under this Agreement cannot reasonably or adequately be compensated solely by damages in an action at law; (E) that Executive is capable of competing with the Company; and (F) that Executive is capable of obtaining gainful, lucrative and desirable employment that does not violate the restrictions contained in this Agreement. In consideration of the compensation and benefits being paid and to be paid by the Company to Executive hereunder, Executive hereby agrees that, during the Restricted Period, Executive will not, without prior written consent of the Company, directly or indirectly seek or obtain a Competitive Position in the Restricted Territory; *provided, however*, that (1) the provisions of this Agreement shall not be deemed to prohibit the ownership by Executive of any securities of the Company or its affiliated entities or not more than five percent (5%) of any class of securities of any corporation having a class of securities registered pursuant to the Exchange Act; (2) for purposes of this § 13(c)(iv) only, the Restricted Period shall be reduced to eighteen (18) months if Executive's employment is terminated by Company or Executive pursuant to § 8(a) (Prior to a Change in Control: Resignation by Executive for Good Reason; Termination by the Company Other Than for Cause, Death or Disability); and (3) this § 13(c)(iv) shall lapse and terminate at the end of the Employment Period if the Company gives notice to Executive pursuant to § 3 that this Agreement will not be extended.

(d) Enforcement of Restrictive Covenants.

(i) Rights and Remedies Upon Breach. In the event Executive breaches, or threatens to commit a breach of, any of the provisions of the Restrictive Covenants, the Company shall have the following rights and remedies, which shall be independent of any others and severally enforceable, and shall be in addition to, and not in lieu of, any other rights and remedies available to the Company at law or in equity:

(1) the right and remedy to enjoin, preliminarily and permanently, Executive from violating the Restrictive Covenants and to have the Restrictive Covenants specifically enforced by any court of competent jurisdiction, it being agreed that any breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Company and that money damages would not provide an adequate remedy to the Company;

(2) the right and remedy to require Executive to account for and pay over to the Company all compensation, profits, monies, accruals, increments or other benefits derived or received by Executive as the result of any transactions constituting a breach of the Restrictive Covenants; and

(3) the right and remedy to cease paying and to the return of any termination-related payments or benefits (other than the Accrued Obligations or Other Benefits) if Executive violates any of the Restrictive Covenants and fails to remedy such violation to the reasonable satisfaction of the Chief Executive Officer within ten (10) days of written notice of such violation.

(ii) Severability of Covenants. Executive acknowledges and agrees that the Restrictive Covenants are reasonable and valid in time and scope and in all other respects. The covenants set forth in this Agreement shall be considered and construed as separate and independent covenants. Should any part or provision of any covenant be held invalid, void or unenforceable in any court of competent jurisdiction, such invalidity, voidness or unenforceability shall not render invalid, void or unenforceable any other part or provision of this Agreement. If any portion of the foregoing provisions is found to be invalid or unenforceable by a court of competent jurisdiction because its duration, the territory, the definition of activities or the definition of information covered is considered to be invalid or unreasonable in scope, the invalid or unreasonable term shall be redefined, or a new enforceable term provided, such that the intent of the Company and Executive in agreeing to the provisions of this Agreement will not be impaired and the provision in question shall be enforceable to the fullest extent of the applicable laws. This § 13 shall survive the expiration or termination of this Agreement, *provided, however*, that the non-competition covenants set forth in § 13(c)(iv) shall not survive and shall terminate at the end of the Employment Period if the Company gives notice to Executive pursuant to § 3 that this Agreement will not be extended.

14 Arbitration. Any claim or dispute arising under this Agreement (other than under § 13) shall be subject to arbitration, and prior to commencing any court action, the parties agree that they shall arbitrate all such controversies. The arbitration shall be conducted in Atlanta, Georgia, in accordance with the Employment Dispute Rules of the American Arbitration Association and the Federal Arbitration Act, 9 U.S.C. §1, *et. seq.* The arbitrator(s) shall be authorized to award both liquidated and actual damages, in addition to injunctive relief, but no punitive damages. The arbitrator(s) shall also award attorney's fees and costs, without regard to any restriction on the amount of such award under Georgia or other applicable law, as required under § 11. Such an award shall be binding and conclusive upon the parties hereto, subject to 9 U.S.C. § 10. Each party shall have the right to have the award made the judgment of a court of competent jurisdiction.

Initials of parties as to this § 14:

Company: JSS

Executive: GFS

15 Rabbi Trust. In order to ensure the payment of the severance benefit provided for in §§ 8(b)(ii) and (iii) of this Agreement, immediately following the commencement of any action by a third party with the aim of effecting a Change in Control, or the publicly announced threat by a third party to commence any such action, the Company shall fully fund through the Global Payments Inc. Benefit Security Trust, or similar "rabbi trust" the amount of the severance payment that would have been paid to Executive under §§ 8(b)(ii) and (iii) if the Date of Termination had occurred on the date of commencement, or publicly-announced threat of commencement, of such action by the third party; *provided, however*, that the trust shall not be funded if the funding thereof would result in taxable income to Executive by reason of § 409A(b) of the Code; *and provided, further*, in no event shall any trust assets at any time be located or transferred outside of the United States, within the meaning of § 409A(b) of the Code. Amounts shall be paid to Executive from such trust as provided under this Agreement and the trust. The right of Executive to receive payments under this Agreement shall be an unsecured claim against the general assets of the Company and Executive shall have no rights in or against any specific assets of the Company. Finally,

nothing in this § 15 shall relieve the Company of any liabilities under this Agreement to the extent such liabilities are not satisfied by a trust described in this § 15.

16 Assignment and Successors.

(a) This Agreement is personal to Executive and without the prior written consent of the Company shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "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 Agreement by operation of law, or otherwise.

17 Miscellaneous.

(a) Waiver. Failure of either party to insist, in one or more instances, on performance by the other in strict accordance with the terms and conditions of this Agreement shall not be deemed a waiver or relinquishment of any right granted in this Agreement or of the future performance of any such term or condition or of any other term or condition of this Agreement, unless such waiver is contained in a writing signed by the party making the waiver.

(b) Severability. If any provision or covenant, or any part thereof, of this Agreement should be held by any court to be invalid, illegal or unenforceable, either in whole or in part, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of the remaining provisions or covenants, or any part thereof, of this Agreement, all of which shall remain in full force and effect.

(c) Other Agents. Nothing in this Agreement is to be interpreted as limiting the Company from employing other personnel on such terms and conditions as may be satisfactory to it.

(d) Entire Agreement. This Agreement contains the entire agreement between the Company and Executive with respect to the subject matter hereof and, from and after the Effective Date, this Agreement shall supersede any other agreement (oral or written) between the Company and Executive with respect to the subject matter hereof; *provided, however*, to the extent Executive continues following the Effective Date to hold outstanding equity-based awards of the Company that were granted prior to the Effective Date, treatment of such awards shall not be governed by this Agreement and shall instead be governed by the terms of the Employment Agreement between Executive and the Company dated December 1, 2013, as amended by Amendment to Employment Agreement between Executive and the Company dated August 27, 2018, the terms of which are otherwise superseded by this Agreement.

(e) Governing Law. Except to the extent preempted by federal law, and without regard to conflict of laws principles, the laws of the State of Georgia shall govern this Agreement in all respects, whether as to its validity, construction, capacity, performance or otherwise.

(f) Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given if delivered or three (3) days after mailing if mailed, first class, certified mail, postage prepaid:

To Company: Global Payments Inc.
3550 Lenox Road
Suite 3000
Atlanta, Georgia 30326
Office of the Corporate Secretary

To Executive: At his current address or last known address on file with the Company

Any party may change the address to which notices, requests, demands and other communications shall be delivered or mailed by giving notice thereof to the other party in the same manner provided herein.

(g) Indemnification. The Company shall indemnify Executive to the maximum extent permitted under the Company's bylaws. Subject to reasonable availability of such insurance coverage and subject to applicable laws and regulations, a directors' and officers' liability insurance policy (or policies) shall be maintained, during the Employment Period and for six (6) years thereafter, providing coverage that is no less favorable to Executive than the coverage provided to any other present officer or director of the Company and, following a Change in Control, the coverage shall be no less favorable to Executive than the coverage provided as of the date of the Change in Control.

(h) Amendments and Modifications. This Agreement may be amended or modified only by a writing signed by the Company and Executive, which makes specific reference to this Agreement.

(i) § 409A.

(i) The Company and Executive intend no payments to be made and no benefits to be provided under this Agreement will be subject to taxation under § 409A of the Code and that the terms of this Agreement will be interpreted in good faith in a manner which is intended to minimize the risk that Executive will be subject to tax under § 409A of the Code with respect to any such payments or benefits, and the Company and Executive agree to cooperate fully and in good faith with one another to seek to minimize such risk. In no event may Executive, directly or indirectly, designate the calendar year of any payment under this Agreement, and to the extent required by § 409A of the Code, any payment that may be paid in more than one taxable year (depending on the time that Executive executes the Release) shall be paid in the later taxable year.

(ii) Items eligible for expense reimbursement under the terms of this Agreement shall be reimbursed in a manner intended to qualify for an exemption under § 409A of the Code, which shall include implementing the following limitations with respect to reimbursements: (A) the amount of such expenses eligible for reimbursement in any calendar year shall not affect the expenses eligible for reimbursement in another calendar year, (B) no such reimbursement may be exchanged or liquidated for another payment or benefit, (C) any reimbursements of such expenses shall be made as soon as practicable under the circumstances but in any event no later than the end of the calendar year following the calendar in which the related expenses were incurred and (D) the Company's obligation to make reimbursements or to provide in-kind benefits that constitute deferred compensation under § 409A of the Code shall not extend beyond Executive's lifetime or, if later, the end of the twenty (20) year period which starts on the Effective Date.

(iii) Any payments that qualify for the "short-term deferral" exception, the separation pay exception or another exception under § 409A of the Code shall be paid under the applicable exception. The Company and Executive agree that each installment of payments and benefits provided under this Agreement shall be treated as a separate identified payment for purposes of § 409A of the Code and that neither the Company nor Executive shall have the right to accelerate or defer the delivery of any such payments or benefits if a determination is made in good faith that any such acceleration or deferral would

present a risk that Executive would be subject to any tax under § 409A of the Code; *provided, however*, to the extent permitted by § 409A of the Code, if the Applicable Pay Date is the Delayed Pay Date and Executive dies before such Delayed Pay Date, then any payments or benefits due on the Delayed Pay Date will be made within thirty (30) days following Executive's death (or, if earlier on the Delayed Pay Date). Notwithstanding any other provision of this Agreement to the contrary, if Executive is considered a "specified employee" for purposes of § 409A of the Code (as determined in accordance with the methodology established by the Company and its affiliates as in effect on the date of Executive's Separation from Service), any payment that constitutes nonqualified deferred compensation within the meaning of § 409A of the Code that is otherwise due to Executive under this Agreement during the six (6) month period immediately following Executive's Separation from Service on account of Executive's Separation from Service shall be accumulated and paid to Executive on the Delayed Pay Date, to the extent necessary to prevent the imposition of tax penalties on Executive under § 409A of the Code. If Executive dies during the postponement period, the amounts and entitlements delayed on account of § 409A of the Code shall be paid to the personal representative of his estate on the first to occur of the Delayed Pay Date or thirty (30) days after the date of Executive's death.

(iv) Executive acknowledges and agrees that nothing in this Agreement shall be construed as a guarantee or indemnity by the Company for the tax consequences to the payments and benefits called for under this Agreement, including any tax consequences under § 409A of the Code, and Executive agrees that Executive shall be responsible for paying all taxes due with respect to such payments made and benefits provided to Executive.

(j) Tax Withholding. The Company may withhold from any amounts payable under this Agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(k) References; Construction. All references to sections (§) in this Agreement shall be to sections (§) of this Agreement except as expressly set forth in this Agreement. The section headings used in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation hereof. For purposes of this Agreement, the term "including" shall mean "including, without limitation."

(l) Accounting Discrepancies. Executive shall be subject to any policy adopted by the Company after the Effective Date which is applicable to senior executives of the Company generally and which requires restitution by such an executive with respect to any payment made or benefit provided to, or on behalf of, such an executive, the calculation of which is based in whole or in part on accounting discrepancies or erroneous financial information.

(m) Survivability. The provisions of this Agreement that by their terms call for performance subsequent to the termination of either Executive's employment or this Agreement (including the terms of §§ 8, 10, 13 and 17(g)) shall so survive such termination.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company and Executive hereto have duly executed and delivered this Employment Agreement as of the date first above written.

GLOBAL PAYMENTS INC.

By: /s/ Jeffrey S. Sloan

Name: Jeffrey S. Sloan

Title: Chief Executive Officer

EXECUTIVE:

/s/ Guido F. Sacchi

Guido F. Sacchi

EXHIBIT A

Form of Release

This Release is granted effective as of the [DATE] day of [MONTH], [YEAR], by Guido F. Sacchi (“Executive”) in favor of Global Payments Inc. (the “Company”). This is the Release referred to that certain Employment Agreement effective as of September 18, 2019 by and between the Company and Executive (the “Employment Agreement”). Executive gives this Release in consideration of the Company’s promises and covenants as recited in the Employment Agreement, with respect to which this Release is an integral part.

1. Release of the Company. Executive, for himself, his successors, assigns, attorneys, and all those entitled to assert his rights, now and forever hereby releases and discharges the Company and its respective officers, directors, stockholders, trustees, employees, agents, parent corporations, subsidiaries, affiliates, estates, successors, assigns and attorneys (the “Released Parties”), from any and all claims, actions, causes of action, sums of money due, suits, debts, liens, covenants, contracts, obligations, costs, expenses, damages, judgments, agreements, promises, demands, claims for attorneys’ fees and costs, or liabilities whatsoever, in law or in equity, which Executive ever had or now has against the Released Parties, including, without limitation, any claims arising by reason of or in any way connected with any employment relationship which existed between the Company or any of its parents, subsidiaries, affiliates, or predecessors, and Executive. It is understood and agreed that this Release is intended to cover all actions, causes of action, claims or demands for any damage, loss or injury, whether known or unknown, of any nature whatsoever, including those which may be traced either directly or indirectly to the aforesaid employment relationship, or the termination of that relationship, that Executive has, had or purports to have, from the beginning of time to the date of this Release, and including but not limited to claims for employment discrimination under federal or state law, except as provided in Paragraph 2; claims arising under the Age Discrimination in Employment Act, 29 U.S.C. § 621, *et seq.*, Title VII of the Civil Rights Act, 42 U.S.C. § 2000(e), *et seq.*, or the Americans With Disabilities Act, 42 U.S.C. § 12101 *et seq.*; claims for statutory or common law wrongful discharge, claims arising under the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*; claims for attorney’s fees, expenses and costs; claims for defamation; claims for emotional distress; claims for wages or vacation pay; claims for benefits, including any claims arising under the Executive Retirement Income Security Act, 29 U.S.C. § 1001, *et seq.*; and claims under any other applicable federal, state or local laws or legal concepts; *provided, however*, that nothing herein shall release the Company of (a) obligations to Executive to make termination payments under § 8 of the Employment Agreement or any other rights under the Employment Agreement, (b) any indemnification obligations to Executive under the Company’s bylaws, certificate of incorporation, Delaware law or otherwise; (c) obligations with respect to insurance coverage under any directors’ and officers’ liability insurance policies; (d) any rights that Executive may have as a stockholder of the Company; or (e) vested interests in any pension plan or other benefit or deferred compensation plan.

2. Release of Claims Under Age Discrimination in Employment Act. Without limiting the generality of the foregoing, Executive agrees that by executing this Release, he has released and waived any and all claims he has or may have as of the date of this Release for age discrimination under the Age Discrimination in Employment Act, 29 U.S.C. § 621, *et seq.*, Executive acknowledges and agrees Executive has been, and hereby is, advised by Company to consult with an attorney prior to executing this Release. Executive further acknowledges and agrees that Company has offered Executive the opportunity, before executing this Release, to consider this Release for a period of twenty-one (21) calendar days; and that the consideration he receives for this Release is in addition to amounts to which he was already entitled. It is further understood that this Release is not effective until seven (7) calendar days after the execution of this Release and that Executive may revoke this Release within seven (7) calendar days from the date of execution hereof.

3. Non-Admission. It is understood and agreed by Executive that the payment made to him is not to be construed as an admission of any liability whatsoever on the part of the Company or any of the other Released Parties, by whom liability is expressly denied.

4. Non-Disparagement. Executive agrees that he will not in any way disparage Company, its affiliated and related companies, or their current and former employees, officers, directors, agents and representatives, or make or solicit any comments, statements, or the like to the media or to others that may be considered to be derogatory or detrimental to the good name or business reputation of any of the aforementioned parties or entities. This paragraph shall not limit the rights of Executive (a) to make any disclosures that are protected under the whistleblower provisions of federal law or regulation or provide testimony pursuant to a valid subpoena or in a judicial or administrative proceeding in which Executive is required to testify or otherwise as required by law or legal process; or (b) to make a complaint to, provide truthful information to, or participate in an investigation conducted by the Equal Employment Opportunity Commission, the National Labor Relations Board, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission.

5. Acknowledgement and Revocation Period. Executive agrees that he has carefully read this Release and is signing it voluntarily. Executive acknowledges that he has had twenty one (21) days from receipt of this Release to review it prior to signing or that, if Executive is signing this Release prior to the expiration of such twenty-one (21) day period, Executive is waiving his right to review the Release for such full twenty-one (21) day period prior to signing it. Executive has the right to revoke this release within seven (7) days following the date of its execution by him. In order to revoke this Release, Executive must deliver notice of the revocation in writing to Company's General Counsel before the expiration of the seven (7) day period. However, if Executive revokes this Release within such seven (7) day period, no severance benefit will be payable to him under the Employment Agreement and he shall return to the Company any such payment received prior to that date.

6. No Revocation After Seven Days. Executive acknowledges and agrees that this Release may not be revoked at any time after the expiration of the seven (7) day revocation period and that he/she will not institute any suit, action, or proceeding, whether at law or equity, challenging the enforceability of this Release. Executive further acknowledges and agrees that, with the exception of an action to challenge the waiver of claims under the ADEA, Executive shall not ever attempt to challenge the terms of this Release, attempt to obtain an order declaring this Release to be null and void, or institute litigation against the Company or any other Releasee based upon a claim that is covered by the terms of the release contained herein, without first repaying all monies paid to him/her under § 8 of the Employment Agreement. Furthermore, with the exception of an action to challenge his waiver of claims under the ADEA, if Executive does not prevail in an action to challenge this Release, to obtain an order declaring this Release to be null and void, or in any action against the Company or any other Releasee based upon a claim that is covered by the release set forth herein, Executive shall pay to the Company and/or the appropriate Releasee all their costs and attorneys' fees incurred in their defense of Executive's action.

7. Governing Law and Severability. This Release and the rights and obligations of the parties hereto shall be governed and construed in accordance with the laws of the State of Georgia. If any provision hereof is unenforceable or is held to be unenforceable, such provision shall be fully severable, and this document and its terms shall be construed and enforced as if such unenforceable provision had never comprised a part hereof, the remaining provisions hereof shall remain in full force and effect, and the court or tribunal construing the provisions shall add as a part hereof a provision as similar in terms and effect to such unenforceable provision as may be enforceable, in lieu of the unenforceable provision.

EXECUTIVE HAS CAREFULLY READ THIS RELEASE AND ACKNOWLEDGES THAT IT CONSTITUTES A GENERAL RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS AGAINST THE COMPANY UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT. EXECUTIVE ACKNOWLEDGES THAT HE HAS HAD A FULL OPPORTUNITY TO CONSULT WITH AN ATTORNEY OR OTHER ADVISOR OF HIS CHOOSING CONCERNING HIS EXECUTION OF THIS RELEASE AND THAT HE IS SIGNING THIS RELEASE VOLUNTARILY AND WITH THE FULL INTENT OF RELEASING THE COMPANY FROM ALL SUCH CLAIMS.

Guido F. Sacchi

Date: _____

A-3

**AMENDED AND RESTATED
EMPLOYMENT AGREEMENT**

This EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into this 20th day of September 2019 by and between Global Payments Inc., a Georgia corporation (the "Company"), and David L. Green ("Executive").

BACKGROUND

Executive shall serve as Senior Executive Vice President, General Counsel and Corporate Secretary of the Company. Executive and the Company desire to memorialize the terms of such employment in this Agreement. In addition, the Compensation Committee of the Board of Directors of the Company (the "Committee") has determined that it is in the best interests of the Company and its stockholders to assure that the Company will have the continued dedication of Executive, notwithstanding the possibility, threat or occurrence of a Change in Control (as defined in § 6). As it is desired and anticipated that Executive will continue to be employed and provide services for the Company's successor for some period of time following a Change in Control, one purpose of this Agreement is to provide Executive with compensation and benefits arrangements which ensure that the compensation and benefits expectations of Executive will be satisfied and which are competitive with those of other corporations. Therefore, in order to accomplish these objectives, the Committee has caused the Company to enter into this Agreement. This Agreement supersedes any prior agreement or other communication (oral or written) regarding Executive's employment, except as otherwise provided in § 17 of this Agreement.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Executive agree as follows:

1 Effective Date. This Agreement is effective as of September 18, 2019, the first date following the closing of the transaction contemplated by the Agreement and Plan of Merger by and between Total System Services, Inc. and the Company dated as of May 27, 2019 (such date, the "Effective Date").

2 Employment. Executive is hereby employed as Senior Executive Vice President, General Counsel and Corporate Secretary of the Company as of the Effective Date. In such capacity, Executive shall have the duties and responsibilities commensurate with such position as shall be assigned to him by the Chief Executive Officer of the Company (the "Chief Executive Officer").

3 Employment Period. Subject to § 7, Executive's initial Employment Period pursuant to this Agreement shall be the period which starts on the Effective Date and ends on the third (3rd) anniversary thereof; *provided*, Executive's Employment Period shall automatically be extended for one (1) additional year on the second (2nd) anniversary of the Effective Date and on each subsequent anniversary of the Effective Date unless either the Company or Executive provides notice (in accordance with § 17(f)) before such anniversary date that there will be no such extension. Executive's initial Employment Period and any subsequent extension of the initial Employment Period shall be referred to collectively as Executive's "Employment Period." A failure to extend Executive's Employment Period shall not be treated for any reason whatsoever as a termination of Executive's employment under § 7 unless the Company provides notice that there will be no such extension following a Change in Control and Executive's Employment Period would as a result of such notice end before the second (2nd) anniversary of the date of such Change in Control, in which case Executive shall have the right to resign effective at any time during the ninety (90) day period which starts on the date of such notice, and the date his resignation is effective shall be treated as a termination for Good Reason pursuant to § 7(c) of this Agreement and he shall receive all benefits called for under § 8(b) of this Agreement.

