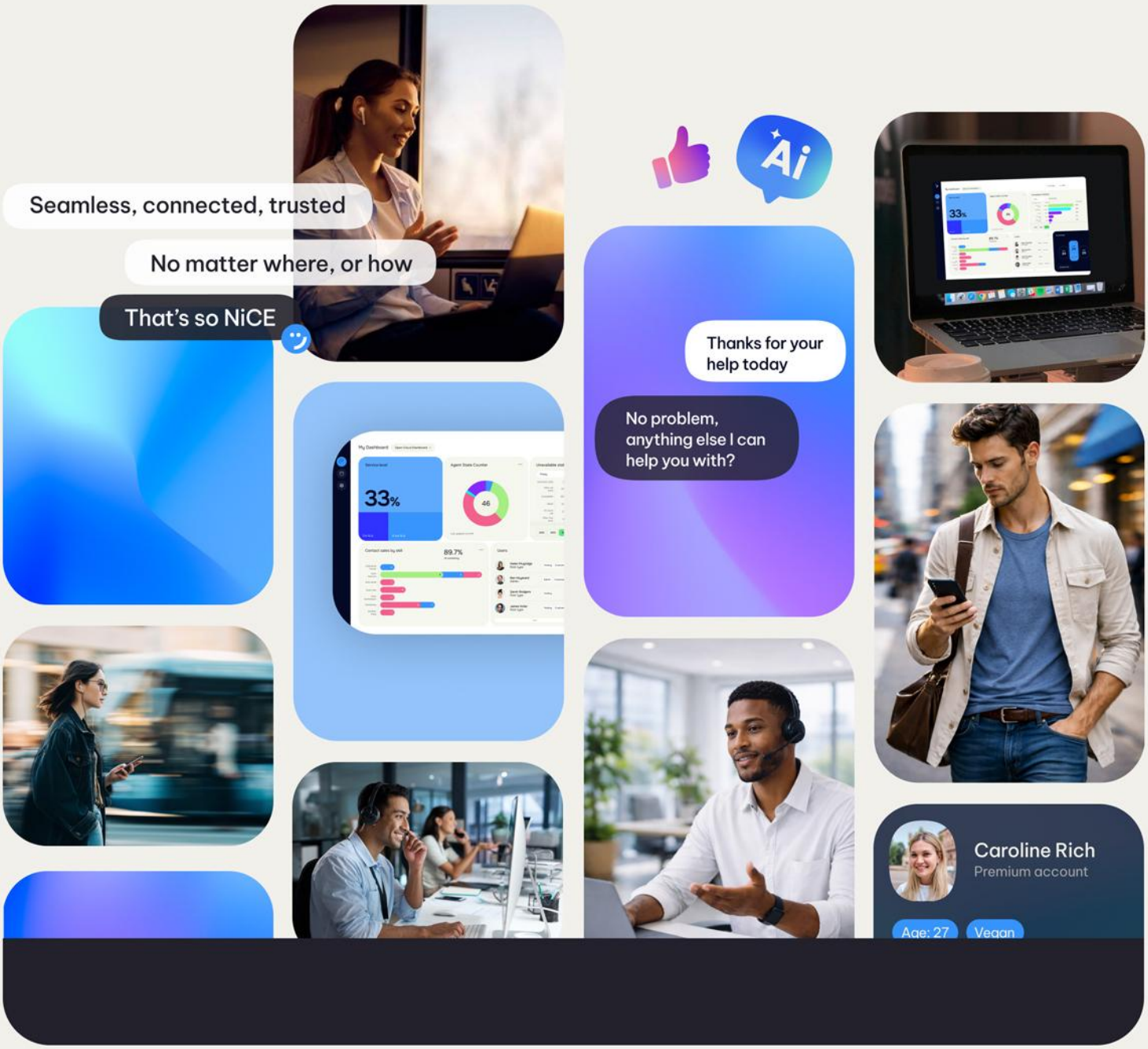
NiCE

2025 Annual Report



Dear Shareholders,

2025 was a defining year for NiCE. It was a year of execution, conviction, and transformation. We delivered at the high end of our financial guidance, strengthened our leadership in CX AI, and positioned the company to accelerate growth in 2026 and beyond.