4 Extent of Service. During the Employment Period, Executive shall render his services to the Company (or to any successor, including a successor following a Change in Control) in conformity with professional standards, in a prudent and workmanlike manner and in a manner consistent with the obligations i

imposed on officers of corporations under applicable law. Executive shall promote the interests of the Company and its subsidiaries in carrying out Executive's duties and shall not deliberately take any action which could, or fail to take any action which failure could, reasonably be expected to have a material adverse effect upon the business of the Company or any of its subsidiaries or any of their respective affiliates. Executive agrees to devote his business time, attention, skill and efforts exclusively to the faithful performance of his duties hereunder (both before and after a Change in Control); *provided, however*, that it shall not be a violation of this Agreement for Executive to (a) devote reasonable periods of time to charitable and community activities and, with the approval of the Chief Executive Officer, industry or professional activities; (b) manage or participate in personal business interests and investments, so long as such activities do not, in the judgment of the Chief Executive Officer, materially interfere with the performance of Executive's responsibilities under this Agreement and comply with all Company policies and codes and all of Executive covenants and agreements; and/or (c) subject to the approval of the Committee, serve as a director, trustee, or member of a committee of any organization involving no conflict of interest with the interests of the Company so long as such activities do not, in the judgment of the Chief Executive Officer, materially interfere with the performance of Executive's responsibilities under this Agreement and comply with all Company policies and codes and all of Executive's covenants and agreements.

5 Compensation and Benefits.

(a) Base Salary. During the Employment Period, the Company will pay to Executive a base salary in the amount of U.S. \$550,000 per year (the "Base Salary"), payable in equal bi-weekly or other installments as provided under the Company's standard payroll practices in effect for senior executives from time to time. Executive's Base Salary will be reviewed at least annually and, subject to approval of the Committee, the Company may increase Executive's Base Salary from time to time. The periodic review of Executive's salary by the Committee will consider, among other things, Executive's own performance and the Company's performance.

(b) Incentive and Savings Plans. During the Employment Period, Executive shall be entitled to participate in all incentive, retirement and savings plans, practices, policies and programs applicable generally to employees of the Company at the senior executive level, excluding the Chief Executive Officer. Certain executive programs will be made available on a selective basis at the discretion of the Chief Executive Officer, the Board of Directors of the Company (the "Board") or the Committee. Without limiting the foregoing, the following shall apply:

(i) Annual Bonus. Executive will have an annual bonus opportunity for each fiscal year of the Company based on the achievement of financial and performance objectives set by the Committee ("Bonus Opportunity"). The annual Bonus Opportunity and specific performance and financial objectives will be set forth in Executive's individual performance and incentive plan for each fiscal year. Executive's annual Bonus Opportunity at target levels for any year shall not be less than 100% of his then-current Base Salary for such year (the "Target Bonus Opportunity"). Executive must be an active employee on the date the annual bonuses are paid on a Company-wide basis in order to be eligible to receive any bonus payment (except as otherwise expressly provided in § 8), unless (A) Executive's employment terminates following a failure to extend his Employment Period in accordance with § 3, (B) his employment terminates at or after the end of the applicable fiscal year and (C) he satisfies all or substantially all of the performance requirements (other than continued service) for a bonus for such fiscal year, in which event he shall be eligible for a bonus as determined by the Committee, and such bonus, if any, shall be paid no later than two and one-half (2½) months after the end of such fiscal year.

(ii) Equity Awards. Executive will be eligible to participate in the Company's Amended and Restated 2011 Incentive Plan (the "2011 Plan") and any successor to such plan in accordance with the terms and conditions of the 2011 Plan and any successor to such plan. The Company may, from time to time, upon approval by the Committee, grant to Executive options to purchase shares of Company Common Stock, stock appreciation rights, restricted Company Common Stock, restricted stock units, performance shares, and/or performance units and/or other Company Common Stock related grants as a long-term incentive for performance.

(c) Welfare Benefit Plans. During the Employment Period, Executive and Executive's family shall be eligible for participation in, and shall be eligible to receive all benefits under, the welfare benefit plans, practices, policies and programs provided by the Company, including, without limitation, medical, prescription, dental, disability, employee life, group life, accidental death and travel accident insurance plans and programs on the same basis as similarly situated executives of the Company (the "Welfare Plans").

(d) Expenses. During the Employment Period, Executive shall be entitled to receive prompt reimbursement for all reasonable business expenses incurred by Executive in accordance with the policies, practices and procedures of the Company; *provided, however*, (i) the amount of such expenses eligible for reimbursement in any calendar year shall not affect the expenses eligible for reimbursement in another calendar year, (ii) no such reimbursement may be exchanged or liquidated for another payment or benefit, and (iii) any reimbursements of such expenses shall be made as soon as practicable under the circumstances but in any event no later than the end of the calendar year following the calendar year in which the related expenses are incurred.

(e) Additional Benefits. During the Employment Period, Executive shall be offered the opportunity to receive or participate in any additional benefits provided to similarly situated executives of the Company in accordance with, and subject to the eligibility requirements of, the plans, practices, programs and policies of the Company and applicable laws and regulations. Executive also shall be provided with vacation entitlements in accordance with the Company's policy as in effect from time to time.

6 Change in Control.

(a) For the purposes of this Agreement, a "Change in Control" shall mean the occurrence of any of the following events after the Effective Date:

(i) The acquisition by any individual, entity or group (within the meaning of § 13(d)(3) or § 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of thirty-five percent (35%) or more of the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); *provided, however*, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change in Control: (A) any acquisition by a Person who is on the Effective Date the beneficial owner of thirty-five percent (35%) or more of the Outstanding Company Voting Securities, (B) any acquisition directly from the Company, (C) any acquisition by the Company which reduces the number of Outstanding Company Voting Securities and thereby results in any person having beneficial ownership of more than thirty-five percent (35%) of the Outstanding Company Voting Securities, (D) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (E) any acquisition by any corporation pursuant to a transaction which meets the requirements of clauses (A), (B) and (C) of subsection (ii) of this § 6; or

(ii) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the outstanding shares of the Company's common stock (the "Outstanding Company Common Stock") and Outstanding Company Voting Securities immediately prior to such Business Combination (individually, a "Company Owner") beneficially own, directly or indirectly, more than fifty percent (50%) of, respectively, the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as each Company Owner's ownership, immediately prior to such

Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any Company Owner, the Company or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, thirty-five percent (35%) or more of the combined voting power of the then-outstanding voting securities of such corporation, and (C) at least a majority of the members of the board of directors (or, for a noncorporate entity, equivalent body or committee) of the entity resulting from such Business Combination were Incumbent Directors (as defined below) at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iii) A majority of the individuals who, as of the Effective Date, constitute the Board (the “Incumbent Directors”) are replaced within a twelve (12) month period; *provided, however*, that, for purposes of this § 6(a)(iii), any individual who becomes a member of the Board subsequent to the Effective Date whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least a majority of those individuals who are members of the Board and who were also Incumbent Directors (or deemed to be such pursuant to this proviso) shall be considered Incumbent Directors; *provided, further*, that any individual who was elected to the Board as a result of an 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 any “person” (such term for purposes of this definition being as defined in § 3(a)(9) of the Exchange Act, and as used in § 13(d)(3) and § 14(d)(2) of the Exchange Act) other than the Incumbent Directors shall not be considered an Incumbent Director.

(b) For purposes of this Agreement, a “§ 409A Change in Control” shall mean a “Change in Control” which also constitutes a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company, all within the meaning of § 409A of the Internal Revenue Code of 1986, as amended (the “Code”).

(c) For the avoidance of doubt, the occurrence of the Effective Date and the closing of the transaction contemplated by the Agreement and Plan of Merger by and between Total System Services, Inc. and the Company dated as of May 27, 2019 shall not be considered a “Change in Control” for purposes of this Agreement.

7 Termination of Employment.

(a) Death, Retirement or Disability. Executive’s employment and the Employment Period shall terminate automatically upon Executive’s death or Retirement. For purposes of this Agreement, “Retirement” shall mean Executive’s voluntary resignation of employment on or after attaining age fifty-five (55) with at least ten (10) years of service. If the Committee determines in good faith that the Disability of Executive has occurred (pursuant to the definition of Disability set forth in this § 7(a)), the Company may give to Executive written notice of its intention to terminate Executive’s employment. In such event, Executive’s employment with the Company shall terminate effective on the thirtieth (30th) day after receipt of such written notice by Executive (the “Disability Effective Date”), *provided* that, within the thirty (30) days after such receipt, Executive shall not have returned to full-time performance of Executive’s duties. For purposes of this Agreement, “Disability” shall mean the inability of Executive, as determined by the Committee, to substantially perform the essential functions of his regular duties and responsibilities with or without reasonable accommodation, due to a medically determinable physical or mental illness or other disability which has lasted (or can reasonably be expected to last) for a substantially continuous period of at least six (6) consecutive months.

(b) Termination by the Company With or Without Cause. The Company may terminate Executive’s employment with or without Cause. For all purposes under this Agreement, “Cause” shall mean a determination by the Committee that:

(i) Executive has failed to perform substantially Executive’s duties and responsibilities under this Agreement (other than any such failure resulting from incapacity due to physical

or mental illness, and specifically excluding any failure by Executive, after reasonable efforts, to meet reasonable performance expectations), after a written demand for substantial performance is delivered to Executive by the Chief Executive Officer or the Chairman of the Committee which specifically identifies the manner in which such person believes that Executive has failed to substantially perform Executive's duties and responsibilities and which has not been cured to the reasonable satisfaction of such person within ten (10) business days of the written demand delivered to Executive; or

(ii) Executive engaged in any act of fraud, misappropriation, embezzlement or similar dishonest or wrongful act, including, without limitation, any violation of the Sarbanes-Oxley Act or similar laws or legal standards, but excluding for this purpose any non-criminal violation of Sarbanes-Oxley or similar laws or legal standards that has no significant adverse impact on the Company or its reputation and does not involve dishonesty or render Executive ineligible for any licensing, bonding or insurance coverage or for employment or engagement in any Company work or activity; or

(iii) Executive has engaged in the abuse of alcohol, prescription drugs or any substance which materially interferes with Executive's ability to perform Executive's duties and responsibilities under this Agreement or Executive has engaged in the use of illegal drugs; or

(iv) Executive has violated any laws, agreements or written Company policies or codes prohibiting employment discrimination, harassment, conflicts of interest, retaliation, competition with the Company, solicitation of Company customers or employees on behalf of anyone other than Company, improper use or disclosure of Trade Secrets, Confidential Information or other proprietary information of the Company; or

(v) Executive has committed, been convicted for, or entered a plea of guilty or *nolo contendere* (or any plea of similar substance or effect) to, a felony or a crime involving dishonesty or other moral turpitude.

(c) Resignation by Executive. Executive may resign for "Good Reason" or no reason. For all purposes under this Agreement, "Good Reason" shall mean the occurrence of any of the following circumstances without the written consent of Executive:

(i) a material adverse reduction in Executive's position, duties or responsibilities; or

(ii) a reduction by the Company: (A) in Executive's Base Salary as in effect on the Effective Date or as the same may be increased from time to time (unless a similar reduction is made in the salary of similarly situated senior executives); (B) in Executive's Target Bonus Opportunity below the minimum set forth in § 5(b)(i) (unless a similar reduction is made in the bonus opportunity of similarly situated senior executives); or (C) in the benefits pursuant to the Welfare Plans (unless a similar reduction is made in the benefits of similarly situated senior executives); or

(iii) any failure by the Company to comply with and satisfy § 16(c); or

(iv) a requirement that Executive be based in any office or location other than in the greater metropolitan area of Atlanta, Georgia; or

(v) any material breach by the Company of the terms of this Agreement.

Notwithstanding the foregoing, no event or act or omission shall constitute "Good Reason" under this § 7(c) unless (x) Executive in accordance with § 17(f) provides notice of such event or act or omission to the Committee no later than thirty (30) days after Executive has knowledge of such event or act or omission, (y) the Committee fails to remedy such event or act or omission within thirty (30) days of the receipt of such notice (the "Cure Period") and (z) Executive resigns effective no later than ninety (90) days after the end of the Cure Period.

(d) Notice of Termination. Any termination by the Company or resignation by Executive shall be communicated by Notice of Termination to the other party hereto given in accordance with § 17(f). For purposes of this Agreement, a “Notice of Termination” means a written notice which (i) states the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive’s employment under the provision so indicated and (iii) specifies the applicable Date of Termination. The failure by Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of Executive or the Company, respectively, hereunder or preclude Executive or the Company, respectively, from asserting such fact or circumstance in enforcing Executive’s or the Company’s rights hereunder.

(e) Date of Termination, Separation from Service and Applicable Pay Date.

(i) “Date of Termination” means (1) if Executive resigns for Good Reason, the date specified in the Notice of Termination, *provided* that (A) the Committee may specify any earlier Date of Termination and (B) the Date of Termination specified in the notice shall not be less than sixty (60) days after the date of delivery of the notice if the resignation is for Good Reason following a Change in Control, (2) if Executive’s employment is terminated by the Company other than by reason of Disability, the date of receipt of the Notice of Termination, or any later date specified therein, or (3) if Executive’s employment is terminated by reason of death, Disability or Retirement, the Date of Termination will be the date of death or Retirement, or the Disability Effective Date, as the case may be.

(ii) “Separation from Service” means a “separation from service” within the meaning of § 409A of the Code which occurs in connection with Executive’s termination of employment, and the Company and Executive acknowledge and agree that such a “separation from service” may come before, after or coincide with Executive’s Date of Termination.

(iii) “Applicable Pay Date” means the date that Executive has a Separation from Service (which date shall be referred to as the “Immediate Pay Date”) or, if the Company determines that making a payment or providing a benefit to Executive on the Immediate Pay Date would require the Company to report all or any part of such payment or benefit to the Internal Revenue Service as subject to taxation under § 409A of the Code, the date that is six (6) months and one (1) day after the date Executive has a Separation from Service (which date shall be referred to as the “Delayed Pay Date”).

8 Obligations of the Company upon Termination.

(a) Prior to a Change in Control: Resignation by Executive for Good Reason; Termination by the Company Other Than for Cause, Death or Disability. If, prior to a Change in Control or on or after the second (2nd) anniversary of the date of a Change in Control, the Company terminates Executive’s employment other than for Cause, death or Disability or Executive resigns for Good Reason, then (and with respect to the payments and benefits described in clauses (ii) through (x) of this § 8(a), only if Executive executes (and does not revoke) a Release in substantially the form of Exhibit A hereto (the “Release”) within sixty (60) days of the Date of Termination):

(i) the Company will pay to Executive in a lump sum in cash within thirty (30) days after the Date of Termination the sum of (A) Executive’s Base Salary (as in effect on the Date of Termination) earned through the Date of Termination to the extent not theretofore paid, (B) Executive’s business expenses for which reimbursement has been requested pursuant to the Company’s expense reimbursement policy but which have not been reimbursed before Executive’s applicable Date of Termination and (C) Executive’s Annual Bonus, if any, earned for the fiscal year immediately preceding the fiscal year in which the Date of Termination occurs, if such bonus has been certified as payable by the Committee but has not been paid before the Date of Termination (the sum of the amounts described in clauses (A), (B) and (C) shall be referred to as the “Accrued Obligations”); and

(ii) (A) if the Applicable Pay Date is the Delayed Pay Date, the Company will pay Executive on the Delayed Pay Date a lump sum equal to the amount of the Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary) Executive would have earned if Executive had been continuously employed by Company from the Date of Termination until the Delayed Pay Date or (B) if the Applicable Pay Date is the Immediate Pay Date, the Company will continue to pay Executive an amount equal to his monthly Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary) until payments begin under § 8(a)(iii) without any duplication of payments between this § 8(a)(ii) and § 8(a)(iii); and

(iii) commencing on the seven (7)-month anniversary of the date Executive has a Separation from Service, the Company will continue to pay Executive an amount equal to Executive's monthly Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary), payable in equal monthly or more frequent installments in accordance with the Company's then standard payroll practices for a period of twelve (12) consecutive months; and

(iv) as additional severance (and not in lieu of any bonus for the fiscal year in which the Date of Termination occurs), the Company will pay Executive a lump sum equal to one and one-half (1½) times the amount of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity) on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service; and

(v) the Company shall pay to Executive a lump sum cash amount within sixty (60) days following the Date of Termination equal to the product of (A) eighteen (18) multiplied by (B) one hundred percent (100%) of the monthly premiums for continuation of health care coverage under the Company's group health plan for purposes of continuation coverage under § 4980B of the Code ("COBRA") with respect to the maximum level of coverage in effect for Executive and his spouse and dependents as of immediately prior to the Date of Termination; and

(vi) the Company will pay Executive a pro-rated annual bonus for the fiscal-year in which the Date of Termination occurs equal to (i) the amount Executive would have earned, if any, under § 5(b)(i) for the year of termination based on actual financial performance for such fiscal year, times (ii) a fraction, the numerator of which is the number of full months in the fiscal year preceding the Date of Termination and the denominator of which is twelve (12); *provided* that such bonus shall be paid only if the pre-established performance targets are in fact certified by the Committee to have been met, and such bonus shall be paid in a single lump sum cash payment no later than two and one-half (2½) months after the end of the fiscal year in which the bonus is earned; *provided further* that if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, such prorated bonus shall be calculated based on Executive's Target Bonus Opportunity as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity; and

(vii) all restricted Company Common Stock or units which represent shares of Company Common Stock, excluding those that are subject to performance conditions ("Restricted Stock"), granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(viii) all options to acquire Company Common Stock or appreciation rights with respect to shares of Company Common Stock ("Options") granted to Executive following the Effective Date and

held by Executive as of the Date of Termination that would have become vested (by lapse of time) within the twenty-four (24) month period immediately following the Date of Termination had Executive remained employed during such period will become immediately vested as of the Date of Termination; and

(ix) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to § 8(a)(viii)) shall remain exercisable through the earlier of (A) the original expiration date of the Option, (B) the ninetieth (90th) day following the Date of Termination, or (C) the date that is the tenth (10th) anniversary of the original date of grant of the Option; and

(x) any restricted Company Common Stock or units which represent shares of Company Common Stock contingent on the satisfaction of the related performance requirements (“Performance Restricted Stock”) granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) If the Date of Termination occurs during the first year of a Performance Cycle (as defined in the applicable award agreement), a portion of the total shares of Company Common Stock subject to such award, pro-rated based on the number of days elapsed in the Performance Cycle as of the Date of Termination, shall vest assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(2) If the Date of Termination occurs after the first year of a Performance Cycle, a portion of the total shares of Company Common Stock subject to such award, pro-rated based on the number of days elapsed in the Performance Cycle as of the Date of Termination (it being understood that proration shall not apply if the Date of Termination occurs after the end of the Performance Cycle but prior to the settlement date of the award), shall vest based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); *provided, however*, if Executive is Retirement-eligible on the Date of Termination, such Performance Restricted Stock shall be treated in accordance with § 8(d)(v)(1) and not this § 8(a)(x); and

(xi) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company any other amounts or benefits, including but not limited to, previously earned but unpaid annual incentive awards, previously earned but unpaid long-term incentive awards, and properly documented and approved but unpaid business expenses, required to be paid or provided or which Executive is eligible to receive under any such plan, program, policy or practice or contract or agreement of the Company (such other amounts and benefits shall be hereinafter referred to as the “Other Benefits”);

(b) After or in Connection with a Change in Control: Resignation by Executive for Good Reason: Termination by the Company Other Than for Cause, Death or Disability. If there occurs a Change in Control and the Company terminates Executive’s employment other than for Cause, death or Disability before the second (2nd) anniversary of such Change in Control or Executive resigns for Good Reason before the second (2nd) anniversary of such Change in Control, then (and with respect to the payments and benefits described in clauses (ii) through (ix) of this § 8(b), only if Executive executes (and does not revoke) the Release within sixty (60) days of the Date of Termination):

(i) the Company (or its successor) shall pay to Executive the Accrued Obligations in a lump sum in cash within thirty (30) days after the Date of Termination; and

(ii) the Company (or its successor) will pay Executive two (2) times the amount of Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) as in effect immediately prior to such reduction in Base Salary). If the Change in Control is a § 409A Change in Control, the two (2) times Base Salary amount payable under this § 8(b)(ii) will be paid in a single lump sum on the Applicable Pay Date. However, if the Change in Control is not a § 409A Change in Control, the two (2) times Base Salary amount payable under this § 8(b)(ii) will be paid in three (3) parts-

- (A) the first part will be paid in the amount and at the time and in form called for in § 8(a)(ii),
- (B) the second part will be paid in the amount and at the time and in the form called for in § 8(a)(iii), and
- (C) the balance will be paid in a single lump sum on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service; and

(iii) as additional severance (and not in lieu of any bonus for the fiscal year in which the Date of Termination occurs), the Company (or its successor) will pay Executive a lump sum equal to two (2) times the amount of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity) on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service; and

(iv) the Company shall pay to Executive a lump sum cash amount within sixty (60) days following the Date of Termination equal to the product of (A) eighteen (18) multiplied by (B) one hundred percent (100%) of the monthly premiums for continuation of health care coverage under the Company's group health plan for purposes of continuation coverage under COBRA with respect to the maximum level of coverage in effect for Executive and his spouse and dependents as of immediately prior to the Date of Termination; and

(v) Executive will be entitled to a pro-rated bonus under § 5(b)(i) for the fiscal year in which the Date of Termination occurs, the amount and timing of which shall depend upon when the Date of Termination occurs, as follows:

(1) if the Date of Termination occurs before the end of the fiscal year in which the Change in Control occurred, the pro-rated bonus will equal (i) one hundred percent (100%) of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity), times (ii) a fraction, the numerator of which is the number of full months in the fiscal year preceding the Date of Termination and the denominator of which is twelve (12), and such pro-rated bonus shall be paid no later than two and one-half (2½) months after the end of the Company's fiscal year which includes Executive's Date of Termination; or

(2) if the Date of Termination occurs during a fiscal year that began after the Change in Control occurred, the pro-rated bonus (based on the number of full months in the fiscal year preceding the Date of Termination as described in § 8(b)(v)(1)) will be based on actual performance results as certified by the Committee at the end of the fiscal year and will be paid to Executive no later than two and one-half (2½) months after the end of the Company's fiscal year which includes Executive's Date of Termination; *provided* that if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, such prorated bonus shall be calculated based on Executive's Target Bonus Opportunity as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity; and

(vi) all Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(vii) all Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested and exercisable as of the Date of Termination; and

(viii) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to § 8(b)(vii)) will remain exercisable through the earlier of (A) the original expiration date of the Option, or (B) the ninetieth (90th) day following the Date of Termination, or (C) the date that is the tenth (10th) anniversary of the original date of grant of the Option; and

(ix) any Performance Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) If the Date of Termination occurs during the first year of a Performance Cycle, the award shall vest in full (without proration) assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(2) If the Date of Termination occurs after the first year of a Performance Cycle, the award shall vest in full (without proration) based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); *provided, however*, if Executive is Retirement-eligible on the Date of Termination, such Performance Restricted Stock shall be treated in accordance with § 8(d)(iv)(1) and not this § 8(b)(ix); and

(x) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive his Other Benefits pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company.

(c) In Anticipation of a Change in Control: Termination by the Company Other Than for Cause, Death or Disability or Resignation by Executive for Good Reason. If Executive's employment is terminated by the Company other than for Cause, death or Disability or Executive resigns for Good Reason after the issuance of press release or a filing is made with the Securities and Exchange Commission regarding a transaction which could lead to a Change in Control and there is a Change in Control as a result of the consummation of such transaction no later than nine (9) months and one (1) day after the date of Executive's Separation from Service, then

(i) Executive will continue to be eligible to receive his benefits under § 8(a) in the amount and form and at the time provided in § 8(a), but

(ii) Executive will in addition receive the benefits described in § 8(b), if greater, as if his employment had been terminated without Cause or he had resigned for Good Reason at the consummation of such Change in Control, *provided* Executive immediately following the Change in Control shall have timely executed and not revoked the Release described in § 8(b), and, *further provided*

(1) there will under no circumstances be any duplication whatsoever of any payments or benefits between this § 8(c)(ii) and § 8(c)(i);

(2) the additional severance benefits provided under § 8(b)(ii)(C) will be paid in a single lump sum on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service;

(3) the severance benefits provided under § 8(b)(iii) will be paid in lieu of the severance benefits contemplated by § 8(a)(iv) in a single lump sum on the date that is nine (9) months and one (1) day after the date of Executive's Separation from Service;

(4) if the Change in Control occurs before the date the pro-rated annual bonus provided under § 8(a)(vi) is scheduled to be paid, then Executive will be entitled to the greater of either the pro-rated annual bonus determined and paid under § 8(a)(vi) or the pro-rated bonus determined under § 8(b)(v)(1) but paid in the form and at the time called for under § 8(a)(vi);

(5) any outstanding Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination which failed to vest under § 8(a)(viii) will vest under § 8(b)(vii) at the Change in Control, and the date of the Change in Control will be treated under § 8(b)(viii) as Executive's Date of Termination; and

(6) if the Change in Control occurs before settlement of Performance Restricted Shares granted to Executive following the Effective Date and held by Executive as of the Date of Termination, Executive will be entitled to the number of shares of Company Common Stock to be delivered under § 8(b)(ix), which will be delivered in the form and at the time such shares of Company Common Stock are otherwise scheduled to be delivered under § 8(a)(x).

(d) Death, Disability or Retirement. Upon the Date of Termination due to Executive's death, Disability or Retirement:

(i) the Company shall pay to Executive the Accrued Obligations in a lump sum in cash within thirty (30) days after the Date of Termination; and

(ii) all Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(iii) all Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested and exercisable as of the Date of Termination; and

(iv) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to the foregoing sentence) shall remain exercisable through the earliest of (A) the original expiration date of the Option, (B) the ninetieth (90th) day following the Date of Termination or such longer period as specified in the plan document governing the applicable award, or (C) the date that is the 10th anniversary of the original date of grant of the Option; and

(v) any grant of Performance Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) in the case of termination on account of Retirement only, the award shall vest in full (without proration) based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); or

(2) in the case of termination on account of death or Disability only, the award shall vest in full (without proration) assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(vi) for the period of months required by COBRA after the Date of Termination due to Executive's death, Disability or Retirement, Executive or his dependents shall have the right to elect continuation of healthcare coverage under the Company's group plan (if allowed by the plan) in accordance with COBRA, *provided* Executive or his dependents shall pay the entire cost of such coverage; and

(vii) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive his Other Benefits pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company. The term Other Benefits as used in this § 8(d) shall include, without limitation, and Executive or his estate and/or beneficiaries shall be entitled to receive, benefits under such plans, programs, practices and policies relating to death, disability or retirement benefits, if any, as are applicable to Executive on the Date of Termination.

(e) Cause or Voluntary Resignation without Good Reason. Regardless of whether or not a Change in Control shall have occurred, if Executive's employment is terminated for Cause, or if Executive voluntarily resigns without Good Reason, the Company's obligations under this Agreement to Executive shall terminate, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid to Executive in a lump sum in cash within thirty (30) days after the Date of Termination. For the period required by COBRA after the Date of Termination for Cause or for the voluntary resignation by Executive, Executive shall have the right to elect continuation of healthcare coverage under the Company's group plan in accordance with COBRA, *provided* Executive shall pay the entire cost of such coverage.

(f) Full Settlement. Subject to § 17(d), the payments and benefits provided under this § 8 shall be in full satisfaction of the obligations of the Company and its affiliates to Executive under this Agreement or any other plan, agreement, policy or arrangement of the Company and its affiliates upon his termination of employment.

9 Non-exclusivity of Rights. Nothing in this Agreement shall prevent or limit Executive's continuing or future participation in any plan, program, policy or practice provided by the Company and for which Executive may qualify, nor, subject to § 17(d), shall anything herein limit or otherwise affect such rights as Executive may have under any contract or agreement with the Company. Amounts which are vested benefits or which Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

10 Treatment of Certain Payments.

(a) Anything in the Agreement 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 Executive to the excise tax under § 4999 of the Code, the Accounting Firm shall determine whether to reduce any of the Payments paid or payable pursuant to the Agreement (the "Agreement Payments") so that the Parachute Value (as defined below) of all Payments, in the aggregate, equals the Safe Harbor Amount (as defined below). The

Agreement Payments shall be so reduced only if the Accounting Firm determines that Executive would have a greater Net After-Tax Receipt (as defined below) of aggregate Payments if the Agreement Payments were so reduced. If the Accounting Firm determines that Executive would not have a greater Net After-Tax Receipt of aggregate Payments if the Agreement Payments were so reduced, Executive shall receive all Agreement Payments to which Executive is entitled hereunder.

(b) If the Accounting Firm determines that Agreement 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 Executive notice to that effect and a copy of the detailed calculation thereof. All determinations made by the Accounting Firm under this § 10 shall be binding upon the Company and Executive and shall be made as soon as reasonably practicable and in no event later than fifteen (15) days following the Date of Termination. For purposes of reducing the Agreement Payments so that the Parachute Value of all Payments, in the aggregate, equals the Safe Harbor Amount, only amounts payable under the Agreement (and no other Payments) shall be reduced. The reduction of the amounts payable hereunder, if applicable, shall be made by reducing the payments and benefits in the following order: (i) cash payments that may not be valued under Treas. Reg. § 1.280G-1, Q&A-24(c) (“24(c)”), (ii) equity-based payments that may not be valued under 24(c), (iii) cash payments that may be valued under 24(c), (iv) equity-based payments that may be valued under 24(c) and (v) other types of benefits. With respect to each category of the foregoing, such reduction shall occur first with respect to amounts that are not “deferred compensation” within the meaning of § 409A of the Code and next with respect to payments that are deferred compensation, in each case, beginning with payments or benefits that are to be paid the farthest in time from the Accounting Firm’s determination. All fees and expenses of the Accounting Firm shall be borne solely by the Company.

(c) As a result of the uncertainty in the application of § 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that amounts will have been paid or distributed by the Company to or for the benefit of Executive pursuant to this Agreement that should not have been so paid or distributed (each, an “Overpayment”) or that additional amounts that will have not been paid or distributed by the Company to or for the benefit of Executive pursuant to this Agreement could have been so paid or distributed (each, an “Underpayment”). In the event that the Accounting Firm, based upon the assertion of a deficiency by the Internal Revenue Service against the Company or Executive that the Accounting Firm believes has a high probability of success determines that an Overpayment has been made, any such Overpayment paid or distributed by the Company to or for the benefit of Executive shall be repaid by Executive to the Company (as applicable) together with interest at the applicable federal rate provided for in § 7872(f)(2) of the Code; *provided, however*, that no such repayment shall be required if and to the extent such deemed repayment would not either reduce the amount on which Executive is subject to tax under § 1 and § 4999 of the Code or generate a refund of such taxes. In the event that the Accounting Firm, based upon controlling precedent or substantial authority, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid by the Company to or for the benefit of Executive together with interest at the applicable federal rate provided for in § 7872(f)(2) of the Code.

(d) To the extent requested by Executive, the Company shall cooperate with Executive in good faith in valuing, and the Accounting Firm shall take into account the value of, services provided or to be provided by Executive (including, without limitation, Executive’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 § 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 § 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 § 280G of the Code in accordance with Q&A-5(a) of the final regulations under § 280G of the Code.

(e) The following terms shall have the following meanings for purposes of this § 10:

(i) “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 § 280G of the Code that is selected by the Company prior to a Change in Control for purposes of making the applicable determinations hereunder and is reasonably acceptable to Executive, which firm shall not, without Executive’s consent, be a firm serving as accountant or auditor for the individual, entity or group effecting the Change in Control.

(ii) “Net After-Tax Receipt” shall mean the present value (as determined in accordance with § 280G(b)(2)(A)(ii) and § 280G(d)(4) of the Code) of a Payment net of all taxes imposed on Executive with respect thereto under § 1 and § 4999 of the Code and under applicable state and local laws, determined by applying the highest marginal rate under § 1 of the Code and under state and local laws which applied to Executive’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 Executive in the relevant tax year(s).

(iii) “Parachute Value” of a Payment shall mean the present value as of the date of the change in control for purposes of § 280G of the Code of the portion of such Payment that constitutes a “parachute payment” under § 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 § 4999 of the Code will apply to such Payment.

(iv) “Payment” shall mean any payment or distribution in the nature of compensation (within the meaning of § 280G(b)(2) of the Code) to or for the benefit of Executive, whether paid or payable pursuant to the Agreement or otherwise.

(v) “Safe Harbor Amount” shall mean 2.99 times Executive’s “base amount,” within the meaning of § 280G(b)(3) of the Code.

(f) The provisions of this § 10 shall survive the expiration of the Agreement.

11 Costs of Enforcement. In no event shall Executive be obligated to seek other employment by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not Executive obtains other employment. In any action taken in good faith relating to the enforcement of this Agreement or any provision herein, including any arbitration provision in § 14, Executive shall be entitled to be paid any and all costs and expenses incurred by him in enforcing or establishing his rights thereunder, including, without limitation, reasonable attorneys’ fees, and whether or not incurred in trial, bankruptcy or appellate proceedings, but only if Executive is successful on at least one material issue raised in the enforcement proceeding. Any costs or expenses that otherwise meet the requirements for reimbursement under this § 11 shall be reimbursed within one hundred and twenty (120) days of submission by Executive of a request for reimbursement, but in no event later than the last day of Executive’s taxable year following the taxable year in which Executive becomes entitled to such reimbursement by reason of being successful on at least one material issue (provided a request for reimbursement has been made).

12 Representations and Warranties. Executive hereby represents and warrants to the Company that Executive is not a party to, or otherwise subject to, any covenant not to compete with any person or entity other than a contract with his current employer, a copy of which has been provided to the Company.

13 Restrictions on Conduct of Executive.

(a) General. Executive and the Company understand and agree that the purpose of the provisions of this § 13 is to protect legitimate business interests of the Company, as more fully described below, and is not intended to eliminate Executive’s post-employment competition with the Company per se, nor is it intended to impair or infringe upon Executive’s right to work, earn a living, or acquire and possess property from the fruits of his labor. Executive hereby acknowledges that the post-employment restrictions set forth in this § 13 are reasonable and that they do not, and will not, unduly impair his ability to earn a living after the termination of this Agreement.

Therefore, subject to the limitations of reasonableness imposed by law, Executive shall be subject to the restrictions set forth in this § 13. For the purposes of this § 13, "Company" shall be deemed to include the Company and all its parents, affiliates, subsidiaries and successors.

(b) Definitions. The following terms used in this § 13 shall have the meanings assigned to them below, which definitions shall apply to both the singular and the plural forms of such terms:

"Competitive Position" means any employment with a Competitor in which Executive has duties for such Competitor that relate to Competitive Services.

"Competitive Services" means services competitive with the business activities engaged in by the Company or an affiliate as of the date of termination of Grantee's employment for any reason or any earlier date of an alleged breach by Grantee of the restrictions in § 13 hereof, which include, but are not limited to, the provision of products and services to facilitate or assist with the movement in electronic commerce of payment and financial information, merchant acquiring, demand deposit accounts and other financial service solutions to the underbanked and other consumers and businesses, payment solutions to card issuers, and software, payroll and processing solutions.

"Competitor" means any individual, corporation, partnership, joint venture, limited liability company, association, or other entity or enterprise which is engaged, wholly or in part, in Competitive Services.

"Confidential Information" means all information regarding the Company, its activities, business or clients that is the subject of reasonable efforts by the Company to maintain its confidentiality and that is not generally disclosed by practice or authority to persons not employed by the Company, but that does not rise to the level of a Trade Secret. "Confidential Information" shall include, but is not limited to, financial plans and data concerning the Company; management planning information; business plans; operational methods; market studies; marketing plans or strategies; product development techniques or plans; lists of current or prospective customers; details of customer contracts; current and anticipated customer requirements; past, current and planned research and development; business acquisition plans; and new personnel acquisition plans. "Confidential Information" shall not include information that has become generally available to the public by the act of one who has the right to disclose such information without violating any right or privilege of the Company. This definition shall not limit any definition of "confidential information" or any equivalent term under state or federal law.

"Determination Date" means the date of termination of Executive's employment with the Company for any reason whatsoever or any earlier date of an alleged breach of the Restrictive Covenants by Executive.

"Person" means any individual or any corporation, partnership, joint venture, limited liability company, association or other entity or enterprise.

"Principal or Representative" means a principal, owner, partner, shareholder, joint venturer, investor, member, trustee, director, officer, manager, employee, agent, representative or consultant.

"Protected Customers" means any Person to whom the Company has sold or provided its products or services during the twelve (12) months prior to the Determination Date.

"Protected Employees" means employees of the Company who were employed by the Company at any time within six (6) months prior to the Determination Date.

"Restricted Period" means the Employment Period and a period extending two (2) years from the termination of Executive's employment with the Company.

"Restricted Territory" means the area in which the Company or an affiliate conducts business, which includes without limitation the entire United States and its territories and possessions.

"Restrictive Covenants" means the restrictive covenants contained in § 13(c) hereof.

“Trade Secret” means all information, without regard to form, including, but not limited to, technical or non-technical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, distribution lists or a list of actual or potential customers, advertisers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Without limiting the foregoing, Trade Secret means any item of Confidential Information that constitutes a “trade secret” under the common law or applicable state law.

(c) Restrictive Covenants.

(i) Restriction on Disclosure and Use of Confidential Information and Trade Secrets. Executive understands and agrees that the Confidential Information and Trade Secrets constitute valuable assets of the Company and its affiliated entities, and may not be converted to Executive’s own use. Accordingly, Executive hereby agrees that Executive shall not, directly or indirectly, at any time during the Employment Period or at any time following the end of the Employment Period for any reason reveal, divulge, or disclose to any Person not expressly authorized by the Company any Confidential Information, and Executive shall not, directly or indirectly, at any time during the Employment Period or at any time following the end of the Employment Period for any reason use or make use of any Confidential Information in connection with any business activity other than that of the Company. Throughout the term of this Agreement and at all times after the date that this Agreement terminates for any reason, Executive shall not directly or indirectly transmit or disclose any Trade Secret of the Company to any Person, and shall not make use of any such Trade Secret, directly or indirectly, for himself or for others, without the prior written consent of the Company. The parties acknowledge and agree that this Agreement is not intended to, and does not, alter either the Company’s rights or Executive’s obligations under any state or federal statutory or common law regarding trade secrets and unfair trade practices.

Executive understands that nothing in this § 13 or this Agreement prohibits or limits Executive from: (i) disclosing information that is required to be disclosed by law, court order or other valid and appropriate legal process; *provided, however*, that in the event such disclosure is required by law, Executive shall provide the Company with prompt notice of such requirement so that the Company may seek an appropriate protective order prior to any such required disclosure by Executive; (ii) reporting possible violations of federal, state, or local law or regulation to any governmental agency or entity, or from making other disclosures that are protected under the whistleblower provisions of federal, state, or local law or regulation, and Executive shall not need the prior authorization of the Company to make any such reports or disclosures and shall not be required to notify the Company that Executive has made such reports or disclosures; (iii) disclosing a trade secret (as defined by 18 U.S.C. § 1839) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, in either event solely for the purpose of reporting or investigating a suspected violation of law; or (iv) disclosing a trade secret (as defined by 18 U.S.C. § 1839) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal and that Executive shall not be held civilly or criminally liable for disclosures covered by clauses (iii) or (iv).

(ii) Non-solicitation of Protected Employees. Executive understands and agrees that the relationship between the Company and each of its Protected Employees constitutes a valuable asset of the Company and may not be converted to Executive’s own use. Accordingly, Executive hereby agrees that during the Restricted Period Executive shall not directly or indirectly on Executive’s own behalf or as a Principal or Representative of any Person or otherwise solicit or induce any Protected Employee with whom Executive worked or otherwise had material contact through his employment with the Company to terminate his or her employment relationship with the Company or to enter into employment with any other Person.

(iii) Restriction on Relationships with Protected Customers. Executive understands and agrees that the relationship between the Company and each of its Protected Customers constitutes a valuable asset of the Company and may not be converted to Executive's own use. Accordingly, Executive hereby agrees that, during the Restricted Period, Executive shall not, without the prior written consent of the Company, directly or indirectly, on Executive's own behalf or as a Principal or Representative of any Person, solicit, divert, take away or attempt to solicit, divert or take away a Protected Customer for the purpose of providing or selling Competitive Services; *provided, however*, that the prohibition of this covenant shall apply only to Protected Customers with whom Executive had Material Contact on the Company's behalf during the twelve (12) months immediately preceding the termination of his employment hereunder. For purposes of this Agreement, Executive shall be deemed to have "Material Contact" with a Protected Customer if he had business dealings with the Protected Customer on the Company's behalf.

(iv) Non-competition with the Company. The parties acknowledge: (A) that Executive's services under this Agreement require special expertise and talent in the provision of Competitive Services and that Executive will have substantial contacts with customers, suppliers, advertisers and vendors of the Company; (B) that pursuant to this Agreement, Executive will be placed in a position of trust and responsibility and he will have access to a substantial amount of Confidential Information and Trade Secrets and that the Company is placing him in such position and giving him access to such information in reliance upon his agreement not to compete with the Company during the Restricted Period; (C) that due to his management duties, Executive will be the repository of a substantial portion of the goodwill of the Company and would have an unfair advantage in competing with the Company; (D) that due to Executive's special experience and talent, the loss of Executive's services to the Company under this Agreement cannot reasonably or adequately be compensated solely by damages in an action at law; (E) that Executive is capable of competing with the Company; and (F) that Executive is capable of obtaining gainful, lucrative and desirable employment that does not violate the restrictions contained in this Agreement. In consideration of the compensation and benefits being paid and to be paid by the Company to Executive hereunder, Executive hereby agrees that, during the Restricted Period, Executive will not, without prior written consent of the Company, directly or indirectly seek or obtain a Competitive Position in the Restricted Territory; *provided, however*, that (1) the provisions of this Agreement shall not be deemed to prohibit the ownership by Executive of any securities of the Company or its affiliated entities or not more than five percent (5%) of any class of securities of any corporation having a class of securities registered pursuant to the Exchange Act; (2) for purposes of this § 13(c)(iv) only, the Restricted Period shall be reduced to eighteen (18) months if Executive's employment is terminated by Company or Executive pursuant to § 8(a) (Prior to a Change in Control: Resignation by Executive for Good Reason; Termination by the Company Other Than for Cause, Death or Disability); and (3) this § 13(c)(iv) shall lapse and terminate at the end of the Employment Period if the Company gives notice to Executive pursuant to § 3 that this Agreement will not be extended.

(d) Enforcement of Restrictive Covenants.

(i) Rights and Remedies Upon Breach. In the event Executive breaches, or threatens to commit a breach of, any of the provisions of the Restrictive Covenants, the Company shall have the following rights and remedies, which shall be independent of any others and severally enforceable, and shall be in addition to, and not in lieu of, any other rights and remedies available to the Company at law or in equity:

(1) the right and remedy to enjoin, preliminarily and permanently, Executive from violating the Restrictive Covenants and to have the Restrictive Covenants specifically enforced by any court of competent jurisdiction, it being agreed that any breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Company and that money damages would not provide an adequate remedy to the Company;

(2) the right and remedy to require Executive to account for and pay over to the Company all compensation, profits, monies, accruals, increments or other benefits derived or received by Executive as the result of any transactions constituting a breach of the Restrictive Covenants; and

(3) the right and remedy to cease paying and to the return of any termination-related payments or benefits (other than the Accrued Obligations or Other Benefits) if Executive violates any of the Restrictive Covenants and fails to remedy such violation to the reasonable satisfaction of the Chief Executive Officer within ten (10) days of written notice of such violation.

(ii) Severability of Covenants. Executive acknowledges and agrees that the Restrictive Covenants are reasonable and valid in time and scope and in all other respects. The covenants set forth in this Agreement shall be considered and construed as separate and independent covenants. Should any part or provision of any covenant be held invalid, void or unenforceable in any court of competent jurisdiction, such invalidity, voidness or unenforceability shall not render invalid, void or unenforceable any other part or provision of this Agreement. If any portion of the foregoing provisions is found to be invalid or unenforceable by a court of competent jurisdiction because its duration, the territory, the definition of activities or the definition of information covered is considered to be invalid or unreasonable in scope, the invalid or unreasonable term shall be redefined, or a new enforceable term provided, such that the intent of the Company and Executive in agreeing to the provisions of this Agreement will not be impaired and the provision in question shall be enforceable to the fullest extent of the applicable laws. This § 13 shall survive the expiration or termination of this Agreement, *provided, however*, that the non-competition covenants set forth in § 13(c)(iv) shall not survive and shall terminate at the end of the Employment Period if the Company gives notice to Executive pursuant to § 3 that this Agreement will not be extended.

14 Arbitration. Any claim or dispute arising under this Agreement (other than under § 13) shall be subject to arbitration, and prior to commencing any court action, the parties agree that they shall arbitrate all such controversies. The arbitration shall be conducted in Atlanta, Georgia, in accordance with the Employment Dispute Rules of the American Arbitration Association and the Federal Arbitration Act, 9 U.S.C. §1, *et. seq.* The arbitrator(s) shall be authorized to award both liquidated and actual damages, in addition to injunctive relief, but no punitive damages. The arbitrator(s) shall also award attorney's fees and costs, without regard to any restriction on the amount of such award under Georgia or other applicable law, as required under § 11. Such an award shall be binding and conclusive upon the parties hereto, subject to 9 U.S.C. § 10. Each party shall have the right to have the award made the judgment of a court of competent jurisdiction.