I joined NiCE because of its clear market leadership, deep domain expertise, and the rapidly expanding opportunity ahead. Over the past year, we sharpened our focus on execution and speed, leaned into an AI-first, platform-led strategy, and prioritized international expansion and strategic partnerships. Our 2025 results demonstrate the impact of that focus.

NiCE's 2025 Financial Performance

In 2025, we delivered strong, profitable growth while accelerating our leadership in cloud and AI.

Total revenue for 2025 reached $2.9 billion, representing 8% year-over-year growth. This growth was driven by the strength of our cloud business, which grew 13% year-over-year. Cloud revenue increased 12% excluding Cognigy, the enterprise leader in conversational and agentic AI that we acquired in September 2025. This performance highlights the resilience of our core NiCE CXone platform and the immediate strategic value added by NiCE Cognigy.

CX AI was the most important growth driver in 2025. AI and self-service ARR at year-end 2025 increased 66% year over year to $328 million, representing 13% of cloud ARR. Adoption accelerated for our AI-powered co-piloting and agentic AI agent solutions as customers moved from pilots to scaled deployments. AI was included in every seven-figure ACV CXone deal during the year, highlighting the central role AI now plays in large enterprise buying decisions.

Large enterprises and international markets were standout contributors. In 2025, we closed a record number of CXone deals exceeding $1 million ARR, including the largest international CXone deal in NiCE's history.

We also delivered a record year for new cloud bookings in 2025, driving cloud backlog growth of 25% year over year and reinforcing our conviction in accelerating growth in 2026 and beyond.

In our Financial Crime and Compliance segment, we had another strong year with total revenue growth of 7% year over year. This business continues to cement its market leadership in combating financial fraud and in managing regulatory risk and compliance for the world's leading financial institutions.

We exited 2025 in a position of exceptional financial strength, with an operating margin of 31% and a free cash flow margin of 21%, fully repaying $460 million of outstanding debt, leaving NiCE debt-free. We also accelerated our buyback program, returning $489 million of capital to shareholders. Our strong balance sheet and cash generation provide the foundation to invest with focus in 2026, extend our market leadership, and capitalize on the significant opportunity ahead.

Extending Leadership in CX AI

A pivotal milestone in 2025 was the acquisition of Cognigy, which strengthened our CX AI capabilities and accelerated our leadership in customer experience automation. With this acquisition, NiCE uniquely combines market-leading CCaaS and conversational AI in a single, fully AI-native CX platform – unifying human-assisted engagement, autonomous self-service, and agentic orchestration on a single data foundation.

Our leadership in customer experience continues to be independently validated by both analysts and customers. In 2025, NiCE was recognized by Gartner as a Leader in the Magic Quadrant for Contact Center as a Service (CCaaS) for the 11th consecutive year. In addition, NiCE Cognigy was named the sole Customers' Choice in the 2025 Gartner® Peer Insights™ Voice of the Customer for Enterprise Conversational AI Platforms, based entirely on verified customer reviews.

Customer recognition also extends to our core CXone platform, which was named a Gartner's Customers' Choice in CCaaS, making NiCE the only vendor distinguished by customer reviews across both conversational AI and CCaaS.

Taken together, these distinctions reinforce NiCE's position as a leader in AI-native customer experience, validated by both independent analysts and the customers we serve.

International Momentum and a Growing Ecosystem

2025 was also a breakthrough year internationally. We delivered 16% international revenue growth year over year, including our largest international deal to date. Cloud adoption internationally remains underpenetrated, creating a powerful multi-year opportunity as enterprises modernize their CX infrastructure.

At the same time, we meaningfully expanded our partner ecosystem in 2025, signing new strategic alliances with leading global system integrators and technology partners including ServiceNow, AWS, Snowflake, Salesforce, Deloitte Digital, PwC, and RingCentral as well as several other international SI partners. These partnerships are becoming a force multiplier for NiCE by extending our global reach, accelerating large enterprise deployments, and enabling customers to scale AI-powered automation more quickly across their organizations. We expect the contribution from these partnerships to continue to grow in the years ahead.

Built to Lead the Next Phase of CX Transformation

While we are proud of what we accomplished in 2025, we are more focused on what comes next.

Our strategy is clear: to extend our industry leadership through our CX AI-first platform that automates complex, high-volume, and mission-critical enterprise workflows. As organizations accelerate the shift from labor-intensive processes to intelligent automation, NiCE is uniquely positioned to lead.

We are entering 2026 with strong momentum. The CX AI market is at an inflection point, as enterprises move beyond isolated use cases toward end-to-end automation across entire customer journeys. Leadership in this next phase will be defined by platforms that combine purpose-built AI, unified data, orchestration, and enterprise-grade governance. This is exactly where NiCE is differentiated.

To capture this opportunity, we are making targeted, time-bound investments to:

1. Fully integrate Cognigy into CXone as a seamless, AI-native platform
2. Advance agentic AI to automate complete customer journeys from intent to resolution
3. Extend automation beyond the contact center into adjacent front-, mid-, and back-office workflows
4. Expand global delivery, go-to-market capacity, and our partner ecosystem
5. Continue innovating with trusted, secure AI at enterprise scale

These investments are designed to accelerate growth, expand our addressable market, and strengthen competitive differentiation, while preserving the financial discipline that has long defined NiCE.

Two principles guide us forward: speed and focus. We are moving decisively to extend our market leadership into the era of agentic AI, leveraging our unified AI-native platform and deep domain expertise to redefine customer experience.

Confident in Our Path Forward

I am more confident today than when I joined NiCE that AI is a durable and powerful tailwind for NiCE. We operate in an attractive and expanding market, and we are uniquely positioned within it. With the right strategy, exceptional talent, a robust customer base and strong financial foundation, including disciplined capital allocation, we are well equipped to lead the next phase of CX transformation.

On behalf of our leadership team and NiCErs around the world, thank you for your continued trust and support. We are building for the long term, investing with purpose, and executing with urgency. I look forward to sharing our continued progress with you in the year ahead.

Sincerely,

Scott Russell

CEO, NICE

Key 2025 milestones

$2.9B Total Revenue,
+8% YoY

$2.2B Cloud revenue
+13% YoY

$328M CX AI & Self-Service ARR +66% YoY | 13% of Cloud ARR

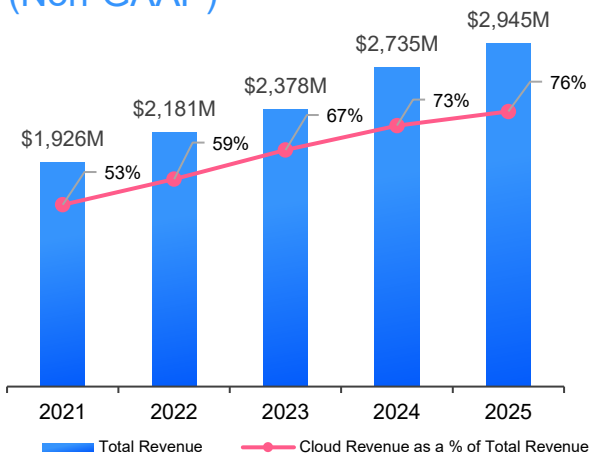
$623M Free Cash Flow
21% Margin

$489M Share Repurchases
78% of Free Cash Flow

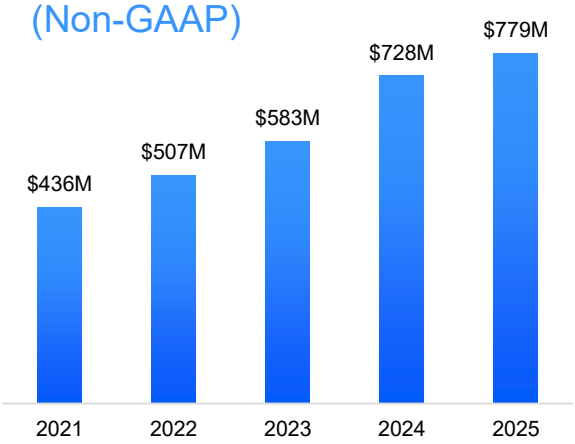
Financial Highlights for 2025

$ in millions except EPS.