Initials of parties as to this § 14:

Company: JSS

Executive: DLG

15 Rabbi Trust. In order to ensure the payment of the severance benefit provided for in §§ 8(b)(ii) and (iii) of this Agreement, immediately following the commencement of any action by a third party with the aim of effecting a Change in Control, or the publicly announced threat by a third party to commence any such action, the Company shall fully fund through the Global Payments Inc. Benefit Security Trust, or similar "rabbi trust" the amount of the severance payment that would have been paid to Executive under §§ 8(b)(ii) and (iii) if the Date of Termination had occurred on the date of commencement, or publicly-announced threat of commencement, of such action by the third party; *provided, however*, that the trust shall not be funded if the funding thereof would result in taxable income to Executive by reason of § 409A(b) of the Code; *and provided, further*, in no event shall any trust assets at any time be located or transferred outside of the United States, within the meaning of § 409A(b) of the Code. Amounts shall be paid to Executive from such trust as provided under this Agreement and the trust. The right of Executive to receive payments under this Agreement shall be an unsecured claim against the general assets of the Company and Executive shall have no rights in or against any specific assets of the Company. Finally, n

othing in this § 15 shall relieve the Company of any liabilities under this Agreement to the extent such liabilities are not satisfied by a trust described in this § 15.

16 Assignment and Successors.

(a) This Agreement is personal to Executive and without the prior written consent of the Company shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "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 Agreement by operation of law, or otherwise.

17 Miscellaneous.

(a) Waiver. Failure of either party to insist, in one or more instances, on performance by the other in strict accordance with the terms and conditions of this Agreement shall not be deemed a waiver or relinquishment of any right granted in this Agreement or of the future performance of any such term or condition or of any other term or condition of this Agreement, unless such waiver is contained in a writing signed by the party making the waiver.

(b) Severability. If any provision or covenant, or any part thereof, of this Agreement should be held by any court to be invalid, illegal or unenforceable, either in whole or in part, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of the remaining provisions or covenants, or any part thereof, of this Agreement, all of which shall remain in full force and effect.

(c) Other Agents. Nothing in this Agreement is to be interpreted as limiting the Company from employing other personnel on such terms and conditions as may be satisfactory to it.

(d) Entire Agreement. This Agreement contains the entire agreement between the Company and Executive with respect to the subject matter hereof and, from and after the Effective Date, this Agreement shall supersede any other agreement (oral or written) between the Company and Executive with respect to the subject matter hereof; *provided, however*, to the extent Executive continues following the Effective Date to hold outstanding equity-based awards of the Company that were granted prior to the Effective Date, treatment of such awards shall not be governed by this Agreement and shall instead be governed by the terms of the Employment Agreement between Executive and the Company dated December 1, 2013, as amended by Amendment to Employment Agreement between Executive and the Company dated August 27, 2018, the terms of which are otherwise superseded by this Agreement.

(e) Governing Law. Except to the extent preempted by federal law, and without regard to conflict of laws principles, the laws of the State of Georgia shall govern this Agreement in all respects, whether as to its validity, construction, capacity, performance or otherwise.

(f) Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given if delivered or three (3) days after mailing if mailed, first class, certified mail, postage prepaid:

To Company: Global Payments Inc.
3550 Lenox Road
Suite 3000
Atlanta, Georgia 30326
Office of the Corporate Secretary

To Executive: At his current address or last known address on file with the Company

Any party may change the address to which notices, requests, demands and other communications shall be delivered or mailed by giving notice thereof to the other party in the same manner provided herein.

(g) Indemnification. The Company shall indemnify Executive to the maximum extent permitted under the Company's bylaws. Subject to reasonable availability of such insurance coverage and subject to applicable laws and regulations, a directors' and officers' liability insurance policy (or policies) shall be maintained, during the Employment Period and for six (6) years thereafter, providing coverage that is no less favorable to Executive than the coverage provided to any other present officer or director of the Company and, following a Change in Control, the coverage shall be no less favorable to Executive than the coverage provided as of the date of the Change in Control.

(h) Amendments and Modifications. This Agreement may be amended or modified only by a writing signed by the Company and Executive, which makes specific reference to this Agreement.

(i) § 409A.

(i) The Company and Executive intend no payments to be made and no benefits to be provided under this Agreement will be subject to taxation under § 409A of the Code and that the terms of this Agreement will be interpreted in good faith in a manner which is intended to minimize the risk that Executive will be subject to tax under § 409A of the Code with respect to any such payments or benefits, and the Company and Executive agree to cooperate fully and in good faith with one another to seek to minimize such risk. In no event may Executive, directly or indirectly, designate the calendar year of any payment under this Agreement, and to the extent required by § 409A of the Code, any payment that may be paid in more than one taxable year (depending on the time that Executive executes the Release) shall be paid in the later taxable year.

(ii) Items eligible for expense reimbursement under the terms of this Agreement shall be reimbursed in a manner intended to qualify for an exemption under § 409A of the Code, which shall include implementing the following limitations with respect to reimbursements: (A) the amount of such expenses eligible for reimbursement in any calendar year shall not affect the expenses eligible for reimbursement in another calendar year, (B) no such reimbursement may be exchanged or liquidated for another payment or benefit, (C) any reimbursements of such expenses shall be made as soon as practicable under the circumstances but in any event no later than the end of the calendar year following the calendar in which the related expenses were incurred and (D) the Company's obligation to make reimbursements or to provide in-kind benefits that constitute deferred compensation under § 409A of the Code shall not extend beyond Executive's lifetime or, if later, the end of the twenty (20) year period which starts on the Effective Date.

(iii) Any payments that qualify for the "short-term deferral" exception, the separation pay exception or another exception under § 409A of the Code shall be paid under the applicable exception. The Company and Executive agree that each installment of payments and benefits provided under this Agreement shall be treated as a separate identified payment for purposes of § 409A of the Code and that neither the Company nor Executive shall have the right to accelerate or defer the delivery of any such payments or benefits if a determination is made in good faith that any such acceleration or deferral would

present a risk that Executive would be subject to any tax under § 409A of the Code; *provided, however*, to the extent permitted by § 409A of the Code, if the Applicable Pay Date is the Delayed Pay Date and Executive dies before such Delayed Pay Date, then any payments or benefits due on the Delayed Pay Date will be made within thirty (30) days following Executive's death (or, if earlier on the Delayed Pay Date). Notwithstanding any other provision of this Agreement to the contrary, if Executive is considered a "specified employee" for purposes of § 409A of the Code (as determined in accordance with the methodology established by the Company and its affiliates as in effect on the date of Executive's Separation from Service), any payment that constitutes nonqualified deferred compensation within the meaning of § 409A of the Code that is otherwise due to Executive under this Agreement during the six (6) month period immediately following Executive's Separation from Service on account of Executive's Separation from Service shall be accumulated and paid to Executive on the Delayed Pay Date, to the extent necessary to prevent the imposition of tax penalties on Executive under § 409A of the Code. If Executive dies during the postponement period, the amounts and entitlements delayed on account of § 409A of the Code shall be paid to the personal representative of his estate on the first to occur of the Delayed Pay Date or thirty (30) days after the date of Executive's death.

(iv) Executive acknowledges and agrees that nothing in this Agreement shall be construed as a guarantee or indemnity by the Company for the tax consequences to the payments and benefits called for under this Agreement, including any tax consequences under § 409A of the Code, and Executive agrees that Executive shall be responsible for paying all taxes due with respect to such payments made and benefits provided to Executive.

(j) Tax Withholding. The Company may withhold from any amounts payable under this Agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(k) References; Construction. All references to sections (§) in this Agreement shall be to sections (§) of this Agreement except as expressly set forth in this Agreement. The section headings used in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation hereof. For purposes of this Agreement, the term "including" shall mean "including, without limitation."

(l) Accounting Discrepancies. Executive shall be subject to any policy adopted by the Company after the Effective Date which is applicable to senior executives of the Company generally and which requires restitution by such an executive with respect to any payment made or benefit provided to, or on behalf of, such an executive, the calculation of which is based in whole or in part on accounting discrepancies or erroneous financial information.

(m) Survivability. The provisions of this Agreement that by their terms call for performance subsequent to the termination of either Executive's employment or this Agreement (including the terms of §§ 8, 10, 13 and 17(g)) shall so survive such termination.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company and Executive hereto have duly executed and delivered this Employment Agreement as of the date first above written.

GLOBAL PAYMENTS INC.

By: /s/ Jeffrey S. Sloan

Name: Jeffrey S. Sloan

Title: Chief Executive Officer

EXECUTIVE:

/s/ David L. Green

David L. Green

EXHIBIT A

Form of Release

This Release is granted effective as of the [DATE] day of [MONTH], [YEAR], by David L. Green (“Executive”) in favor of Global Payments Inc. (the “Company”). This is the Release referred to that certain Employment Agreement effective as of September 18, 2019 by and between the Company and Executive (the “Employment Agreement”). Executive gives this Release in consideration of the Company’s promises and covenants as recited in the Employment Agreement, with respect to which this Release is an integral part.

1. Release of the Company. Executive, for himself, his successors, assigns, attorneys, and all those entitled to assert his rights, now and forever hereby releases and discharges the Company and its respective officers, directors, stockholders, trustees, employees, agents, parent corporations, subsidiaries, affiliates, estates, successors, assigns and attorneys (the “Released Parties”), from any and all claims, actions, causes of action, sums of money due, suits, debts, liens, covenants, contracts, obligations, costs, expenses, damages, judgments, agreements, promises, demands, claims for attorneys’ fees and costs, or liabilities whatsoever, in law or in equity, which Executive ever had or now has against the Released Parties, including, without limitation, any claims arising by reason of or in any way connected with any employment relationship which existed between the Company or any of its parents, subsidiaries, affiliates, or predecessors, and Executive. It is understood and agreed that this Release is intended to cover all actions, causes of action, claims or demands for any damage, loss or injury, whether known or unknown, of any nature whatsoever, including those which may be traced either directly or indirectly to the aforesaid employment relationship, or the termination of that relationship, that Executive has, had or purports to have, from the beginning of time to the date of this Release, and including but not limited to claims for employment discrimination under federal or state law, except as provided in Paragraph 2; claims arising under the Age Discrimination in Employment Act, 29 U.S.C. § 621, *et seq.*, Title VII of the Civil Rights Act, 42 U.S.C. § 2000(e), *et seq.*, or the Americans With Disabilities Act, 42 U.S.C. § 12101 *et seq.*; claims for statutory or common law wrongful discharge, claims arising under the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*; claims for attorney’s fees, expenses and costs; claims for defamation; claims for emotional distress; claims for wages or vacation pay; claims for benefits, including any claims arising under the Executive Retirement Income Security Act, 29 U.S.C. § 1001, *et seq.*; and claims under any other applicable federal, state or local laws or legal concepts; *provided, however*, that nothing herein shall release the Company of (a) obligations to Executive to make termination payments under § 8 of the Employment Agreement or any other rights under the Employment Agreement, (b) any indemnification obligations to Executive under the Company’s bylaws, certificate of incorporation, Delaware law or otherwise; (c) obligations with respect to insurance coverage under any directors’ and officers’ liability insurance policies; (d) any rights that Executive may have as a stockholder of the Company; or (e) vested interests in any pension plan or other benefit or deferred compensation plan.

2. Release of Claims Under Age Discrimination in Employment Act. Without limiting the generality of the foregoing, Executive agrees that by executing this Release, he has released and waived any and all claims he has or may have as of the date of this Release for age discrimination under the Age Discrimination in Employment Act, 29 U.S.C. § 621, *et seq.*, Executive acknowledges and agrees Executive has been, and hereby is, advised by Company to consult with an attorney prior to executing this Release. Executive further acknowledges and agrees that Company has offered Executive the opportunity, before executing this Release, to consider this Release for a period of twenty-one (21) calendar days; and that the consideration he receives for this Release is in addition to amounts to which he was already entitled. It is further understood that this Release is not effective until seven (7) calendar days after the execution of this Release and that Executive may revoke this Release within seven (7) calendar days from the date of execution hereof.

3. Non-Admission. It is understood and agreed by Executive that the payment made to him is not to be construed as an admission of any liability whatsoever on the part of the Company or any of the other Released Parties, by whom liability is expressly denied.

4. Non-Disparagement. Executive agrees that he will not in any way disparage Company, its affiliated and related companies, or their current and former employees, officers, directors, agents and representatives, or make or solicit any comments, statements, or the like to the media or to others that may be

considered to be derogatory or detrimental to the good name or business reputation of any of the aforementioned parties or entities. This paragraph shall not limit the rights of Executive (a) to make any disclosures that are protected under the whistleblower provisions of federal law or regulation or provide testimony pursuant to a valid subpoena or in a judicial or administrative proceeding in which Executive is required to testify or otherwise as required by law or legal process; or (b) to make a complaint to, provide truthful information to, or participate in an investigation conducted by the Equal Employment Opportunity Commission, the National Labor Relations Board, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission.

5. Acknowledgement and Revocation Period. Executive agrees that he has carefully read this Release and is signing it voluntarily. Executive acknowledges that he has had twenty one (21) days from receipt of this Release to review it prior to signing or that, if Executive is signing this Release prior to the expiration of such twenty-one (21) day period, Executive is waiving his right to review the Release for such full twenty-one (21) day period prior to signing it. Executive has the right to revoke this release within seven (7) days following the date of its execution by him. In order to revoke this Release, Executive must deliver notice of the revocation in writing to Company's General Counsel before the expiration of the seven (7) day period. However, if Executive revokes this Release within such seven (7) day period, no severance benefit will be payable to him under the Employment Agreement and he shall return to the Company any such payment received prior to that date.

6. No Revocation After Seven Days. Executive acknowledges and agrees that this Release may not be revoked at any time after the expiration of the seven (7) day revocation period and that he/she will not institute any suit, action, or proceeding, whether at law or equity, challenging the enforceability of this Release. Executive further acknowledges and agrees that, with the exception of an action to challenge the waiver of claims under the ADEA, Executive shall not ever attempt to challenge the terms of this Release, attempt to obtain an order declaring this Release to be null and void, or institute litigation against the Company or any other Releasee based upon a claim that is covered by the terms of the release contained herein, without first repaying all monies paid to him/her under § 8 of the Employment Agreement. Furthermore, with the exception of an action to challenge his waiver of claims under the ADEA, if Executive does not prevail in an action to challenge this Release, to obtain an order declaring this Release to be null and void, or in any action against the Company or any other Releasee based upon a claim that is covered by the release set forth herein, Executive shall pay to the Company and/or the appropriate Releasee all their costs and attorneys' fees incurred in their defense of Executive's action.

7. Governing Law and Severability. This Release and the rights and obligations of the parties hereto shall be governed and construed in accordance with the laws of the State of Georgia. If any provision hereof is unenforceable or is held to be unenforceable, such provision shall be fully severable, and this document and its terms shall be construed and enforced as if such unenforceable provision had never comprised a part hereof, the remaining provisions hereof shall remain in full force and effect, and the court or tribunal construing the provisions shall add as a part hereof a provision as similar in terms and effect to such unenforceable provision as may be enforceable, in lieu of the unenforceable provision.

EXECUTIVE HAS CAREFULLY READ THIS RELEASE AND ACKNOWLEDGES THAT IT CONSTITUTES A GENERAL RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS AGAINST THE COMPANY UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT. EXECUTIVE ACKNOWLEDGES THAT HE HAS HAD A FULL OPPORTUNITY TO CONSULT WITH AN ATTORNEY OR OTHER ADVISOR OF HIS CHOOSING CONCERNING HIS EXECUTION OF THIS RELEASE AND THAT HE IS SIGNING THIS RELEASE VOLUNTARILY AND WITH THE FULL INTENT OF RELEASING THE COMPANY FROM ALL SUCH CLAIMS.

David L. Green

Date: _____

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into this 20th day of September 2019 by and between Global Payments Inc., a Georgia corporation (the "Company"), and Paul M. Todd ("Executive").

BACKGROUND

Executive shall serve as Senior Executive Vice President and Chief Financial Officer of the Company. Executive and the Company desire to memorialize the terms of such employment in this Agreement. In addition, the Compensation Committee of the Board of Directors of the Company (the "Committee") has determined that it is in the best interests of the Company and its stockholders to assure that the Company will have the continued dedication of Executive, notwithstanding the possibility, threat or occurrence of a Change in Control (as defined in § 6). As it is desired and anticipated that Executive will continue to be employed and provide services for the Company's successor for some period of time following a Change in Control, one purpose of this Agreement is to provide Executive with compensation and benefits arrangements which ensure that the compensation and benefits expectations of Executive will be satisfied and which are competitive with those of other corporations. Therefore, in order to accomplish these objectives, the Committee has caused the Company to enter into this Agreement. This Agreement supersedes any prior agreement or other communication (oral or written) regarding Executive's employment, except as otherwise provided in § 17 of this Agreement.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Executive agree as follows:

- 1 Effective Date. This Agreement is effective as of September 18, 2019, the first date following the closing of the transaction contemplated by the Agreement and Plan of Merger by and between Total System Services, Inc. ("TSYS") and the Company dated as of May 27, 2019 (such date, the "Effective Date").
- 2 Employment. Executive is hereby employed as Senior Executive Vice President and Chief Financial Officer of the Company as of the Effective Date. In such capacity, Executive shall have the duties and responsibilities commensurate with such position as shall be assigned to him by the Chief Executive Officer of the Company (the "Chief Executive Officer").
- 3 Employment Period. Subject to § 7, Executive's initial Employment Period pursuant to this Agreement shall be the period which starts on the Effective Date and ends on the third (3rd) anniversary thereof; *provided*, Executive's Employment Period shall automatically be extended for one (1) additional year on the second (2nd) anniversary of the Effective Date and on each subsequent anniversary of the Effective Date unless either the Company or Executive provides notice (in accordance with § 17(f)) before such anniversary date that there will be no such extension. Executive's initial Employment Period and any subsequent extension of the initial Employment Period shall be referred to collectively as Executive's "Employment Period." A failure to extend Executive's Employment Period shall not be treated for any reason whatsoever as a termination of Executive's employment under § 7 unless the Company provides notice that there will be no such extension following a Change in Control and Executive's Employment Period would as a result of such notice end before the second (2nd) anniversary of the date of such Change in Control, in which case Executive shall have the right to resign effective at any time during the ninety (90) day period which starts on the date of such notice, and the date his resignation is effective shall be treated as a termination for Good Reason pursuant to § 7(c) of this Agreement and he shall receive all benefits called for under § 8(b) of this Agreement.
- 4 Extent of Service. During the Employment Period, Executive shall render his services to the Company (or to any successor, including a successor following a Change in Control) in conformity with professional standards, in a prudent and workmanlike manner and in a manner consistent with the obligations imposed on officers of corporations under applicable law. Executive shall promote the interests of the Company and its subsidiaries in carrying out Executive's duties and shall not deliberately take any action which could, or fail

to take any action which failure could, reasonably be expected to have a material adverse effect upon the business of the Company or any of its subsidiaries or any of their respective affiliates. Executive agrees to devote his business time, attention, skill and efforts exclusively to the faithful performance of his duties hereunder (both before and after a Change in Control); *provided, however*, that it shall not be a violation of this Agreement for Executive to (a) devote reasonable periods of time to charitable and community activities and, with the approval of the Chief Executive Officer, industry or professional activities; (b) manage or participate in personal business interests and investments, so long as such activities do not, in the judgment of the Chief Executive Officer, materially interfere with the performance of Executive's responsibilities under this Agreement and comply with all Company policies and codes and all of Executive covenants and agreements; and/or (c) subject to the approval of the Committee, serve as a director, trustee, or member of a committee of any organization involving no conflict of interest with the interests of the Company so long as such activities do not, in the judgment of the Chief Executive Officer, materially interfere with the performance of Executive's responsibilities under this Agreement and comply with all Company policies and codes and all of Executive's covenants and agreements.

5 Compensation and Benefits.

(a) Base Salary. During the Employment Period, the Company will pay to Executive a base salary in the amount of U.S. \$680,000 per year (the "Base Salary"), payable in equal bi-weekly or other installments as provided under the Company's standard payroll practices in effect for senior executives from time to time. Executive's Base Salary will be reviewed at least annually and, subject to approval of the Committee, the Company may increase Executive's Base Salary from time to time. The periodic review of Executive's salary by the Committee will consider, among other things, Executive's own performance and the Company's performance.

(b) Incentive and Savings Plans. During the Employment Period, Executive shall be entitled to participate in all incentive, retirement and savings plans, practices, policies and programs applicable generally to employees of the Company at the senior executive level, excluding the Chief Executive Officer. Certain executive programs will be made available on a selective basis at the discretion of the Chief Executive Officer, the Board of Directors of the Company (the "Board") or the Committee. Without limiting the foregoing, the following shall apply:

(i) Annual Bonus. Executive will have an annual bonus opportunity for each fiscal year of the Company based on the achievement of financial and performance objectives set by the Committee ("Bonus Opportunity"). The annual Bonus Opportunity and specific performance and financial objectives will be set forth in Executive's individual performance and incentive plan for each fiscal year. Executive's annual Bonus Opportunity at target levels for any year shall not be less than 105% of his then-current Base Salary for such year (the "Target Bonus Opportunity"). Executive must be an active employee on the date the annual bonuses are paid on a Company-wide basis in order to be eligible to receive any bonus payment (except as otherwise expressly provided in § 8), unless (A) Executive's employment terminates following a failure to extend his Employment Period in accordance with § 3, (B) his employment terminates at or after the end of the applicable fiscal year and (C) he satisfies all or substantially all of the performance requirements (other than continued service) for a bonus for such fiscal year, in which event he shall be eligible for a bonus as determined by the Committee, and such bonus, if any, shall be paid no later than two and one-half (2½) months after the end of such fiscal year.

(ii) Equity Awards. Executive will be eligible to participate in the Company's Amended and Restated 2011 Incentive Plan (the "2011 Plan") and any successor to such plan in accordance with the terms and conditions of the 2011 Plan and any successor to such plan. The Company may, from time to time, upon approval by the Committee, grant to Executive options to purchase shares of Company Common Stock, stock appreciation rights, restricted Company Common Stock, restricted stock units, performance shares, and/or performance units and/or other Company Common Stock related grants as a long-term incentive for performance.

(iii) TSYS Retirement and Savings Plans. Notwithstanding the foregoing, it shall not be a violation of this Agreement for Executive to continue participation in the retirement and savings plans, practices, policies and programs provided by TSYS as of immediately prior to the Effective Date until such time as the Company transitions Executive to participation in those retirement and savings plans, practices, policies and programs applicable generally to employees of the Company at the senior executive level, excluding the Chief Executive Officer.

(c) Welfare Benefit Plans. During the Employment Period, Executive and Executive's family shall be eligible for participation in, and shall be eligible to receive all benefits under, the welfare benefit plans, practices, policies and programs provided by TSYS as of immediately prior to the Effective Date, including, without limitation, medical, prescription, dental, disability, employee life, group life, accidental death and travel accident insurance plans and programs (the "TSYS Welfare Plans"), until such time as the Company transitions Executive to participation in the welfare plans, policies, agreements and arrangements applicable to similarly situated executives of the Company (the "Company Welfare Plans").

(d) Expenses. During the Employment Period, Executive shall be entitled to receive prompt reimbursement for all reasonable business expenses incurred by Executive in accordance with the policies, practices and procedures of the Company; *provided, however*, (i) the amount of such expenses eligible for reimbursement in any calendar year shall not affect the expenses eligible for reimbursement in another calendar year, (ii) no such reimbursement may be exchanged or liquidated for another payment or benefit, and (iii) any reimbursements of such expenses shall be made as soon as practicable under the circumstances but in any event no later than the end of the calendar year following the calendar year in which the related expenses are incurred.