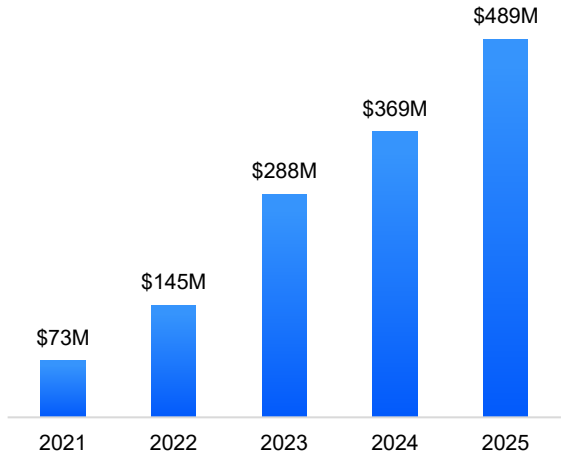
TOTAL REVENUE (Non-GAAP)



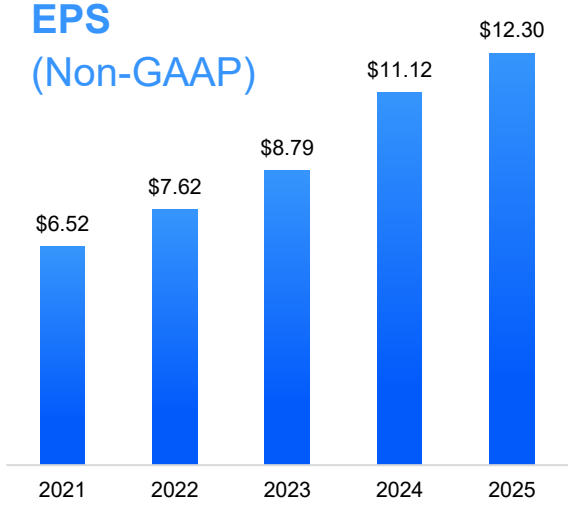
NET INCOME (Non-GAAP)



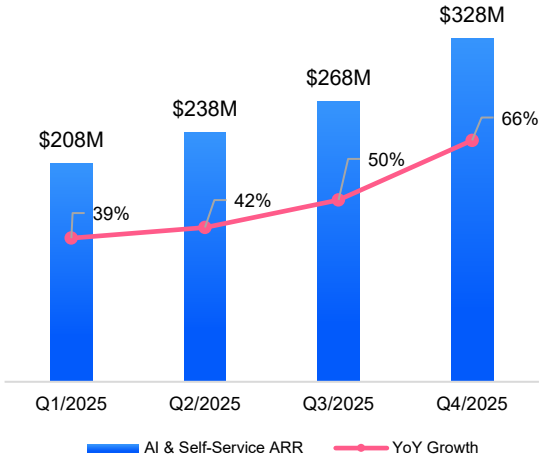
SHARE REPURCHASES



EPS (Non-GAAP)



AI & SELF-SERVICE ARR



NiCE

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

FORM 20-F

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

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

For the fiscal year ended December 31, 2025

OR

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

OR

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

Commission file number 0-27466

NICE LTD.

(Exact name of Registrant as specified in its charter)

N/A

(Translation of Registrant's name into English)

Israel

(Jurisdiction of incorporation or organization)

13 Zarchin Street, P.O. Box 690, Ra'anana 4310602, Israel

(Address of principal executive offices)

Alon Levy
Vice President, General Counsel and Corporate Secretary
Tel: +972-9-7753777
E-mail: Alon.Levy@nice.com
13 Zarchin Street, P.O. Box 690, Ra'anana 4310602, Israel

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

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

Title of Each Class	Trading Symbol	Name of Each Exchange On Which Registered
American Depositary Shares, each representing one Ordinary Share, par value one New Israeli Shekel per share	**NICE**	**Nasdaq Global Select Market**

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

None

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: **60,427,562 Ordinary Shares, par value NIS 1.00 per share (which excludes 14,347,265 treasury shares).**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☒ Yes ☐ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934.

☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days:

☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

☒ Yes ☐ No

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

Large Accelerated Filer ☒	Accelerated Filer ☐
Non-Accelerated Filer ☐	Emerging Growth Company ☐

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

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

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

☒ U.S. GAAP
☐ International Financial Reporting Standards as issued by the International Accounting Standards Board
☐ Other

If "Other" has been checked in response to the previous question indicate by check mark which financial statement item the registrant has elected to follow:

☐ Item 17 ☐ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

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PRELIMINARY NOTE

This annual report contains historical information and forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to NICE Ltd.'s business, financial condition and results of operations. The words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "project," "should," "strategy," "continue," "goal," "target" and similar expressions, as they relate to NICE Ltd. or its management, are intended to identify forward-looking statements. Such statements reflect the current beliefs, expectations and assumptions of NICE Ltd. with respect to future events and are subject to various risks and uncertainties. The forward-looking statements relate to, among other things: operating results; anticipated cash flows; gross margins; adequacy of our resources to fund operations; our ability to maintain our average selling prices despite the aggressive marketing and pricing strategies of our competitors; our ability to maintain and develop profitable relationships with our key distribution channels; the financial strength of our key distribution channels; and the market's acceptance of our technologies, products and solutions.

In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, we are identifying important factors that, individually or in the aggregate, could cause actual results and outcomes to differ materially from those contained in any forward-looking statements made by us; any such statement is qualified by reference to the following cautionary statements. Many factors could cause the actual results, performance or achievements of NICE Ltd. to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

The below is a summary of the risk factors which are more fully described in Item 3, "Key Information – Risk Factors" of this Annual Report. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, our actual results may vary materially from those described in our forward-looking statements included herein. All forward-looking statements are made only as of the date hereof. NICE Ltd. does not intend or assume any obligation to update these forward-looking statements. Investors should bear this in mind as they consider forward-looking statements and whether to invest or remain invested in NICE Ltd.'s securities.

Risks Relating to Our Business, Competition and Markets

- The markets in which we operate are highly competitive and we may be unable to compete successfully.
- Our inability to respond to or address the outcome of rapid technological changes and frequent new products, services and business models introductions in the markets in which we operate may have a material adverse effect on our results of operations and competitive position.
- We may not be able to maintain and further expand the growth or profitability of our cloud-based SaaS business.
- We may not be able to compensate for loss of on-premises business with the continued shift to cloud-based offerings.
- We may not be able to successfully execute our growth strategy.
- Customers' move to communication channels other than voice channel could materially and adversely affect the success of our voice solutions.
- Our business could be materially adversely affected as a result of the risks associated with acquisitions and investments. In particular, we may not succeed in making additional acquisitions or be effective in integrating such acquisitions.
- If we are unable to develop or maintain our relationships with existing and new distributors and strategic partners, our business and financial results could be materially adversely affected.

Risks Relating to Our Offerings and Operations

- Some of our enhanced services are dependent on leased network connectivity lines, and a significant disruption or change in these services could adversely affect our business.
- We rely on multiple internet service providers to provide our customers and their clients with connectivity to our cloud contact center software. A failure by these service providers to provide reliable services could cause us to lose customers and subject us to claims for credits or damages.
- We rely on third-party network service providers to originate and terminate public switched telephone network calls, and significant failures in these networks could harm our operations.
- We rely on software, components and technology infrastructure provided by third parties. If we lose the right to use that software or infrastructure, we will have to spend additional capital to redesign our existing software to adhere to new third-party providers or develop new software.
- Undetected errors or malfunctions in our products or services could impact demand for our products and services, and we could face potential product liability claims directly impairing our financial results.
- We provide certain service level commitments to our customers, which could cause us to provide credits for future services if the stated service levels are not met for a given period and could adversely impact our revenue.

- Challenges in designing or implementing our new ERP system could negatively impact our business and operations.

Risks Relating to Information and Product Security and Intellectual Property

- Our IT Systems and those of our third-party providers, such as hosting facilities, cloud computing platforms, service partners or other technology infrastructure providers as well as customers' data, our business data, and our reputation are vulnerable to ongoing cybersecurity risks and threats that could result in material impact to our business, including legal and financial exposure and liabilities.
- Interruptions or delays in our services through security incidents, failures, or disruptions could disrupt our ability to deliver services, harm our reputation and our relationships with customers and partners, and thereby subject us to material operational impact and liability.
- We may face risks relating to inadequate intellectual property protection of our products or solutions and liability resulting from infringement by our products or solutions of third-party proprietary rights.
- We face risks relating to our use of certain "open source" software and AI Technologies (as defined below).