(e) Additional Benefits. During the Employment Period, Executive shall be offered the opportunity to receive or participate in any additional benefits provided to similarly situated executives of the Company in accordance with, and subject to the eligibility requirements of, the plans, practices, programs and policies of the Company and applicable laws and regulations. Executive also shall be provided with vacation entitlements in accordance with the Company's policy as in effect from time to time.

6 Change in Control.

(a) For the purposes of this Agreement, a "Change in Control" shall mean the occurrence of any of the following events after the Effective Date:

(i) The acquisition by any individual, entity or group (within the meaning of § 13(d)(3) or § 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of thirty-five percent (35%) or more of the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); *provided, however*, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change in Control: (A) any acquisition by a Person who is on the Effective Date the beneficial owner of thirty-five percent (35%) or more of the Outstanding Company Voting Securities, (B) any acquisition directly from the Company, (C) any acquisition by the Company which reduces the number of Outstanding Company Voting Securities and thereby results in any person having beneficial ownership of more than thirty-five percent (35%) of the Outstanding Company Voting Securities, (D) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (E) any acquisition by any corporation pursuant to a transaction which meets the requirements of clauses (A), (B) and (C) of subsection (ii) of this § 6; or

(ii) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the outstanding shares of the Company's common

stock (the “Outstanding Company Common Stock”) and Outstanding Company Voting Securities immediately prior to such Business Combination (individually, a “Company Owner”) beneficially own, directly or indirectly, more than fifty percent (50%) of, respectively, the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions as each Company Owner’s ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any Company Owner, the Company or any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, thirty-five percent (35%) or more of the combined voting power of the then-outstanding voting securities of such corporation, and (C) at least a majority of the members of the board of directors (or, for a noncorporate entity, equivalent body or committee) of the entity resulting from such Business Combination were Incumbent Directors (as defined below) at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iii) A majority of the individuals who, as of the Effective Date, constitute the Board (the “Incumbent Directors”) are replaced within a twelve (12) month period; *provided, however*, that, for purposes of this § 6(a)(iii), any individual who becomes a member of the Board subsequent to the Effective Date whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least a majority of those individuals who are members of the Board and who were also Incumbent Directors (or deemed to be such pursuant to this proviso) shall be considered Incumbent Directors; *provided, further*, that any individual who was elected to the Board as a result of an 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 any “person” (such term for purposes of this definition being as defined in § 3(a)(9) of the Exchange Act, and as used in § 13(d)(3) and § 14(d)(2) of the Exchange Act) other than the Incumbent Directors shall not be considered an Incumbent Director.

(b) For purposes of this Agreement, a “§ 409A Change in Control” shall mean a “Change in Control” which also constitutes a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company, all within the meaning of § 409A of the Internal Revenue Code of 1986, as amended (the “Code”).

(c) For the avoidance of doubt, the occurrence of the Effective Date and the closing of the transaction contemplated by the Agreement and Plan of Merger by and between TSYS and the Company dated as of May 27, 2019 shall not be considered a “Change in Control” for purposes of this Agreement.

7 Termination of Employment.

(a) Death, Retirement or Disability. Executive’s employment and the Employment Period shall terminate automatically upon Executive’s death or Retirement. For purposes of this Agreement, “Retirement” shall mean Executive’s voluntary resignation of employment on or after attaining age fifty-five (55) with at least ten (10) years of service. For purposes of this Agreement, Executive’s years of service with TSYS or one of its subsidiaries or affiliates shall be counted as years of service with the Company. If the Committee determines in good faith that the Disability of Executive has occurred (pursuant to the definition of Disability set forth in this § 7(a)), the Company may give to Executive written notice of its intention to terminate Executive’s employment. In such event, Executive’s employment with the Company shall terminate effective on the thirtieth (30th) day after receipt of such written notice by Executive (the “Disability Effective Date”), *provided* that, within the thirty (30) days after such receipt, Executive shall not have returned to full-time performance of Executive’s duties. For purposes of this Agreement, “Disability” shall mean the inability of Executive, as determined by the Committee, to substantially perform the essential functions of his regular duties and responsibilities with or without reasonable

accommodation, due to a medically determinable physical or mental illness or other disability which has lasted (or can reasonably be expected to last) for a substantially continuous period of at least six (6) consecutive months.

(b) Termination by the Company With or Without Cause. The Company may terminate Executive's employment with or without Cause. For all purposes under this Agreement, "Cause" shall mean a determination by the Committee that:

(i) Executive has failed to perform substantially Executive's duties and responsibilities under this Agreement (other than any such failure resulting from incapacity due to physical or mental illness, and specifically excluding any failure by Executive, after reasonable efforts, to meet reasonable performance expectations), after a written demand for substantial performance is delivered to Executive by the Chief Executive Officer or the Chairman of the Committee which specifically identifies the manner in which such person believes that Executive has failed to substantially perform Executive's duties and responsibilities and which has not been cured to the reasonable satisfaction of such person within ten (10) business days of the written demand delivered to Executive; or

(ii) Executive engaged in any act of fraud, misappropriation, embezzlement or similar dishonest or wrongful act, including, without limitation, any violation of the Sarbanes-Oxley Act or similar laws or legal standards, but excluding for this purpose any non-criminal violation of Sarbanes-Oxley or similar laws or legal standards that has no significant adverse impact on the Company or its reputation and does not involve dishonesty or render Executive ineligible for any licensing, bonding or insurance coverage or for employment or engagement in any Company work or activity; or

(iii) Executive has engaged in the abuse of alcohol, prescription drugs or any substance which materially interferes with Executive's ability to perform Executive's duties and responsibilities under this Agreement or Executive has engaged in the use of illegal drugs; or

(iv) Executive has violated any laws, agreements or written Company policies or codes prohibiting employment discrimination, harassment, conflicts of interest, retaliation, competition with the Company, solicitation of Company customers or employees on behalf of anyone other than Company, improper use or disclosure of Trade Secrets, Confidential Information or other proprietary information of the Company; or

(v) Executive has committed, been convicted for, or entered a plea of guilty or *nolo contendere* (or any plea of similar substance or effect) to, a felony or a crime involving dishonesty or other moral turpitude.

(c) Resignation by Executive. Executive may resign for "Good Reason" or no reason. For all purposes under this Agreement, "Good Reason" shall mean the occurrence of any of the following circumstances without the written consent of Executive:

(i) a material adverse reduction in Executive's position, duties or responsibilities; or

(ii) a reduction by the Company: (A) in Executive's Base Salary as in effect on the Effective Date or as the same may be increased from time to time (unless a similar reduction is made in the salary of similarly situated senior executives); (B) in Executive's Target Bonus Opportunity below the minimum set forth in § 5(b)(i) (unless a similar reduction is made in the bonus opportunity of similarly situated senior executives); or (C) in the benefits pursuant to the TSYS Welfare Plans or Company Welfare Plans, as applicable (unless a similar reduction is made in the benefits of similarly situated senior executives); or

(iii) any failure by the Company to comply with and satisfy § 16(c); or

(iv) a requirement that Executive be based in any office or location other than in the greater metropolitan area of Columbus, Georgia; *provided* that a requirement that Executive relocate to the greater metropolitan area of Atlanta, Georgia shall not constitute “Good Reason”; or

(v) any material breach by the Company of the terms of this Agreement.

Notwithstanding the foregoing, no event or act or omission shall constitute “Good Reason” under this § 7(c) unless (x) Executive in accordance with § 17(f) provides notice of such event or act or omission to the Committee no later than thirty (30) days after Executive has knowledge of such event or act or omission, (y) the Committee fails to remedy such event or act or omission within thirty (30) days of the receipt of such notice (the “Cure Period”) and (z) Executive resigns effective no later than ninety (90) days after the end of the Cure Period.

(d) Notice of Termination. Any termination by the Company or resignation by Executive shall be communicated by Notice of Termination to the other party hereto given in accordance with § 17(f). For purposes of this Agreement, a “Notice of Termination” means a written notice which (i) states the specific termination provision in this Agreement relied upon, (ii) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive’s employment under the provision so indicated and (iii) specifies the applicable Date of Termination. The failure by Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of Executive or the Company, respectively, hereunder or preclude Executive or the Company, respectively, from asserting such fact or circumstance in enforcing Executive’s or the Company’s rights hereunder.

(e) Date of Termination and Separation from Service.

(i) “Date of Termination” means (1) if Executive resigns for Good Reason, the date specified in the Notice of Termination, *provided* that (A) the Committee may specify any earlier Date of Termination and (B) the Date of Termination specified in the notice shall not be less than sixty (60) days after the date of delivery of the notice if the resignation is for Good Reason following a Change in Control, (2) if Executive’s employment is terminated by the Company other than by reason of Disability, the date of receipt of the Notice of Termination, or any later date specified therein, or (3) if Executive’s employment is terminated by reason of death, Disability or Retirement, the Date of Termination will be the date of death or Retirement, or the Disability Effective Date, as the case may be.

(ii) “Separation from Service” means a “separation from service” within the meaning of § 409A of the Code which occurs in connection with Executive’s termination of employment, and the Company and Executive acknowledge and agree that such a “separation from service” may come before, after or coincide with Executive’s Date of Termination.

8 Obligations of the Company upon Termination.

(a) Prior to a Change in Control: Resignation by Executive for Good Reason; Termination by the Company Other Than for Cause, Death or Disability. If, prior to a Change in Control or on or after the second (2nd) anniversary of the date of a Change in Control, the Company terminates Executive’s employment other than for Cause, death or Disability or Executive resigns for Good Reason, then (and with respect to the payments and benefits described in clauses (ii) through (viii) of this § 8(a), only if Executive executes (and does not revoke) a Release in substantially the form of Exhibit A hereto (the “Release”) within sixty (60) days of the Date of Termination):

(i) the Company will pay to Executive in a lump sum in cash within thirty (30) days after the Date of Termination the sum of (A) Executive’s Base Salary (as in effect on the Date of Termination) earned through the Date of Termination to the extent not theretofore paid, (B) Executive’s business expenses for which reimbursement has been requested pursuant to the Company’s expense

reimbursement policy but which have not been reimbursed before Executive's applicable Date of Termination and (C) Executive's Annual Bonus, if any, earned for the fiscal year immediately preceding the fiscal year in which the Date of Termination occurs, if such bonus has been certified as payable by the Committee but has not been paid before the Date of Termination (the sum of the amounts described in clauses (A), (B) and (C) shall be referred to as the "Accrued Obligations"); and

(ii) the Company will pay to Executive a lump sum cash amount on the date that is six (6) months and one (1) day after the date on which Executive has a Separation from Service equal to the sum of (i) eighteen (18) times Executive's monthly Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Base Salary, as in effect immediately prior to such reduction in Base Salary), and (ii) one and one-half (1½) times the amount of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity); and

(iii) the Company shall pay to Executive a lump sum cash amount on the date that is six (6) months and one (1) day after the date on which Executive has a Separation from Service equal to the product of (A) eighteen (18) multiplied by (B) one hundred percent (100%) of the monthly premiums for continuation of health care coverage under the Company's group health plan for purposes of continuation coverage under § 4980B of the Code ("COBRA") with respect to the maximum level of coverage in effect for Executive and his spouse and dependents as of immediately prior to the Date of Termination; and

(iv) the Company will pay Executive a pro-rated annual bonus for the fiscal-year in which the Date of Termination occurs equal to (i) the amount Executive would have earned, if any, under § 5(b)(i) for the year of termination based on actual financial performance for such fiscal year, times (ii) a fraction, the numerator of which is the number of full months in the fiscal year preceding the Date of Termination and the denominator of which is twelve (12); *provided* that such bonus shall be paid only if the pre-established performance targets are in fact certified by the Committee to have been met (or, if the payment date occurs prior to the date of such certification, such pro-rated bonus shall be payable based on the expected financial performance for such fiscal year, as determined as of the latest practicable date prior to the payment date), and such bonus shall be paid in a single lump sum cash payment on the date that is six (6) months and one (1) day after the date on which Executive has a Separation from Service; *provided further* that if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, such prorated bonus shall be calculated based on Executive's Target Bonus Opportunity as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity; and

(v) all restricted Company Common Stock or units which represent shares of Company Common Stock, excluding those that are subject to performance conditions ("Restricted Stock"), granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(vi) all options to acquire Company Common Stock or appreciation rights with respect to shares of Company Common Stock ("Options") granted to Executive following the Effective Date and held by Executive as of the Date of Termination that would have become vested (by lapse of time) within the twenty-four (24) month period immediately following the Date of Termination had Executive remained employed during such period will become immediately vested as of the Date of Termination; and

(vii) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to § 8(a)(vi)) shall remain exercisable through the earlier of (A) the original expiration date of the Option, (B) the ninetieth (90th) day following the Date of Termination, or (C) the date that is the tenth (10th) anniversary of the original date of grant of the Option; and

(viii) any restricted Company Common Stock or units which represent shares of Company Common Stock contingent on the satisfaction of the related performance requirements (“Performance Restricted Stock”) granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) If the Date of Termination occurs during the first year of a Performance Cycle (as defined in the applicable award agreement), a portion of the total shares of Company Common Stock subject to such award, pro-rated based on the number of days elapsed in the Performance Cycle as of the Date of Termination, shall vest assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(2) If the Date of Termination occurs after the first year of a Performance Cycle, a portion of the total shares of Company Common Stock subject to such award, pro-rated based on the number of days elapsed in the Performance Cycle as of the Date of Termination (it being understood that proration shall not apply if the Date of Termination occurs after the end of the Performance Cycle but prior to the settlement date of the award), shall vest based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code);

provided, however, if Executive is Retirement-eligible on the Date of Termination, such Performance Restricted Stock shall be treated in accordance with § 8(d)(v)(1) and not this § 8(a)(viii); and

(ix) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company any other amounts or benefits, including but not limited to, previously earned but unpaid annual incentive awards, previously earned but unpaid long-term incentive awards, and properly documented and approved but unpaid business expenses, required to be paid or provided or which Executive is eligible to receive under any such plan, program, policy or practice or contract or agreement of the Company (such other amounts and benefits shall be hereinafter referred to as the “Other Benefits”);

(b) After or in Connection with a Change in Control: Resignation by Executive for Good Reason; Termination by the Company Other Than for Cause, Death or Disability. If there occurs a Change in Control and the Company terminates Executive’s employment other than for Cause, death or Disability before the second (2nd) anniversary of such Change in Control or Executive resigns for Good Reason before the second (2nd) anniversary of such Change in Control, then (and with respect to the payments and benefits described in clauses (ii) through (viii) of this § 8(b), only if Executive executes (and does not revoke) the Release within sixty (60) days of the Date of Termination):

(i) the Company (or its successor) shall pay to Executive the Accrued Obligations in a lump sum in cash within thirty (30) days after the Date of Termination; and

(ii) the Company (or its successor) will pay to Executive a lump sum cash amount on the date that is six (6) months and one (1) day after the date on which Executive has a Separation from Service equal to the sum of (A) twenty-four (24) times Executive’s monthly Base Salary (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive’s Base Salary, as in effect immediately prior to such reduction in Base Salary), and (B) two (2) times the amount of Executive’s Target Bonus Opportunity (as in effect on the Date of Termination or, if

Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity); and

(iii) the Company shall pay to Executive a lump sum cash amount on the date that is six (6) months and one (1) day after the date on which Executive has a Separation from Service equal to the product of (A) eighteen (18) multiplied by (B) one hundred percent (100%) of the monthly premiums for continuation of health care coverage under the Company's group health plan for purposes of continuation coverage under COBRA with respect to the maximum level of coverage in effect for Executive and his spouse and dependents as of immediately prior to the Date of Termination; and

(iv) Executive will be entitled to a pro-rated bonus under § 5(b)(i) for the fiscal year in which the Date of Termination occurs, the amount and timing of which shall depend upon when the Date of Termination occurs, as follows:

(1) if the Date of Termination occurs before the end of the fiscal year in which the Change in Control occurred, the pro-rated bonus will equal (i) one hundred percent (100%) of Executive's Target Bonus Opportunity (as in effect on the Date of Termination or, if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity), times (ii) a fraction, the numerator of which is the number of full months in the fiscal year preceding the Date of Termination and the denominator of which is twelve (12), and such pro-rated bonus shall be paid on the date that is six (6) months and one (1) day after the date on which Executive has a Separation from Service; or

(2) if the Date of Termination occurs during a fiscal year that began after the Change in Control occurred, the pro-rated bonus (based on the number of full months in the fiscal year preceding the Date of Termination as described in § 8(b)(iv)(1)) will be based on actual performance results as certified by the Committee at the end of the fiscal year (or, if the payment date occurs prior to the date of such certification, such pro-rated bonus shall be payable based on the expected financial performance for such fiscal year, as determined as of the latest practicable date prior to the payment date) and will be paid to Executive on the date that is six (6) months and one (1) day after the date on which Executive has a Separation from Service; *provided* that if Executive terminates employment pursuant to § 7(c)(ii) upon a reduction in Executive's Target Bonus Opportunity, such prorated bonus shall be calculated based on Executive's Target Bonus Opportunity as in effect immediately prior to such reduction in Executive's Target Bonus Opportunity; and

(v) all Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(vi) all Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested and exercisable as of the Date of Termination; and

(vii) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to § 8(b)(vi)) will remain exercisable through the earlier of (A) the original expiration date of the Option, or (B) the ninetieth (90th) day following the Date of Termination, or (C) the date that is the tenth (10th) anniversary of the original date of grant of the Option; and

(viii) any Performance Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) If the Date of Termination occurs during the first year of a Performance Cycle, the award shall vest in full (without proration) assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(2) If the Date of Termination occurs after the first year of a Performance Cycle, the award shall vest in full (without proration) based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); *provided, however*, if Executive is Retirement-eligible on the Date of Termination, such Performance Restricted Stock shall be treated in accordance with § 8(d)(v)(1) and not this § 8(b)(viii); and

(ix) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive his Other Benefits pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company.

(c) In Anticipation of a Change in Control: Termination by the Company Other Than for Cause, Death or Disability or Resignation by Executive for Good Reason. If Executive's employment is terminated by the Company other than for Cause, death or Disability or Executive resigns for Good Reason after the issuance of press release or a filing is made with the Securities and Exchange Commission regarding a transaction which could lead to a Change in Control and there is a Change in Control as a result of the consummation of such transaction no later than six (6) months and one (1) day after the date of Executive's Separation from Service, then

(i) Executive will continue to be eligible to receive his benefits under § 8(a) in the amount and form and at the time provided in § 8(a), but

(ii) Executive will in addition receive the benefits described in § 8(b), if greater, as if his employment had been terminated without Cause or he had resigned for Good Reason at the consummation of such Change in Control, *provided* Executive immediately following the Change in Control shall have timely executed and not revoked the Release described in § 8(b), and, *further provided*

(1) there will under no circumstances be any duplication whatsoever of any payments or benefits between this § 8(c)(ii) and § 8(c)(i);

(2) the severance benefits provided under § 8(b)(ii) will be paid in lieu of the severance benefits contemplated by § 8(a)(ii) in a single lump sum on the date that is six (6) months and one (1) day after the date of Executive's Separation from Service;

(3) if the Change in Control occurs before the date the pro-rated annual bonus provided under § 8(a)(iv) is scheduled to be paid, then Executive will be entitled to the greater of either the pro-rated annual bonus determined and paid under § 8(a)(iv) or the pro-rated bonus determined under § 8(b)(iv)(1) but paid in the form and at the time called for under § 8(a)(iv);

(4) any outstanding Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination which failed to vest under § 8(a)(vi) will vest under § 8(b)(vi) at the Change in Control, and the date of the Change in Control will be treated under § 8(b)(vii) as Executive's Date of Termination; and

(5) if the Change in Control occurs before settlement of Performance Restricted Shares granted to Executive following the Effective Date and held by Executive as of the Date of Termination, Executive will be entitled to the number of shares of Company Common Stock to be delivered under § 8(b)(viii), which will be delivered in the form and at the time such shares of Company Common Stock are otherwise scheduled to be delivered under § 8(a)(viii).

(d) Death, Disability or Retirement. Upon the Date of Termination due to Executive's death, Disability or Retirement:

(i) the Company shall pay to Executive the Accrued Obligations in a lump sum in cash within thirty (30) days after the Date of Termination; and

(ii) all Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested as of the Date of Termination and, in the case of units, shall be settled within sixty (60) days following the Date of Termination (or any later date required by § 409A of the Code); and

(iii) all Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination will become immediately vested and exercisable as of the Date of Termination; and

(iv) all vested but unexercised Options granted to Executive following the Effective Date and held by Executive as of the Date of Termination (including those with accelerated vesting pursuant to the foregoing sentence) shall remain exercisable through the earliest of (A) the original expiration date of the Option, (B) the ninetieth (90th) day following the Date of Termination or such longer period as specified in the plan document governing the applicable award, or (C) the date that is the 10th anniversary of the original date of grant of the Option; and

(v) any grant of Performance Restricted Stock granted to Executive following the Effective Date and held by Executive as of the Date of Termination shall be treated as follows:

(1) in the case of termination on account of Retirement only, the award shall vest in full (without proration) based on actual performance at the end of the full Performance Cycle, and such award shall be settled no later than two and one-half (2½) months after the end of the Performance Cycle (or any later date required by § 409A of the Code); or

(2) in the case of termination on account of death or Disability only, the award shall vest in full (without proration) assuming target levels of performance, and such award shall be settled no later than two and one-half (2½) months after the Date of Termination (or any later date required by § 409A of the Code); and

(vi) for the period of months required by COBRA after the Date of Termination due to Executive's death, Disability or Retirement, Executive or his dependents shall have the right to elect continuation of healthcare coverage under the Company's group plan (if allowed by the plan) in accordance with COBRA, *provided* Executive or his dependents shall pay the entire cost of such coverage; and

(vii) to the extent not theretofore paid or provided, the Company will timely pay or provide to Executive his Other Benefits pursuant to the timing rules of the controlling terms of any plan, program, policy, practice, contract or agreement of the Company. The term Other Benefits as used in this § 8(d) shall include, without limitation, and Executive or his estate and/or beneficiaries shall be entitled to receive, benefits under such plans, programs, practices and policies relating to death, disability or retirement benefits, if any, as are applicable to Executive on the Date of Termination.

(e) Cause or Voluntary Resignation without Good Reason. Regardless of whether or not a Change in Control shall have occurred, if Executive's employment is terminated for Cause, or if Executive voluntarily resigns without Good Reason, the Company's obligations under this Agreement to Executive shall terminate, other than for payment of Accrued Obligations and the timely payment or provision of Other Benefits. Accrued Obligations shall be paid to Executive in a lump sum in cash within thirty (30) days after the Date of Termination. For the period required by COBRA after the Date of Termination for Cause or for the voluntary resignation by Executive, Executive shall have the right to elect continuation of healthcare coverage under the Company's group plan in accordance with COBRA, *provided* Executive shall pay the entire cost of such coverage.

(f) Full Settlement. Subject to § 17(d), the payments and benefits provided under this § 8 shall be in full satisfaction of the obligations of the Company and its affiliates to Executive under this Agreement or any other plan, agreement, policy or arrangement of the Company and its affiliates upon his termination of employment.

9 Non-exclusivity of Rights. Nothing in this Agreement shall prevent or limit Executive's continuing or future participation in any plan, program, policy or practice provided by the Company and for which Executive may qualify, nor, subject to § 17(d), shall anything herein limit or otherwise affect such rights as Executive may have under any contract or agreement with the Company. Amounts which are vested benefits or which Executive is otherwise entitled to receive under any plan, policy, practice or program of or any contract or agreement with the Company at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

10 Treatment of Certain Payments.

(a) Anything in the Agreement 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 Executive to the excise tax under § 4999 of the Code, the Accounting Firm shall determine whether to reduce any of the Payments paid or payable pursuant to the Agreement (the "Agreement Payments") so that the Parachute Value (as defined below) of all Payments, in the aggregate, equals the Safe Harbor Amount (as defined below). The Agreement Payments shall be so reduced only if the Accounting Firm determines that Executive would have a greater Net After-Tax Receipt (as defined below) of aggregate Payments if the Agreement Payments were so reduced. If the Accounting Firm determines that Executive would not have a greater Net After-Tax Receipt of aggregate Payments if the Agreement Payments were so reduced, Executive shall receive all Agreement Payments to which Executive is entitled hereunder.

(b) If the Accounting Firm determines that Agreement 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 Executive notice to that effect and a copy of the detailed calculation thereof. All determinations made by the Accounting Firm under this § 10 shall be binding upon the Company and Executive and shall be made as soon as reasonably practicable and in no event later than fifteen (15) days following the Date of Termination. For purposes of reducing the Agreement Payments so that the Parachute Value of all Payments, in the aggregate, equals the Safe Harbor Amount, only amounts payable under the Agreement (and no other Payments) shall be reduced. The reduction of the amounts payable hereunder, if applicable, shall be made by reducing the payments and benefits in the following order: (i) cash payments that may not be valued under Treas. Reg. § 1.280G-1, Q&A-24(c) ("24(c)"), (ii) equity-based payments that may not be valued under 24(c), (iii) cash payments that may be valued under 24(c), (iv) equity-based payments that may be valued under 24(c) and (v) other types of benefits. With respect to each category of the foregoing, such reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of § 409A of the Code and next with respect to payments that are deferred compensation, in each case, beginning with payments or benefits that are to be paid the farthest in time from the Accounting Firm's determination. All fees and expenses of the Accounting Firm shall be borne solely by the Company.

(c) As a result of the uncertainty in the application of § 4999 of the Code at the time of the initial determination by the Accounting Firm hereunder, it is possible that amounts will have been paid or distributed by the Company to or for the benefit of Executive pursuant to this Agreement that should not have been so paid or distributed (each, an “Overpayment”) or that additional amounts that will have not been paid or distributed by the Company to or for the benefit of Executive pursuant to this Agreement could have been so paid or distributed (each, an “Underpayment”). In the event that the Accounting Firm, based upon the assertion of a deficiency by the Internal Revenue Service against the Company or Executive that the Accounting Firm believes has a high probability of success determines that an Overpayment has been made, any such Overpayment paid or distributed by the Company to or for the benefit of Executive shall be repaid by Executive to the Company (as applicable) together with interest at the applicable federal rate provided for in § 7872(f)(2) of the Code; *provided, however*, that no such repayment shall be required if and to the extent such deemed repayment would not either reduce the amount on which Executive is subject to tax under § 1 and § 4999 of the Code or generate a refund of such taxes. In the event that the Accounting Firm, based upon controlling precedent or substantial authority, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid by the Company to or for the benefit of Executive together with interest at the applicable federal rate provided for in § 7872(f)(2) of the Code.

(d) To the extent requested by Executive, the Company shall cooperate with Executive in good faith in valuing, and the Accounting Firm shall take into account the value of, services provided or to be provided by Executive (including, without limitation, Executive’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 § 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 § 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 § 280G of the Code in accordance with Q&A-5(a) of the final regulations under § 280G of the Code.

(e) The following terms shall have the following meanings for purposes of this § 10:

(i) “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 § 280G of the Code that is selected by the Company prior to a Change in Control for purposes of making the applicable determinations hereunder and is reasonably acceptable to Executive, which firm shall not, without Executive’s consent, be a firm serving as accountant or auditor for the individual, entity or group effecting the Change in Control.

(ii) “Net After-Tax Receipt” shall mean the present value (as determined in accordance with § 280G(b)(2)(A)(ii) and § 280G(d)(4) of the Code) of a Payment net of all taxes imposed on Executive with respect thereto under § 1 and § 4999 of the Code and under applicable state and local laws, determined by applying the highest marginal rate under § 1 of the Code and under state and local laws which applied to Executive’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 Executive in the relevant tax year(s).

(iii) “Parachute Value” of a Payment shall mean the present value as of the date of the change in control for purposes of § 280G of the Code of the portion of such Payment that constitutes a “parachute payment” under § 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 § 4999 of the Code will apply to such Payment.

(iv) “Payment” shall mean any payment or distribution in the nature of compensation (within the meaning of § 280G(b)(2) of the Code) to or for the benefit of Executive, whether paid or payable pursuant to the Agreement or otherwise.

(v) “Safe Harbor Amount” shall mean 2.99 times Executive’s “base amount,” within the meaning of § 280G(b)(3) of the Code.

(f) The provisions of this § 10 shall survive the expiration of the Agreement.

11 Costs of Enforcement. In no event shall Executive be obligated to seek other employment by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement and such amounts shall not be reduced whether or not Executive obtains other employment. In any action taken in good faith relating to the enforcement of this Agreement or any provision herein, including any arbitration provision in § 14, Executive shall be entitled to be paid any and all costs and expenses incurred by him in enforcing or establishing his rights thereunder, including, without limitation, reasonable attorneys’ fees, and whether or not incurred in trial, bankruptcy or appellate proceedings, but only if Executive is successful on at least one material issue raised in the enforcement proceeding. Any costs or expenses that otherwise meet the requirements for reimbursement under this § 11 shall be reimbursed within one hundred and twenty (120) days of submission by Executive of a request for reimbursement, but in no event later than the last day of Executive’s taxable year following the taxable year in which Executive becomes entitled to such reimbursement by reason of being successful on at least one material issue (provided a request for reimbursement has been made).

12 Representations and Warranties. Executive hereby represents and warrants to the Company that Executive is not a party to, or otherwise subject to, any covenant not to compete with any person or entity other than a contract with his current employer, a copy of which has been provided to the Company.

13 Restrictions on Conduct of Executive.

(a) General. Executive and the Company understand and agree that the purpose of the provisions of this § 13 is to protect legitimate business interests of the Company, as more fully described below, and is not intended to eliminate Executive’s post-employment competition with the Company per se, nor is it intended to impair or infringe upon Executive’s right to work, earn a living, or acquire and possess property from the fruits of his labor. Executive hereby acknowledges that the post-employment restrictions set forth in this § 13 are reasonable and that they do not, and will not, unduly impair his ability to earn a living after the termination of this Agreement. Therefore, subject to the limitations of reasonableness imposed by law, Executive shall be subject to the restrictions set forth in this § 13. For the purposes of this § 13, “Company” shall be deemed to include the Company and all its parents, affiliates, subsidiaries and successors.

(b) Definitions. The following terms used in this § 13 shall have the meanings assigned to them below, which definitions shall apply to both the singular and the plural forms of such terms:

“Competitive Position” means any employment with a Competitor in which Executive has duties for such Competitor that relate to Competitive Services.

“Competitive Services” means services competitive with the business activities engaged in by the Company or an affiliate as of the date of termination of Grantee’s employment for any reason or any earlier date of an alleged breach by Grantee of the restrictions in § 13 hereof, which include, but are not limited to, the provision of products and services to facilitate or assist with the movement in electronic commerce of payment and financial information, merchant acquiring, demand deposit accounts and other financial service solutions to the underbanked and other consumers and businesses, payment solutions to card issuers, and software, payroll and processing solutions.

“Competitor” means any individual, corporation, partnership, joint venture, limited liability company, association, or other entity or enterprise which is engaged, wholly or in part, in Competitive Services.

“Confidential Information” means all information regarding the Company, its activities, business or clients that is the subject of reasonable efforts by the Company to maintain its confidentiality and that is not generally disclosed by practice or authority to persons not employed by the Company, but that does not rise to the level of a Trade Secret. “Confidential Information” shall include, but is not limited to, financial plans and data concerning the

Company; management planning information; business plans; operational methods; market studies; marketing plans or strategies; product development techniques or plans; lists of current or prospective customers; details of customer contracts; current and anticipated customer requirements; past, current and planned research and development; business acquisition plans; and new personnel acquisition plans. "Confidential Information" shall not include information that has become generally available to the public by the act of one who has the right to disclose such information without violating any right or privilege of the Company. This definition shall not limit any definition of "confidential information" or any equivalent term under state or federal law.

"Determination Date" means the date of termination of Executive's employment with the Company for any reason whatsoever or any earlier date of an alleged breach of the Restrictive Covenants by Executive.

"Person" means any individual or any corporation, partnership, joint venture, limited liability company, association or other entity or enterprise.

"Principal or Representative" means a principal, owner, partner, shareholder, joint venturer, investor, member, trustee, director, officer, manager, employee, agent, representative or consultant.

"Protected Customers" means any Person to whom the Company has sold or provided its products or services during the twelve (12) months prior to the Determination Date.

"Protected Employees" means employees of the Company who were employed by the Company at any time within six (6) months prior to the Determination Date.

"Restricted Period" means the Employment Period and a period extending two (2) years from the termination of Executive's employment with the Company.

"Restricted Territory" means the area in which the Company or an affiliate conducts business, which includes without limitation the entire United States and its territories and possessions.

"Restrictive Covenants" means the restrictive covenants contained in § 13(c) hereof.

"Trade Secret" means all information, without regard to form, including, but not limited to, technical or non-technical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, distribution lists or a list of actual or potential customers, advertisers or suppliers which is not commonly known by or available to the public and which information: (A) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Without limiting the foregoing, Trade Secret means any item of Confidential Information that constitutes a "trade secret" under the common law or applicable state law.

(c) Restrictive Covenants.

(i) Restriction on Disclosure and Use of Confidential Information and Trade Secrets. Executive understands and agrees that the Confidential Information and Trade Secrets constitute valuable assets of the Company and its affiliated entities, and may not be converted to Executive's own use. Accordingly, Executive hereby agrees that Executive shall not, directly or indirectly, at any time during the Employment Period or at any time following the end of the Employment Period for any reason reveal, divulge, or disclose to any Person not expressly authorized by the Company any Confidential Information, and Executive shall not, directly or indirectly, at any time during the Employment Period or at any time following the end of the Employment Period for any reason use or make use of any Confidential Information in connection with any business activity other than that of the Company. Throughout the term of this Agreement and at all times after the date that this Agreement terminates for any reason, Executive shall not directly or indirectly transmit or disclose any Trade Secret of the Company to any Person, and

shall not make use of any such Trade Secret, directly or indirectly, for himself or for others, without the prior written consent of the Company. The parties acknowledge and agree that this Agreement is not intended to, and does not, alter either the Company's rights or Executive's obligations under any state or federal statutory or common law regarding trade secrets and unfair trade practices.

Executive understands that nothing in this § 13 or this Agreement prohibits or limits Executive from: (i) disclosing information that is required to be disclosed by law, court order or other valid and appropriate legal process; *provided, however*, that in the event such disclosure is required by law, Executive shall provide the Company with prompt notice of such requirement so that the Company may seek an appropriate protective order prior to any such required disclosure by Executive; (ii) reporting possible violations of federal, state, or local law or regulation to any governmental agency or entity, or from making other disclosures that are protected under the whistleblower provisions of federal, state, or local law or regulation, and Executive shall not need the prior authorization of the Company to make any such reports or disclosures and shall not be required to notify the Company that Executive has made such reports or disclosures; (iii) disclosing a trade secret (as defined by 18 U.S.C. § 1839) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, in either event solely for the purpose of reporting or investigating a suspected violation of law; or (iv) disclosing a trade secret (as defined by 18 U.S.C. § 1839) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal and that Executive shall not be held civilly or criminally liable for disclosures covered by clauses (iii) or (iv).

(ii) Non-solicitation of Protected Employees. Executive understands and agrees that the relationship between the Company and each of its Protected Employees constitutes a valuable asset of the Company and may not be converted to Executive's own use. Accordingly, Executive hereby agrees that during the Restricted Period Executive shall not directly or indirectly on Executive's own behalf or as a Principal or Representative of any Person or otherwise solicit or induce any Protected Employee with whom Executive worked or otherwise had material contact through his employment with the Company to terminate his or her employment relationship with the Company or to enter into employment with any other Person.

(iii) Restriction on Relationships with Protected Customers. Executive understands and agrees that the relationship between the Company and each of its Protected Customers constitutes a valuable asset of the Company and may not be converted to Executive's own use. Accordingly, Executive hereby agrees that, during the Restricted Period, Executive shall not, without the prior written consent of the Company, directly or indirectly, on Executive's own behalf or as a Principal or Representative of any Person, solicit, divert, take away or attempt to solicit, divert or take away a Protected Customer for the purpose of providing or selling Competitive Services; *provided, however*, that the prohibition of this covenant shall apply only to Protected Customers with whom Executive had Material Contact on the Company's behalf during the twelve (12) months immediately preceding the termination of his employment hereunder. For purposes of this Agreement, Executive shall be deemed to have "Material Contact" with a Protected Customer if he had business dealings with the Protected Customer on the Company's behalf.

(iv) Non-competition with the Company. The parties acknowledge: (A) that Executive's services under this Agreement require special expertise and talent in the provision of Competitive Services and that Executive will have substantial contacts with customers, suppliers, advertisers and vendors of the Company; (B) that pursuant to this Agreement, Executive will be placed in a position of trust and responsibility and he will have access to a substantial amount of Confidential Information and Trade Secrets and that the Company is placing him in such position and giving him access to such information in reliance upon his agreement not to compete with the Company during the Restricted Period; (C) that due to his management duties, Executive will be the repository of a substantial portion of the goodwill of the Company and would have an unfair advantage in competing with the Company; (D) that due to Executive's special experience and talent, the loss of Executive's services to the Company under this Agreement cannot reasonably or adequately be compensated solely by damages in an action at law; (E) that

Executive is capable of competing with the Company; and (F) that Executive is capable of obtaining gainful, lucrative and desirable employment that does not violate the restrictions contained in this Agreement. In consideration of the compensation and benefits being paid and to be paid by the Company to Executive hereunder, Executive hereby agrees that, during the Restricted Period, Executive will not, without prior written consent of the Company, directly or indirectly seek or obtain a Competitive Position in the Restricted Territory; *provided, however*, that (1) the provisions of this Agreement shall not be deemed to prohibit the ownership by Executive of any securities of the Company or its affiliated entities or not more than five percent (5%) of any class of securities of any corporation having a class of securities registered pursuant to the Exchange Act; (2) for purposes of this § 13(c)(iv) only, the Restricted Period shall be reduced to eighteen (18) months if Executive's employment is terminated by Company or Executive pursuant to § 8(a) (Prior to a Change in Control: Resignation by Executive for Good Reason; Termination by the Company Other Than for Cause, Death or Disability); and (3) this § 13(c)(iv) shall lapse and terminate at the end of the Employment Period if the Company gives notice to Executive pursuant to § 3 that this Agreement will not be extended.

(d) Enforcement of Restrictive Covenants.

(i) Rights and Remedies Upon Breach. In the event Executive breaches, or threatens to commit a breach of, any of the provisions of the Restrictive Covenants, the Company shall have the following rights and remedies, which shall be independent of any others and severally enforceable, and shall be in addition to, and not in lieu of, any other rights and remedies available to the Company at law or in equity:

(1) the right and remedy to enjoin, preliminarily and permanently, Executive from violating the Restrictive Covenants and to have the Restrictive Covenants specifically enforced by any court of competent jurisdiction, it being agreed that any breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Company and that money damages would not provide an adequate remedy to the Company;

(2) the right and remedy to require Executive to account for and pay over to the Company all compensation, profits, monies, accruals, increments or other benefits derived or received by Executive as the result of any transactions constituting a breach of the Restrictive Covenants; and

(3) the right and remedy to cease paying and to the return of any termination-related payments or benefits (other than the Accrued Obligations or Other Benefits) if Executive violates any of the Restrictive Covenants and fails to remedy such violation to the reasonable satisfaction of the Chief Executive Officer within ten (10) days of written notice of such violation.

(ii) Severability of Covenants. Executive acknowledges and agrees that the Restrictive Covenants are reasonable and valid in time and scope and in all other respects. The covenants set forth in this Agreement shall be considered and construed as separate and independent covenants. Should any part or provision of any covenant be held invalid, void or unenforceable in any court of competent jurisdiction, such invalidity, voidness or unenforceability shall not render invalid, void or unenforceable any other part or provision of this Agreement. If any portion of the foregoing provisions is found to be invalid or unenforceable by a court of competent jurisdiction because its duration, the territory, the definition of activities or the definition of information covered is considered to be invalid or unreasonable in scope, the invalid or unreasonable term shall be redefined, or a new enforceable term provided, such that the intent of the Company and Executive in agreeing to the provisions of this Agreement will not be impaired and the provision in question shall be enforceable to the fullest extent of the applicable laws. This § 13 shall survive the expiration or termination of this Agreement, *provided, however*, that the non-competition covenants set forth in § 13(c)(iv) shall not survive and shall terminate at the end of the Employment Period if the Company gives notice to Executive pursuant to § 3 that this Agreement will not be extended.

14 Arbitration. Any claim or dispute arising under this Agreement (other than under § 13) shall be subject to arbitration, and prior to commencing any court action, the parties agree that they shall arbitrate all such controversies. The arbitration shall be conducted in Atlanta, Georgia, in accordance with the Employment Dispute Rules of the American Arbitration Association and the Federal Arbitration Act, 9 U.S.C. §1, *et. seq.* The arbitrator(s) shall be authorized to award both liquidated and actual damages, in addition to injunctive relief, but no punitive damages. The arbitrator(s) shall also award attorney's fees and costs, without regard to any restriction on the amount of such award under Georgia or other applicable law, as required under § 11. Such an award shall be binding and conclusive upon the parties hereto, subject to 9 U.S.C. § 10. Each party shall have the right to have the award made the judgment of a court of competent jurisdiction.

Initials of parties as to this § 14:

Company: JSS

Executive: PMT

15 Rabbi Trust. In order to ensure the payment of the severance benefit provided for in § 8(b)(ii) of this Agreement, immediately following the commencement of any action by a third party with the aim of effecting a Change in Control, or the publicly announced threat by a third party to commence any such action, the Company shall fully fund through the Global Payments Inc. Benefit Security Trust, or similar "rabbi trust" the amount of the severance payment that would have been paid to Executive under § 8(b)(ii) if the Date of Termination had occurred on the date of commencement, or publicly-announced threat of commencement, of such action by the third party; *provided, however*, that the trust shall not be funded if the funding thereof would result in taxable income to Executive by reason of § 409A(b) of the Code; *and provided, further*, in no event shall any trust assets at any time be located or transferred outside of the United States, within the meaning of § 409A(b) of the Code. Amounts shall be paid to Executive from such trust as provided under this Agreement and the trust. The right of Executive to receive payments under this Agreement shall be an unsecured claim against the general assets of the Company and Executive shall have no rights in or against any specific assets of the Company. Finally, nothing in this § 15 shall relieve the Company of any liabilities under this Agreement to the extent such liabilities are not satisfied by a trust described in this § 15.

16 Assignment and Successors.

(a) This Agreement is personal to Executive and without the prior written consent of the Company shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, "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 Agreement by operation of law, or otherwise.

17 Miscellaneous.

(a) Waiver. Failure of either party to insist, in one or more instances, on performance by the other in strict accordance with the terms and conditions of this Agreement shall not be deemed a waiver or relinquishment of any right granted in this Agreement or of the future performance of any such term or condition or

of any other term or condition of this Agreement, unless such waiver is contained in a writing signed by the party making the waiver.

(b) Severability. If any provision or covenant, or any part thereof, of this Agreement should be held by any court to be invalid, illegal or unenforceable, either in whole or in part, such invalidity, illegality or unenforceability shall not affect the validity, legality or enforceability of the remaining provisions or covenants, or any part thereof, of this Agreement, all of which shall remain in full force and effect.

(c) Other Agents. Nothing in this Agreement is to be interpreted as limiting the Company from employing other personnel on such terms and conditions as may be satisfactory to it.

(d) Entire Agreement. This Agreement contains the entire agreement between the Company and Executive with respect to the subject matter hereof and, from and after the Effective Date, this Agreement shall supersede any other agreement (oral or written) between the Company and Executive and between TSYS and Executive with respect to the subject matter hereof, including but not limited to that certain Change of Control Agreement between TSYS and Executive dated January 1, 2008; *provided, however*, to the extent Executive continues following the Effective Date to hold outstanding equity-based awards of the Company that were granted prior to the Effective Date (including awards that were originally granted under an equity plan of TSYS and that were converted into equity-based awards of the Company on the Effective Date), treatment of such awards shall not be governed by this Agreement and shall instead be governed by the terms of any equity award agreements between Executive and TSYS as in effect immediately prior to the Effective Date.

(e) Governing Law. Except to the extent preempted by federal law, and without regard to conflict of laws principles, the laws of the State of Georgia shall govern this Agreement in all respects, whether as to its validity, construction, capacity, performance or otherwise.

(f) Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given if delivered or three (3) days after mailing if mailed, first class, certified mail, postage prepaid:

To Company: Global Payments Inc.

 3550 Lenox Road

 Suite 3000

 Atlanta, Georgia 30326

 Office of the Corporate Secretary

To Executive: At his current address or last known address on file with the Company

Any party may change the address to which notices, requests, demands and other communications shall be delivered or mailed by giving notice thereof to the other party in the same manner provided herein.

(g) Indemnification. The Company shall indemnify Executive to the maximum extent permitted under the Company's bylaws. Subject to reasonable availability of such insurance coverage and subject to applicable laws and regulations, a directors' and officers' liability insurance policy (or policies) shall be maintained, during the Employment Period and for six (6) years thereafter, providing coverage that is no less favorable to Executive than the coverage provided to any other present officer or director of the Company and, following a Change in Control, the coverage shall be no less favorable to Executive than the coverage provided as of the date of the Change in Control.

(h) Amendments and Modifications. This Agreement may be amended or modified only by a writing signed by the Company and Executive, which makes specific reference to this Agreement.

(i) § 409A.

(i) The Company and Executive intend no payments to be made and no benefits to be provided under this Agreement will be subject to taxation under § 409A of the Code and that the terms of this Agreement will be interpreted in good faith in a manner which is intended to minimize the risk that Executive will be subject to tax under § 409A of the Code with respect to any such payments or benefits, and the Company and Executive agree to cooperate fully and in good faith with one another to seek to minimize such risk. In no event may Executive, directly or indirectly, designate the calendar year of any payment under this Agreement, and to the extent required by § 409A of the Code, any payment that may be paid in more than one taxable year (depending on the time that Executive executes the Release) shall be paid in the later taxable year.