Risks Relating to Regulatory Environment

- Privacy, data protection and cybersecurity legislation and other regulations may limit the use and adoption of our offerings, adversely affect our business, increase compliance costs and expose us to increased liability.
- Industry-specific regulation and other requirements and standards are evolving and unfavorable industry-specific laws, regulations, interpretive positions or standards could harm our business.
- Failure to comply with legal and regulatory requirements , including those relating to AI, could materially and adversely affect our business, results of operations and financial condition.

Risks Relating to Our Financial Condition

- Our quarterly results may be volatile at times, which could cause us to miss our forecasts.
- We face foreign exchange currency risks.
- We currently benefit from local government programs as well as international programs and local tax benefits that may be discontinued or reduced, or may result in liabilities if underlying conditions are not met.
- Additional tax liabilities resulting from our global operations could materially adversely affect our results of operations and financial condition.
- We might recognize a loss with respect to our financial investments.
- Restrictions in the agreements governing our indebtedness could adversely affect our financial condition and impact our business needs and plans.
- If we fail to maintain effective internal control over financial reporting and operations, it could have a material adverse effect on our business, operating results, and the price of our ordinary shares and ADSs (as defined below).
- Current and future accounting pronouncements and other financial reporting standards and principles might have a significant impact on our financial position and negatively impact our financial results.

Risks Relating to Our Securities

- The market price of each of our ADSs and ordinary shares is volatile and may decline.
- Our ADSs and ordinary shares are traded on different markets and this may result in price variations.
- Substantial future sales or the perception of sales of our ADSs or ordinary shares could cause the price of our ADSs or ordinary shares to decline.
- It may be difficult to enforce a U.S. judgment against us and our officers and directors in Israel or the United States, or to serve process on our officers and directors.
- Provisions of Israeli law and the Company's articles of association may delay, prevent or otherwise impede a merger with, or an acquisition of, our company, which could prevent a change of control, even when the terms of such a transaction are favorable to us and our shareholders.

General Risk Factors

- Conditions and changes in the local and global economic environments may adversely affect demand for our products and services, our business and financial results.
- We face risks relating to our global operations.
- As a result of our global presence, especially in emerging markets, we face increasing challenges that could adversely impact our results of operations, reputation and business.
- Our business, facilities or operations could be adversely affected by events outside of our control, such as natural disasters or health epidemics.
- Our business could be negatively affected as a result of the actions of activist shareholders, and such activism could impact the trading value of our securities.

- We depend on our ability to recruit and retain qualified personnel.

In this annual report, all references to "NiCE," "we," "us," "our" or the "Company" are to NICE Ltd., a company organized under the laws of the State of Israel, and its wholly-owned subsidiaries. For a list of our significant subsidiaries, please refer to Item 4, "Information on the Company - Organizational Structure" of this annual report.

In this annual report, unless otherwise specified or unless the context otherwise requires, all references to "$" or "dollars" are to U.S. Dollars, all references to "EUR" are to Euros, all references to "GBP" are to British Pounds, all references to "CHF" are to Swiss Francs, all references to "NIS" are to New Israeli Shekels, all references to "INR" are to Indian Rupees, all references to "PHP" are to Philippine peso, all references to "AUD" are to Australian Dollar, all references to "JPY" are to Japanese Yen, all references to "SGD" are to Singapore Dollar, and all references to "COP" are to Colombian Peso. Except as otherwise indicated, the financial statements of and information regarding NiCE are presented in U.S. dollars.

PART I

Item 1. **Identity of Directors, Senior Management and Advisers.**

Not Applicable.

Item 2. **Offer Statistics and Expected Timetable.**

Not Applicable.

Item 3. Key Information.

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Our business faces significant risks. You should carefully consider all of the information set forth in this annual report and in our other filings with the Securities and Exchange Commission ("the SEC"), including the following risk factors which we face, and which are faced by our industry. The risks and uncertainties described below are not the only ones facing us. Other events, circumstances or factors that we do not currently anticipate or that we currently do not deem to be material risks may also affect our business, results of operations and financial condition. Our business, financial condition and results of operations could be materially and adversely affected by any of these risks.

Risks Relating to Our Business, Competition and Markets

The markets in which we operate are highly competitive and we may be unable to compete successfully.