(ii) Items eligible for expense reimbursement under the terms of this Agreement shall be reimbursed in a manner intended to qualify for an exemption under § 409A of the Code, which shall include implementing the following limitations with respect to reimbursements: (A) the amount of such expenses eligible for reimbursement in any calendar year shall not affect the expenses eligible for reimbursement in another calendar year, (B) no such reimbursement may be exchanged or liquidated for another payment or benefit, (C) any reimbursements of such expenses shall be made as soon as practicable under the circumstances but in any event no later than the end of the calendar year following the calendar in which the related expenses were incurred and (D) the Company's obligation to make reimbursements or to provide in-kind benefits that constitute deferred compensation under § 409A of the Code shall not extend beyond Executive's lifetime or, if later, the end of the twenty (20) year period which starts on the Effective Date.

(iii) Any payments that qualify for the "short-term deferral" exception, the separation pay exception or another exception under § 409A of the Code shall be paid under the applicable exception. The Company and Executive agree that each installment of payments and benefits provided under this Agreement shall be treated as a separate identified payment for purposes of § 409A of the Code and that neither the Company nor Executive shall have the right to accelerate or defer the delivery of any such payments or benefits if a determination is made in good faith that any such acceleration or deferral would present a risk that Executive would be subject to any tax under § 409A of the Code. Notwithstanding any other provision of this Agreement to the contrary, if Executive is considered a "specified employee" for purposes of § 409A of the Code (as determined in accordance with the methodology established by the Company and its affiliates as in effect on the date of Executive's Separation from Service), any payment that constitutes nonqualified deferred compensation within the meaning of § 409A of the Code that is otherwise due to Executive under this Agreement during the six (6)-month period immediately following Executive's Separation from Service on account of Executive's Separation from Service shall be accumulated and paid to Executive on the date that is six (6) months and one (1) day after the date Executive has a Separation from Service (the "Delayed Pay Date"), to the extent necessary to prevent the imposition of tax penalties on Executive under § 409A of the Code. If Executive dies during the postponement period, the amounts and entitlements delayed on account of § 409A of the Code shall be paid to the personal representative of his estate on the first to occur of the Delayed Pay Date or thirty (30) days after the date of Executive's death.

(iv) Executive acknowledges and agrees that nothing in this Agreement shall be construed as a guarantee or indemnity by the Company for the tax consequences to the payments and benefits called for under this Agreement, including any tax consequences under § 409A of the Code, and Executive agrees that Executive shall be responsible for paying all taxes due with respect to such payments made and benefits provided to Executive.

(j) Tax Withholding. The Company may withhold from any amounts payable under this Agreement such federal, state, local or foreign taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(k) References; Construction. All references to sections (§) in this Agreement shall be to sections (§) of this Agreement except as expressly set forth in this Agreement. The section headings used in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation hereof. For purposes of this Agreement, the term “including” shall mean “including, without limitation.”

(l) Accounting Discrepancies. Executive shall be subject to any policy adopted by the Company after the Effective Date which is applicable to senior executives of the Company generally and which requires restitution by such an executive with respect to any payment made or benefit provided to, or on behalf of, such an executive, the calculation of which is based in whole or in part on accounting discrepancies or erroneous financial information.

(m) Survivability. The provisions of this Agreement that by their terms call for performance subsequent to the termination of either Executive’s employment or this Agreement (including the terms of §§ 8, 10, 13 and 17(g)) shall so survive such termination.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company and Executive hereto have duly executed and delivered this Employment Agreement as of the date first above written.

GLOBAL PAYMENTS INC.

By: /s/ Jeffrey S. Sloan

Name: Jeffrey S. Sloan

Title: Chief Executive Officer

EXECUTIVE:

/s/ Paul M. Todd

Paul M. Todd

EXHIBIT A

Form of Release

This Release is granted effective as of the [DATE] day of [MONTH], [YEAR], by Paul M. Todd (“Executive”) in favor of Global Payments Inc. (the “Company”). This is the Release referred to that certain Employment Agreement effective as of September 18, 2019 by and between the Company and Executive (the “Employment Agreement”). Executive gives this Release in consideration of the Company’s promises and covenants as recited in the Employment Agreement, with respect to which this Release is an integral part.

1. Release of the Company. Executive, for himself, his successors, assigns, attorneys, and all those entitled to assert his rights, now and forever hereby releases and discharges the Company and its respective officers, directors, stockholders, trustees, employees, agents, parent corporations, subsidiaries, affiliates, estates, successors, assigns and attorneys (the “Released Parties”), from any and all claims, actions, causes of action, sums of money due, suits, debts, liens, covenants, contracts, obligations, costs, expenses, damages, judgments, agreements, promises, demands, claims for attorneys’ fees and costs, or liabilities whatsoever, in law or in equity, which Executive ever had or now has against the Released Parties, including, without limitation, any claims arising by reason of or in any way connected with any employment relationship which existed between the Company or any of its parents, subsidiaries, affiliates, or predecessors, and Executive. It is understood and agreed that this Release is intended to cover all actions, causes of action, claims or demands for any damage, loss or injury, whether known or unknown, of any nature whatsoever, including those which may be traced either directly or indirectly to the aforesaid employment relationship, or the termination of that relationship, that Executive has, had or purports to have, from the beginning of time to the date of this Release, and including but not limited to claims for employment discrimination under federal or state law, except as provided in Paragraph 2; claims arising under the Age Discrimination in Employment Act, 29 U.S.C. § 621, *et seq.*, Title VII of the Civil Rights Act, 42 U.S.C. § 2000(e), *et seq.*, or the Americans With Disabilities Act, 42 U.S.C. § 12101 *et seq.*; claims for statutory or common law wrongful discharge, claims arising under the Fair Labor Standards Act, 29 U.S.C. § 201 *et seq.*; claims for attorney’s fees, expenses and costs; claims for defamation; claims for emotional distress; claims for wages or vacation pay; claims for benefits, including any claims arising under the Executive Retirement Income Security Act, 29 U.S.C. § 1001, *et seq.*; and claims under any other applicable federal, state or local laws or legal concepts; *provided, however*, that nothing herein shall release the Company of (a) obligations to Executive to make termination payments under § 8 of the Employment Agreement or any other rights under the Employment Agreement, (b) any indemnification obligations to Executive under the Company’s bylaws, certificate of incorporation, Delaware law or otherwise; (c) obligations with respect to insurance coverage under any directors’ and officers’ liability insurance policies; (d) any rights that Executive may have as a stockholder of the Company; or (e) vested interests in any pension plan or other benefit or deferred compensation plan.

2. Release of Claims Under Age Discrimination in Employment Act. Without limiting the generality of the foregoing, Executive agrees that by executing this Release, he has released and waived any and all claims he has or may have as of the date of this Release for age discrimination under the Age Discrimination in Employment Act, 29 U.S.C. § 621, *et seq.*, Executive acknowledges and agrees Executive has been, and hereby is, advised by Company to consult with an attorney prior to executing this Release. Executive further acknowledges and agrees that Company has offered Executive the opportunity, before executing this Release, to consider this Release for a period of twenty-one (21) calendar days; and that the consideration he receives for this Release is in addition to amounts to which he was already entitled. It is further understood that this Release is not effective until seven (7) calendar days after the execution of this Release and that Executive may revoke this Release within seven (7) calendar days from the date of execution hereof.

3. Non-Admission. It is understood and agreed by Executive that the payment made to him is not to be construed as an admission of any liability whatsoever on the part of the Company or any of the other Released Parties, by whom liability is expressly denied.

4. Non-Disparagement. Executive agrees that he will not in any way disparage Company, its affiliated and related companies, or their current and former employees, officers, directors, agents and representatives, or make or solicit any comments, statements, or the like to the media or to others that may be considered to be derogatory or detrimental to the good name or business reputation of any of the aforementioned parties or entities. This paragraph shall not limit the rights of Executive (a) to make any disclosures that are protected under the whistleblower provisions of federal law or regulation or provide testimony pursuant to a valid subpoena or in a judicial or administrative proceeding in which Executive is required to testify or otherwise as required by law or legal process; or (b) to make a complaint to, provide truthful information to, or participate in an investigation conducted by the Equal Employment Opportunity Commission, the National Labor Relations Board, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission.

5. Acknowledgement and Revocation Period. Executive agrees that he has carefully read this Release and is signing it voluntarily. Executive acknowledges that he has had twenty one (21) days from receipt of this Release to review it prior to signing or that, if Executive is signing this Release prior to the expiration of such twenty-one (21) day period, Executive is waiving his right to review the Release for such full twenty-one (21) day period prior to signing it. Executive has the right to revoke this release within seven (7) days following the date of its execution by him. In order to revoke this Release, Executive must deliver notice of the revocation in writing to Company's General Counsel before the expiration of the seven (7) day period. However, if Executive revokes this Release within such seven (7) day period, no severance benefit will be payable to him under the Employment Agreement and he shall return to the Company any such payment received prior to that date.

6. No Revocation After Seven Days. Executive acknowledges and agrees that this Release may not be revoked at any time after the expiration of the seven (7) day revocation period and that he/she will not institute any suit, action, or proceeding, whether at law or equity, challenging the enforceability of this Release. Executive further acknowledges and agrees that, with the exception of an action to challenge the waiver of claims under the ADEA, Executive shall not ever attempt to challenge the terms of this Release, attempt to obtain an order declaring this Release to be null and void, or institute litigation against the Company or any other Releasee based upon a claim that is covered by the terms of the release contained herein, without first repaying all monies paid to him/her under § 8 of the Employment Agreement. Furthermore, with the exception of an action to challenge his waiver of claims under the ADEA, if Executive does not prevail in an action to challenge this Release, to obtain an order declaring this Release to be null and void, or in any action against the Company or any other Releasee based upon a claim that is covered by the release set forth herein, Executive shall pay to the Company and/or the appropriate Releasee all their costs and attorneys' fees incurred in their defense of Executive's action.

7. Governing Law and Severability. This Release and the rights and obligations of the parties hereto shall be governed and construed in accordance with the laws of the State of Georgia. If any provision hereof is unenforceable or is held to be unenforceable, such provision shall be fully severable, and this document and its terms shall be construed and enforced as if such unenforceable provision had never comprised a part hereof, the remaining provisions hereof shall remain in full force and effect, and the court or tribunal construing the provisions shall add as a part hereof a provision as similar in terms and effect to such unenforceable provision as may be enforceable, in lieu of the unenforceable provision.

EXECUTIVE HAS CAREFULLY READ THIS RELEASE AND ACKNOWLEDGES THAT IT CONSTITUTES A GENERAL RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS AGAINST THE COMPANY UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT. EXECUTIVE ACKNOWLEDGES THAT HE HAS HAD A FULL OPPORTUNITY TO CONSULT WITH AN ATTORNEY OR OTHER ADVISOR OF HIS CHOOSING CONCERNING HIS EXECUTION OF THIS RELEASE AND THAT HE IS SIGNING THIS RELEASE VOLUNTARILY AND WITH THE FULL INTENT OF RELEASING THE COMPANY FROM ALL SUCH CLAIMS.

Paul M. Todd

Date: _____

GLOBAL PAYMENTS INC.

PERFORMANCE UNIT AWARD CERTIFICATE

Non-transferable

G R A N T T O

("Grantee")

by Global Payments Inc. (the "Company") of Performance Units (the "Performance Units") representing the right to earn, on a one-for-one basis, shares of the Company's no par value common stock ("Shares"), pursuant to and subject to the provisions of the Global Payments Inc. Amended and Restated 2011 Incentive Plan (the "Plan") and to the terms and conditions set forth on the following pages of this award certificate (the "Certificate").

The number of Shares subject to this award is **[insert Target Award]** (the "Target Award"). If the Company achieves certain synergy targets over the Performance Period related to the Transaction (each as defined herein), Grantee may earn from 0% to 300%* of the Target Award, in accordance with the matrix attached hereto as Exhibit A and the terms and conditions of this Certificate.

By accepting this Award, Grantee shall be deemed to have agreed to the terms and conditions of this Certificate and the Plan.

IN WITNESS WHEREOF, Global Payments Inc., acting by and through its duly authorized officers, has caused this Certificate to be executed.

GLOBAL PAYMENTS INC.

By: _____
Its: Authorized Officer

Grant Date: 9/18/2019
Grant Number: _____
Accepted by Grantee: _____
Date: _____

* Chief Executive Officer is subject to a maximum payout of 200% of his Target Award.

TERMS AND CONDITIONS

1. **Defined Terms.** Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plan. In addition, for purposes of this Certificate:

(i) “**Conversion Date**” means September 18, 2022, provided that the Committee has previously certified the Company’s achievement of the Synergy Targets, as more fully described in **Exhibit A** attached hereto.

(ii) “**Cost Synergies**” or “**Cost Synergy**” means the aggregate annualized cost savings relating to the Transaction that are achieved by the Company during the Performance Period, including, without limitation, reductions in personnel and/or elimination of unfilled open positions, reductions in general and administrative expenses, optimization of benefit programs, consolidation of facilities, integration of departments or cost centers, future cost avoidance, elimination or reduction of contractual obligations including any vendor savings, interest expense savings, reductions in income or other tax expenses from tax planning strategies and depreciation savings from rationalizing capital assets and avoided capital expenditures. Synergies shall be calculated on a pre-tax basis and gross of one-time costs relating to the Transaction.

(iii) “**Revenue Synergies**” or “**Revenue Synergy**” means the aggregate annualized revenue enhancements (consistent with the Company’s non-GAAP revenue convention) relating to the Transaction that are achieved by the Company during the Performance Period, including, without limitation, revenue enhancements from pricing initiatives and the cross-selling of products and solutions. Synergies shall be calculated on a pre-tax basis and gross of one-time costs relating to the Transaction.

(iv) “**Performance Period**” means the period beginning on September 18, 2019 and ending on September 18, 2022.

(v) “**Transaction**” means the September 17, 2019 merger between Global Payments Inc. and Total System Services, Inc.

2. **Performance Units.** The Performance Units have been credited to a bookkeeping account on behalf of Grantee. The Performance Units will be earned in whole, in part, or not at all, as provided on **Exhibit A** attached hereto. Any Performance Units that fail to vest in accordance with the terms of this Certificate will be forfeited and reconveyed to the Company without further consideration or any act or action by Grantee.

3. **Conversion to Shares.** Except as otherwise provided in Section 4 below:

(i) fifty percent (50%) of the Performance Units that are earned based on performance (each an “Earned Unit”) will be converted to actual unrestricted Shares (one Share per Earned Unit) on the Conversion Date. These shares will be registered on the books of the Company in Grantee’s name as of the Conversion Date and stock certificates for the Shares shall be delivered to Grantee or Grantee’s designee upon request of the Grantee; and

(ii) the remaining fifty percent (50%) of the Earned Units will be converted to service-based Restricted Stock (one share of Restricted Stock per Earned Unit) on the Conversion Date. Such shares of Restricted Stock will be subject to the terms and conditions set forth in a Restricted Stock Award Certificate in the form attached hereto as **Exhibit B**.

4. **Termination of Employment.** Grantee’s employment agreement or any other similar agreement with the Company shall govern the treatment of the Performance Units in the event of Grantee’s termination of employment by reason of death, Disability or any other reason.

5. **Change in Control.** If a Change in Control occurs during the Performance Period and while Grantee remains employed, then the number of Performance Units earned (each, a “CIC Earned Unit”) shall be the greater of (A) the number of Performance Units that would have been earned based on actual performance as of the effective date of the Change in Control, as determined by the Committee, or (B) the Target Award. Fifty percent (50%) of any CIC Earned Units will be converted to actual unrestricted shares (one share per CIC Earned Unit) on the effective date of the Change in Control. The remaining fifty percent (50%) of any CIC Earned Units will be converted to service-based Restricted Stock (one share of Restricted Stock per CIC Earned Unit) on the effective date of the Change in Control. Such Restricted Stock will be subject to the terms and conditions set forth in a Restricted Stock Award Certificate in the form attached hereto as **Exhibit B**.

6. **Restrictions on Transfer and Pledge.** No right or interest of Grantee in the Performance Units may be pledged, encumbered, or hypothecated or be made subject to any lien, obligation, or liability of Grantee to any other party other

than the Company or an Affiliate. The Performance Units may not be sold, assigned, transferred or otherwise disposed of by Grantee other than by will or the laws of descent and distribution.

7. Restrictions on Issuance of Shares. If at any time the Committee shall determine, in its discretion, that registration, listing or qualification of the Shares underlying the Performance Units upon any securities exchange or similar self-regulatory organization or under any foreign, federal, or local law or practice, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition to the settlement of the Performance Units, stock units will not be converted to Shares in whole or in part unless and until such registration, listing, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Committee.

8. Limitation of Rights. The Performance Units do not confer to Grantee or Grantee's beneficiary, executors or administrators any rights of a shareholder of the Company unless and until Shares are in fact issued to such person in connection with the units. Nothing in this Certificate shall interfere with or limit in any way the right of the Company or any Affiliate to terminate Grantee's employment at any time, nor confer upon Grantee any right to continue in employment of the Company or any Affiliate.

9. No Entitlement to Future Awards. The grant of the Performance Units does not entitle Grantee to the grant of any additional units or other awards under the Plan in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the timing of any grant, the number of units, and vesting provisions.

10. Payment of Taxes. The Company or any Affiliate employing Grantee has the authority and the right to deduct or withhold, or require Grantee to remit to the employer, an amount sufficient to satisfy federal, state, and local taxes (including Grantee's FICA obligation) required by law to be withheld with respect to any taxable event arising as a result of the vesting or settlement of the Performance Units. The withholding requirement may be satisfied, in whole or in part, by withholding from the settlement of the stock units Shares having a Fair Market Value on the date of withholding equal to the amount required to be withheld in accordance with applicable tax requirements, all in accordance with such procedures as the Committee establishes. The obligations of the Company under this Certificate will be conditional on such payment or arrangements, and the Company and, where applicable, its Affiliates will, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to Grantee.

11. Amendment. The Committee may amend, modify or terminate this Certificate without approval of Grantee; provided, however, that such amendment, modification or termination shall not, without Grantee's consent, reduce or diminish the value of this award determined as if it had been fully vested (i.e., as if all restrictions on the Performance Units hereunder had expired) on the date of such amendment or termination.

12. Plan Controls. The terms contained in the Plan shall be and are hereby incorporated into and made a part of this Certificate and this Certificate shall be governed by and construed in accordance with the Plan. Without limiting the foregoing, the terms and conditions of the Performance Units, including the number of shares and the class or series of capital stock which may be delivered upon settlement of the Performance Units, are subject to adjustment as provided in Article 15 of the Plan. In the event of any actual or alleged conflict between the provisions of the Plan and the provisions of this Certificate, the provisions of the Plan shall be controlling and determinative. Any conflict between this Certificate and the terms of a written employment, key position, or change-in-control agreement between the Company and Grantee shall be decided in favor of the provisions of such employment, key position, or change-in-control agreement.

13. Governing Law. This Certificate shall be construed in accordance with and governed by the laws of the State of Georgia, United States of America, regardless of the law that might be applied under principles of conflict of laws. Grantee hereby agrees and submits to the exclusive jurisdiction and venue of the state or federal court in Fulton County, Georgia of competent jurisdiction and waives objection to such jurisdiction or venue.

14. Severability. If any one or more of the provisions contained in this Certificate is deemed to be invalid, illegal or unenforceable, the other provisions of this Certificate will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

15. Relationship to Other Benefits. The Performance Units shall not affect the calculation of benefits under any other compensation plan or program of the Company, except to the extent specially provided in such other plan or program.

16. Clawback. Notwithstanding anything to the contrary in this Certificate, the Plan, or any employment, key position, or change-in-control agreement with Grantee, the award granted hereunder is subject to the provisions of the following clawback policy established by the Committee prior to the grant of the Performance Units hereunder. The Committee may seek to recoup all or any portion of the value of any annual or long-term incentive awards provided to any current or former executive officers in the event that the Company's financial statements are restated due to the Company's material noncompliance with any financial reporting requirement under the securities laws (the "Restatement"). The Committee may seek recoupment from any current or former executive officer who received incentive-based compensation, granted after the date hereof, during the three (3) year period preceding the date that the Company was required to prepare the Restatement. The Committee may seek to recover the amount by which the individual executive's incentive payments exceeded the lower payment that would have been made based on the restated financial results and the Committee may determine whether the Company shall effect such recovery: (i) by seeking repayment from the executive; (ii) by reducing (subject to applicable law and the terms and conditions of the applicable plan, program or arrangement) the amount that would otherwise be payable to the executive under any compensatory plan, program or arrangement maintained by the Company; or (iii) a combination of foregoing. The Grantee hereby acknowledges that this award is subject to the foregoing policy and agrees to make any repayment required in connection therewith.

17. Notice. Notices and communications hereunder must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to Global Payments Inc., 3550 Lenox Road NE, Suite 3000, Atlanta, Georgia 30326; Attn: Corporate Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.

EXHIBIT A

Grantee may earn a percentage of the Target Award based on the Company’s achievement of Cost Synergy and Revenue Synergy targets (the “Synergy Targets”) by the end of the Performance Period, as follows:

Performance Matrix for Cost Synergies

Degree of Performance Attainment	Cost Synergies	Payout Multiple⁽¹⁾
Maximum or Above	\$ __M	___%*
Target	\$ __M	___%
Below Target	<\$ __M	___%

(1) Payouts between performance levels will be determined based on straight line interpolation.

Performance Matrix for Revenue Synergies

Degree of Performance Attainment	Revenue Synergies	Payout Multiple⁽¹⁾
Maximum or Above	\$ __M	___%*
Target	\$ __M	___%
Below Target	<\$ __M	___%

(1) Payouts between performance levels will be determined based on straight line interpolation

- A. The resulting Payout Multiples for Cost Synergies and Revenue Synergies are averaged together to determine the payout multiple applied to the Target Award (the “Award Payout Multiple”). For example:
- If Cost Synergies are achieved at Maximum or Above (Payout Multiple of ___%) and Revenue Synergies are achieved at Target (Payout Multiple of ___%), then the Award Payout Multiple shall be ___%.
- B. However, if target performance is not achieved for either Cost Synergies or Revenue Synergies, then the Payout Multiple on the metric at or above target shall be capped at ___% (i.e. the total maximum overall payout is ___% of Target). For example:
- If <\$ __M in Cost Synergies are achieved, resulting in a Payout Multiple of ___% for Cost Synergies, and \$ __M in Revenue Synergies are achieved, resulting in a Payout Multiple of ___% for Revenue Synergies, the Payout Multiple for Revenue Synergies will be reduced to ___%, resulting in an Award Payout Multiple of ___%.
- C. The number of Performance Units that shall be earned with respect to the Performance Period (the “Earned Units”) shall be equal to the Target Award multiplied by the Award Payout Multiple. For the avoidance of doubt, no Performance Units shall be earned prior to the Conversion Date.