The markets for our products, solutions and related services (also referred to elsewhere in this annual report as our "offerings") are, in general, highly competitive. Our competitors include a number of large, established software development vendors. Some of our principal competitors or potential competitors may have advantages over us, including greater resources, a broader portfolio of products, applications and services, greater brand recognition, larger patent and intellectual property portfolios and access to a larger customer base. These potential advantages could enable our competitors to better adapt to new market trends, emerging technologies including Artificial Intelligence ("AI") and machine learning technologies (collectively, "AI Technologies"), or customer requirements, or devote more resources to the marketing and sale of their products and services.

Additional competition from existing and new potential entrants to our markets, including new technology vendors competing in specific areas of our business or specific industry verticals, may lead to the widespread availability and standardization of some of the products and services we provide, which could result in the commoditization of our products and services and reduce the demand for our products and services. In addition, AI Technologies vendors may train models on data derived from our inputs, outputs, or product behavior, potentially enabling unauthorized replication or approximation of our technologies or system functionality. Despite confidentiality and internal information control requirements, third party AI systems may analyze observable outputs or other external indicators and generate competing features or capabilities that could adversely affect our business.

Additionally, prices of our offerings may decrease throughout the market due to competitive pressures, including adoption of different approaches to pricing or different pricing models, which may be necessary due to the potential commoditization of our products and services, the potential of AI Technologies to introduce new pricing models in the market, which may be disruptive, or alternatively during times of economic difficulty. This could have a negative effect on our gross profit and results of operations.

In recent years, players in adjacent markets have increased their presence in our markets through internal development, partnerships and acquisitions. Infrastructure and/or enterprise software vendors, such as large technology providers, major cloud hyperscalers, large-language-model ("LLM") providers, providers of autonomous "Agentic AI" solutions, providers of AI-agent capabilities for use by human agents, Conversational-AI vendors, Customer Relationship Management ("CRM") vendors, IT service management vendors as well as Unified Communications as a Service ("UCaaS"), video collaboration providers, Platform as a Service ("PaaS") vendors, and pure digital vendors, have entered or may decide in the future to enter our market space, or build or acquire contact center as a Service ("CCaaS") solutions and compete with us by offering comprehensive solutions and/or platforms. Moreover, as the investment in, and the shift to the use of AI Technologies (including generative AI Technologies) continue to grow, we may experience increased competition by vertical solutions' players expanding their portfolios in the digital customer experience ("CX") market. We may also experience increased competition if large horizontal analytics providers and domain specific competitors in adjacent markets enter or

increase their presence in the Financial Crime and Compliance markets. Some of these vendors may be well recognized by broadly known brand names, which can serve as an advantage as they enter or increase their presence in our market space. If we are not able to compete effectively with these market entrants or other competitors, we may lose market share, and our business, financial condition or results of operations could be adversely affected.

In light of the intense competition in our markets, successful development, positioning and sales execution of our offerings, and maintaining our customer relationships, are critical factors in our ability to successfully compete and maintain growth. Therefore, we must continue making significant expenditures on research and development, marketing, and sales activities to compete effectively. Successful marketing of our offerings to our customers and partners will be critical to our ability to maintain growth and our competitive positioning. We cannot assure that our offerings or existing partnerships will allow us to compete successfully.

In addition, our software solutions may compete with software developed internally by potential customers, as well as software and other solutions offered by competitors. We cannot ensure that market awareness or demand for our new products, applications or services will grow as rapidly as we expect, or that the introduction of new products or technological developments or services by others will not adversely impact the demand for our offerings.

The market for some of our solutions is highly fragmented and includes a broad range of product offerings, features and capabilities. Consolidation through mergers and acquisitions, or alliances formed, among our competitors in this market, could substantially influence our competitive position, especially if they will enable our competitors to offer a competitive comprehensive platform solution.

As we expand into new markets and geographies, we are faced with new challenges, including new competition, which may possess specific assets, relationships, know-how, technologies, and/or different pricing strategies, that enable our competitors to better respond to market trends or customer requirements or devote greater resources to the development, promotion and sale of their products and services.

Our inability to respond to or address the outcome of rapid technological changes and frequent new products, services and business models introductions in the markets in which we operate may have a material adverse effect on our results of operations and competitive position.

We operate in rapidly evolving markets characterized by fast-changing technology, frequent introduction of new offerings, and evolving industry standards, as well as persistent demand for state-of-the-art solutions. Existing and potential competitors might introduce new and enhanced products and services that could adversely affect the competitive position of our offerings.