* Chief Executive Officer is subject to a maximum payout of ___% of his Target Award.

EXHIBIT B

GLOBAL PAYMENTS INC.

RESTRICTED STOCK AWARD CERTIFICATE

Non-transferable
G R A N T T O

("Grantee")

by Global Payments Inc. (the "Company") of

shares of its common stock, no par value (the "Shares") pursuant to and subject to the provisions of the Global Payments Inc. Amended and Restated 2011 Incentive Plan (the "Plan") and to the terms and conditions set forth on the following pages of this award certificate (the "Terms and Conditions"). By accepting this Award, Grantee shall be deemed to have agreed to the terms and conditions set forth in this Restricted Stock Award Certificate (the "Certificate") and the Plan.

Unless sooner vested in accordance with Section 3 of the Terms and Conditions or otherwise in the discretion of the Committee, the restrictions imposed under Section 2 of the Terms and Conditions will expire as to the following percentage of the Shares awarded hereunder, on the following respective dates; provided that Grantee is then still employed by the Company or any of its Affiliates:

Percentage of Shares

100%

Date of Expiration of Restrictions

9/18/2023

IN WITNESS WHEREOF, Global Payments Inc., acting by and through its duly authorized officers, has caused this Certificate to be executed.

GLOBAL PAYMENTS INC.

By: _____
Its: Authorized Officer

Grant Date: 9/18/2019
Grant Number: _____
Accepted by Grantee: _____
Date: _____

TERMS AND CONDITIONS

1. Grant of Shares. The Company hereby grants to the Grantee named on the cover page hereof, subject to the restrictions and the other terms and conditions set forth in the Plan and in this Certificate, the number of Shares indicated on the cover page hereof of the Company's no par value common stock (the "Shares"). Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plan.

2. Restrictions. The Shares are subject to each of the following restrictions. "Restricted Shares" mean those Shares that are subject to the restrictions imposed hereunder which restrictions have not then expired or terminated. Restricted Shares may not be sold, transferred, exchanged, assigned, pledged, hypothecated or otherwise encumbered. If Grantee's employment with the Company or any Affiliate terminates for any reason other than as set forth in paragraph (b) of Section 3 hereof, then Grantee shall forfeit all of Grantee's right, title and interest in and to the Restricted Shares as of the date of employment termination, and such Restricted Shares shall revert to the Company. The restrictions imposed under this Section shall apply to all shares of the Company's Stock or other securities issued with respect to Restricted Shares hereunder in connection with any merger, reorganization, consolidation, recapitalization, stock dividend or other change in corporate structure affecting the Stock.

3. Expiration and Termination of Restrictions. The restrictions imposed under Section 2 will expire on the earliest to occur of the following (the period prior to such expiration being referred to herein as the "Restricted Period"):

- (a) As to the percentages of the Shares specified on the cover page hereof, on the respective dates specified on the cover page hereof; provided Grantee is then still employed by the Company or an Affiliate; or
- (b) Termination of Grantee's employment by reason of death or Disability or, subject to the consent of the Committee, Grantee's Retirement.

4. Delivery of Shares. The Shares will be registered on the books of the Company in Grantee's name as of the Grant Date and will be held by the Company during the Restricted Period in certificated or uncertificated form.

If a certificate for Restricted Shares is issued during the Restricted Period with respect to such Shares, such certificate shall be registered in the name of Grantee and shall bear a legend in substantially the following form:

"This certificate and the shares of stock represented hereby are subject to the terms and conditions (including forfeiture and restrictions against transfer) contained in a Restricted Stock Award Certificate between the registered owner of the shares represented hereby and Global Payments Inc. Release from such terms and conditions shall be made only in accordance with the provisions of such Certificate, copies of which are on file in the offices of Global Payments Inc."

Stock certificates for the Shares, without the above legend, shall be delivered to Grantee or Grantee's designee upon request of Grantee after the expiration of the Restricted Period, but delivery may be postponed for such period as may be required for the Company with reasonable diligence to comply if deemed advisable by the Company, with registration requirements under the Securities Act of 1933, listing requirements under the rules of any stock exchange, and requirements under any other law or regulation applicable to the issuance or transfer of the Shares.

5. Voting and Dividend Rights. Grantee, as beneficial owner of the Shares, shall have full voting and dividend rights with respect to the Shares during and after the Restricted Period. If Grantee forfeits any rights he or she may have under this Certificate in accordance with Section 2, Grantee shall no longer have any rights as a shareholder with respect to the Restricted Shares or any interest therein and Grantee shall no longer be entitled to receive dividends on such stock.

6. No Right of Continued Employment. Nothing in the Plan or this Certificate or any document executed under either of them shall interfere with or limit in any way the right of the Company or any Affiliate to terminate Grantee's employment without liability at any time, nor confer upon Grantee any right to continue in the employ of the Company or any Affiliate.

7. No Entitlement to Future Awards. The grant of this Award does not entitle Grantee to the grant of any additional awards under the Plan in the future. Future grants, if any, will be at the sole discretion of the Company.

8. Payment of Taxes. Upon issuance of the Shares hereunder, Grantee may make an election to be taxed upon such award under Section 83(b) of the Code. The Company or any Affiliate employing Grantee has the authority and the

right to deduct or withhold, or require Grantee to remit to the employer, an amount sufficient to satisfy federal, state, and local taxes (including Grantee's FICA obligation) required by law to be withheld with respect to any taxable event arising as a result of the vesting of the Shares. The withholding requirement may be satisfied, in whole or in part, at the election of the Company's general counsel, principal financial officer or chief accounting officer, by withholding from the settlement Shares having a Fair Market Value on the date of withholding equal to the minimum amount (and not any greater amount) required to be withheld for tax purposes, all in accordance with such procedures as such officer establishes. The obligations of the Company under this Certificate will be conditional on such payment or arrangements, and the Company and, where applicable, its Affiliates will, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to Grantee.

9. Amendment. The Committee may amend, modify or terminate this Certificate without approval of Grantee; provided, however, that such amendment, modification or termination shall not, without Grantee's consent, reduce or diminish the value of this award determined as if it had been fully vested (i.e., as if all restrictions on the Restricted Shares hereunder had expired) on the date of such amendment or termination.

10. Plan Controls. The terms contained in the Plan are incorporated into and made a part of this Certificate and this Certificate shall be governed by and construed in accordance with the Plan. Without limiting the foregoing, the Restricted Shares are subject to adjustment as provided in Article 15 of the Plan. In the event of any actual or alleged conflict between the provisions of the Plan and the provisions of this Certificate, the provisions of the Plan shall be controlling and determinative. Any conflict between this Certificate and the terms of a written employment, key position, or change-in-control agreement with Grantee that has been approved, ratified or confirmed by the Committee shall be decided in favor of the provisions of such employment, key position, or change-in-control agreement.

11. Governing Law. This Certificate shall be construed in accordance with and governed by the laws of the State of Georgia, United States of America, regardless of the law that might be applied under principles of conflict of laws. Grantee hereby agrees and submits to the exclusive jurisdiction and venue of the state or federal court in Fulton County, Georgia and waives objection to such jurisdiction or venue.

12. Severability. If any one or more of the provisions contained in this Certificate is deemed to be invalid, illegal or unenforceable, the other provisions of this Certificate will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

13. Relationship to Other Benefits. The Shares shall not affect the calculation of benefits under any other compensation plan or program of the Company, except to the extent specially provided in such other plan or program.

14. Clawback. Notwithstanding anything to the contrary in this Certificate, the Plan, or any employment, key position, or change-in-control agreement with Grantee, the award granted hereunder is subject to the provisions of the following clawback policy established by the Committee prior to the grant of the Restricted Shares hereunder. The Committee may seek to recoup all or any portion of the value of any annual or long-term incentive awards provided to any current or former executive officers in the event that the Company's financial statements are restated due to the Company's material noncompliance with any financial reporting requirement under the securities laws (the "Restatement"). The Committee may seek recoupment from any current or former executive officer who received incentive-based compensation, granted after the date hereof, during the three (3) year period preceding the date that the Company was required to prepare the Restatement. The Committee may seek to recover the amount by which the individual executive's incentive payments exceeded the lower payment that would have been made based on the restated financial results and the Committee may determine whether the Company shall effect such recovery: (i) by seeking repayment from the executive; (ii) by reducing (subject to applicable law and the terms and conditions of the applicable plan, program or arrangement) the amount that would otherwise be payable to the executive under any compensatory plan, program or arrangement maintained by the Company; or (iii) a combination of foregoing. The Grantee hereby acknowledges that this award is subject to the foregoing policy and agrees to make any repayment required in connection therewith.

15. Notice. Notices and communications hereunder must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to Global Payments Inc., 3550 Lenox Road NE, Suite 3000, Atlanta, Georgia 30326, Attn: Corporate Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.

ANNEX A

**GLOBAL PAYMENTS INC.
SIXTH AMENDED AND RESTATED
NON-EMPLOYEE DIRECTOR COMPENSATION PLAN**

TABLE OF CONTENTS

ARTICLE 1	PURPOSE	<u>3</u>
	1.1 Background	<u>3</u>
	1.2 Purpose	<u>3</u>
	1.3 Eligibility	<u>3</u>
ARTICLE 2	DEFINITIONS	<u>3</u>
	2.1 Definitions	<u>3</u>
ARTICLE 3	ADMINISTRATION	<u>4</u>
	3.1 Administration	<u>4</u>
	3.2 Reliance	<u>4</u>
ARTICLE 4	SHARES	<u>4</u>
	4.1 Source of Shares for the Plan	<u>4</u>
ARTICLE 5	CASH COMPENSATION	<u>5</u>
	5.1 Basic Cash Retainer	<u>5</u>
	5.2 Supplemental Cash Retainer	<u>5</u>
	5.4 Expense Reimbursement	<u>5</u>
ARTICLE 6	EQUITY COMPENSATION	<u>5</u>
	6.1 Stock Awards	<u>5</u>
	6.2 Adjustments	<u>5</u>
	6.3 Award Certificates	<u>5</u>
ARTICLE 7	AMENDMENT, MODIFICATION and TERMINATION	<u>6</u>
	7.1 Amendment, Modification and Termination	<u>6</u>
ARTICLE 8	GENERAL PROVISIONS	<u>6</u>
	8.1 Duration of the Plan	<u>6</u>
	8.2 Expenses of the Plan	<u>6</u>
SCHEDULE I	DIRECTOR COMPENSATION SCHEDULE	<u>7</u>

**GLOBAL PAYMENTS INC.
SIXTH AMENDED AND RESTATED
NON-EMPLOYEE DIRECTOR COMPENSATION PLAN**

**ARTICLE 1
PURPOSE**

1.1. BACKGROUND. This plan is adopted to aggregate and formalize the Company's compensation policies for non-employee directors of the Company, including all cash and equity-based compensation. This Sixth Amended and Restated Non-Employee Director Compensation Plan (the "Plan") amends and restates the Fifth Amended and Restated Non-Employee Director Compensation Plan that became effective on April 25, 2019. The Plan operates as a subplan of the 2011 Incentive Plan pursuant to Section 4.3 of the 2011 Incentive Plan.

1.2. Purpose. The purpose of the Plan is to attract, retain and compensate highly-qualified individuals who are not employees of the Company or any of its Subsidiaries or Affiliates for service as members of the Board by providing them with competitive compensation and an equity interest in the Company. The Company intends that the Plan will benefit the Company and its shareholders by allowing Non-Employee Directors to have a personal financial stake in the Company through an ownership interest in the Company's Stock and will closely associate the interests of Non-Employee Directors with that of the Company's shareholders.

1.3. ELIGIBILITY. Non-Employee Directors of the Company who are Eligible Participants, as defined below, shall automatically be participants in the Plan.

**ARTICLE 2
DEFINITIONS**

2.1. DEFINITIONS. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the 2011 Incentive Plan. Unless the context clearly indicates otherwise, the following terms shall have the following meanings:

- (a) "Annual Stock Retainer" means with respect to each Non-Employee Director for each Plan Year, the dollar value to be delivered in the form of annual Stock awards under the Plan, as established from time to time by the Committee and set forth in Schedule I hereto.
 - (b) "Basic Cash Retainer" means the annual cash retainer (excluding any Supplemental Cash Retainer and expenses) payable by the Company to a Non-Employee Director pursuant to Section 5.1 hereof for service as a director of the Company; as established from time to time by the Committee and set forth in Schedule I hereto.
 - (c) "Board" means the Board of Directors of the Company.
 - (d) "Chairperson" means the Chairperson of the Board.
 - (e) "Committee" means the Compensation Committee of the Board.
 - (f) "Company" means Global Payments Inc., a Georgia corporation, or any successor corporation.
 - (g) "Effective Date" of the Plan means October 1, 2019.
 - (h) "Eligible Participant" means any person who is a Non-Employee Director on the Effective Date or becomes a Non-Employee Director while this Plan is in effect; except that any director who is a former employee shall not be an Eligible Participant for a period of one year following the date of termination of employment.
 - (i) "Equity Award" means stock options, stock awards, restricted stock, restricted stock units,
-

stock appreciation rights, or other awards based on or derived from the Stock which are authorized under the 2011 Incentive Plan for award to Non-Employee Directors.

- (j) “Grant Date” of an Equity Award has the meaning given such term in Sections 6.1 hereof.
- (k) “2011 Incentive Plan” means the Global Payments Inc. 2011 Incentive Plan, as may be amended from time to time, and any subsequent equity compensation plan approved by the shareholders and designated by the Board as the Incentive Plan for purposes of this Plan.
- (l) “Non-Employee Chairperson” means the Non-Employee Director, if any, who has been designated by the Board as the Chairperson under the Board’s Corporate Governance Guidelines.
- (m) “Lead Director” means the Non-Employee Director, if any, who has been designated by the Board as the Lead Director under the Board’s Corporate Governance Guidelines. The Lead Director shall have such duties as shall be assigned to him or her by the Board in such Corporate Governance Guidelines.
- (n) “Non-Employee Director” means a director of the Company who is not an employee of the Company or any of its Subsidiaries or Affiliates and who had not been appointed or elected to the Board solely by reason of his or her affiliation with a shareholder of the Company.
- (o) “Plan” means this Sixth Amended and Restated Non-Employee Director Compensation Plan, as amended from time to time.
- (p) “Plan Year(s)” means the approximate twelve-month periods between annual meetings of the shareholders of the Company, which, for purposes of the Plan, are the periods for which annual retainers are earned.
- (q) “Supplemental Cash Retainer” means the supplemental annual cash retainer (excluding Basic Cash Retainer and expenses) payable by the Company to a Non-Employee Director pursuant to Section 5.2 hereof for service as Lead Director, Non-Employee Chairperson or chair of a committee of the Board; as established from time to time by the Committee and set forth in Schedule I hereto.
- (r) “Stock” means the common stock, no par value per share, of the Company.

ARTICLE 3 ADMINISTRATION

3.1. **ADMINISTRATION.** The Plan shall be administered by the Committee. Subject to the provisions of the Plan, the Committee shall be authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make all other determinations necessary or advisable for the administration of the Plan. The Committee’s interpretation of the Plan, and all actions taken and determinations made by the Committee pursuant to the powers vested in it hereunder, shall be conclusive and binding upon all parties concerned including the Company, its shareholders and persons granted awards under the Plan. The Committee may appoint a plan administrator to carry out the ministerial functions of the Plan, but the administrator shall have no other authority or powers of the Committee.

3.2. **RELIANCE.** In administering the Plan, the Committee may rely upon any information furnished by the Company, its public accountants and other experts. No individual will have personal liability by reason of anything done or omitted to be done by the Company or the Committee in connection with the Plan. This limitation of liability shall not be exclusive of any other limitation of liability to which any such person may be entitled under the Company’s articles of incorporation or otherwise.

ARTICLE 4 SHARES

4.1. SOURCE OF SHARES FOR THE PLAN. Equity Awards that may be issued pursuant to the Plan shall be issued under the 2011 Incentive Plan, subject to all of the terms and conditions of the 2011 Incentive Plan. The terms contained in the 2011 Incentive Plan are incorporated into and made a part of this Plan with respect to Equity Awards granted pursuant hereto, and any such awards shall be governed by and construed in accordance with the 2011 Incentive Plan. In the event of any actual or alleged conflict between the provisions of the 2011 Incentive Plan and the provisions of this Plan, the provisions of the 2011 Incentive Plan shall be controlling and determinative. This Plan does not constitute a separate source of shares for the grant of the Equity Awards described herein.

ARTICLE 5 CASH COMPENSATION

5.1. BASIC CASH RETAINER. Each Eligible Participant shall be paid a Basic Cash Retainer for service as a director during each Plan Year, payable in advance, on the first business day following each annual meeting of shareholders. The amount of the Basic Cash Retainer shall be established from time to time by the Committee. The amount of the Basic Cash Retainer is set forth in Schedule I, as amended from time to time by the Committee. Each person who first becomes an Eligible Participant on a date other than an annual meeting date shall be paid a pro rata amount of the Basic Cash Retainer for that Plan Year to reflect the actual number of days served in the Plan Year.

5.2. SUPPLEMENTAL CASH RETAINER. The Lead Director or Non-Employee Chairperson, as applicable, and the chairs of each committee of the Board may be paid a Supplemental Cash Retainer during a Plan Year, payable at the same times as installments of the Basic Cash Retainer are paid. The amount of the Supplemental Cash Retainers shall be established from time to time by the Committee, and shall be set forth in Schedule I, as amended from time to time by the Committee. A prorata Supplemental Cash Retainer will be paid to any Eligible Participant who is elected by the Board to a position eligible for a Supplemental Cash Retainer on a date other than the beginning of a Plan Year, to reflect the actual number of days served in such eligible capacity during the Plan Year.

5.3. EXPENSE REIMBURSEMENT. All Eligible Participants shall be reimbursed for reasonable travel and out-of-pocket expenses in connection with attendance at meetings of the Board and its committees, or other Company functions at which the Chairperson, the Chief Executive Officer or the Lead Director requests the director to participate.

ARTICLE 6 EQUITY COMPENSATION

6.1. STOCK AWARDS. Subject to share availability under the 2011 Incentive Plan, each Eligible Participant shall be granted an award of fully-vested Stock on the day that he or she first becomes an Eligible Participant (“Initial Stock Grant”). In addition, subject to share availability under the 2011 Incentive Plan, each Eligible Participant in service on the day following an annual shareholders meeting will receive an award of fully-vested Stock (“Annual Stock Grant” and collectively with the Initial Stock Grant, the “Stock Grants”). Each such day that such awards are to be granted under the Plan is referred to hereinafter as a “Grant Date.” The Stock Grants shall have the following terms and conditions:

(a) Number of Initial Stock Grants. The number of shares in the Initial Stock Grant to an Eligible Participant shall be determined by multiplying the Proration Factor (as defined below) by the amount determined by (A) dividing the Annual Stock Retainer as in effect for that Plan Year, by the Fair Market Value of the Stock on the Grant Date, and (B) rounding to the nearest whole number. The Proration Factor

is a fraction, the numerator of which is the number of full months of service as a Non-Employee Director between the Grant Date and the next annual shareholders' meeting date, and the denominator of which is 12.

(b) Number of Annual Stock Grants. The number of shares in the Annual Stock Grant to an Eligible Participant shall be determined by (A) dividing the Annual Stock Retainer as in effect for that Plan Year, by the Fair Market Value of the Stock on the Grant Date, and (B) rounding to the nearest whole number.

(c) Other Plan Conditions. To the extent not specified herein, the Stock Grants shall be subject to the terms and conditions of the 2011 Incentive Plan.

6.2. ADJUSTMENTS. For the avoidance of doubt, the adjustment provisions of the 2011 Incentive Plan (along with all of the other provisions of the 2011 Incentive Plan) shall apply with respect to all Equity Awards granted pursuant to this Plan.

6.3. AWARD CERTIFICATES. All unvested Equity Awards granted pursuant to this Plan shall be evidenced by a written award certificate, which shall include such provisions, not inconsistent with the Plan or the 2011 Incentive Plan, as may be specified by the Committee. The form of applicable award certificates (if any) shall be approved by the Committee.

ARTICLE 7 AMENDMENT, MODIFICATION AND TERMINATION

7.1. AMENDMENT, MODIFICATION AND TERMINATION. The Committee may, at any time and from time to time, amend, modify or terminate the Plan without shareholder approval; provided, however, that if an amendment to the Plan would, in the reasonable opinion of the Committee, require shareholder approval under applicable laws, policies or regulations or the applicable listing or other requirements of a securities exchange on which the Stock is listed or traded, then such amendment shall be subject to shareholder approval; and provided further, that the Committee may condition any other amendment or modification on the approval of shareholders of the Company for any reason. Modification of Equity Awards granted under this Plan shall be subject to the provisions of the 2011 Incentive Plan.

ARTICLE 8 GENERAL PROVISIONS

8.1. DURATION OF THE PLAN. The Plan shall remain in effect until terminated by the Committee or the earlier termination or expiration of the 2011 Incentive Plan, including any successor plans.

8.2. EXPENSES OF THE PLAN. The expenses of administering the Plan shall be borne by the Company.

The foregoing is hereby acknowledged as being the Global Payments Inc. Sixth Amended and Restated Non-Employee Director Compensation Plan, adopted by the Board on April 25, 2019.

Global Payments, Inc.

By: /s/ David Green
David L. Green
Senior Executive Vice President, General
Counsel and Corporate Secretary

SCHEDULE I

DIRECTOR COMPENSATION SCHEDULE

The following shall remain in effect until modified by the Committee:

Position Held	Annual Basic Cash Retainer	Annual Supplemental Cash Retainer	Annual Stock Retainer (FMV)
Non-Employee Chairperson	\$120,000	\$95,000	\$255,000
Lead Director	\$120,000	\$50,000	\$200,000
Audit Committee Chair	\$120,000	\$30,000	\$200,000
Compensation Committee Chair	\$120,000	\$20,000	\$200,000
Other Committee Chairs	\$120,000	\$20,000	\$200,000

**CERTIFICATION PURSUANT TO
RULE 13a-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jeffrey S. Sloan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Global Payments Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Jeffrey S. Sloan

Date: October 31, 2019

Jeffrey S. Sloan
Chief Executive Officer

**CERTIFICATION PURSUANT TO
RULE 13a-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Paul M. Todd, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Global Payments Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2019

By: /s/ Paul M. Todd _____

Paul M. Todd
Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
§ 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Global Payments Inc. on Form 10-Q for the period ended September 30, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Jeffrey S. Sloan, Chief Executive Officer of Global Payments Inc. (the "Company"), and Paul M. Todd, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934;
and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Jeffrey S. Sloan

Jeffrey S. Sloan
Chief Executive Officer
Global Payments Inc.
October 31, 2019

/s/ Paul M. Todd

Paul M. Todd
Chief Financial Officer
Global Payments Inc.
October 31, 2019

A signed original of this written statement required by Section 906 has been provided to Global Payments Inc. and will be retained by Global Payments Inc. and furnished to the Securities and Exchange Commission upon request.