We are making investments in AI based capabilities to enhance our offerings and expect that increased investment will continue in the future to continuously improve our use of AI Technologies. AI Technologies are rapidly evolving and may present several risks, including factual errors or inaccuracies in the work product developed with AI (often referred to as hallucinations), ethical risks related to biases in the algorithm or programming, privacy and security concerns as well as risks related to confidentiality and intellectual property rights. In particular, if the AI models underlying our AI Technologies are: incorrectly designed or implemented; trained or reliant on incomplete, inadequate, inaccurate, biased or otherwise poor quality data, or on data to which we do not have sufficient rights or in relation to which we and/or the providers of such data have not implemented sufficient legal compliance measures; used without sufficient oversight and governance to ensure their responsible use; and/or adversely impacted by unforeseen defects, technical challenges, cybersecurity threats or material performance issues, the performance of our products, services and business, as well as our reputation and the reputations of our customers, could suffer, or we could incur liability resulting from the violation of laws or contracts to which we are a party or civil claims.

We believe that our ability to anticipate changes in technology and industry standards and to successfully develop and introduce new, enhanced and differentiated products and services, on a timely basis, in each of the markets in which we operate, is a critical factor in our ability to grow our business. As a result, we expect to continue to make significant expenditures on research and development, particularly with respect to new software applications which are continuously required in all our business areas, as well as investments in AI Technologies. There is no certainty that such investments will result in products and services that successfully address the changes in the markets in which we operate. In the event that we do not anticipate changes in technology or industry practices or fail to timely address market needs or are not able to develop new products and services that are in demand, or should customer adoption of new technologies be slower than we anticipate, or should our competitors introduce new and enhanced products incorporating AI Technologies more rapidly and/or

successfully than us, the competitive position of our offerings may be adversely affected and we may lose market share and our results of operations may be materially adversely affected. Our ability to develop or implement proprietary AI models may be limited by our access to processing infrastructure, and we may be dependent on third-party providers for such resources. Additionally, market acceptance of AI-based products and services may accelerate certain trends in the markets in which we operate. For example, a shift from seat-based recurring revenue to consumption-based revenue, or decrease in demand for solutions priced based on the number of human agents deployed. If we are not able to successfully address the effect of such AI-related trends on our business models, our business, financial condition and results of operation may be adversely affected.

In addition, some of our offerings must readily integrate with customers' (or their applicable vendors') systems of record and data sources, consumer facing front-office applications and back-office business operations systems. Any changes to these third-party systems could require us to redesign our products or result in the loss of access to data necessary for our products, and any such redesign or other adjustments required to address these changes might not be possible on a timely basis or achieve market acceptance.

We may not be able to maintain and further expand the growth or profitability of our cloud-based SaaS business.

Our cloud-based Software-as-a-Service ("SaaS", also referred to as "cloud") business, in both our Customer Engagement and Financial Crime and Compliance markets, has grown significantly, and therefore we are more dependent now on the success of this area of our business. If we are not able to compete effectively, generate significant revenues or maintain the profitability of our cloud business or if we do not successfully execute our cloud strategy or anticipate the needs of our customers, including in relation to the pace of adoption of cloud solutions as well as AI-based cloud offerings by large enterprises, our revenues could decline and our reputation may be adversely affected.

Our cloud offerings are generally purchased by customers on a subscription basis, including those that include consumption-based pricing. We plan to continue to promote consumption and utilization pricing models for our cloud offerings and, accordingly, expect that our revenues will increasingly rely on consumption and utilization of our solutions. Our failure to secure subscription renewals for our solutions, or a reduction in the number or volume of subscriptions or consumption and utilization of our solutions, may adversely impact our revenues, profitability and results of operations.

We rely on cloud computing platforms provided by third parties, including PaaS provided by strategic partners, such as Amazon and Microsoft. These cloud computing platforms may not continue to provide competitive pricing, features and functionality, or may not be available on commercially reasonable terms. We may be affected by such changes, including with respect to pricing of certain infrastructure services, such as in the area of PaaS and network connectivity, which could in turn affect the rates we offer to our customers.

In addition, some of our customers may not accept the use of such services or particular platform. The inability to use any of these hardware, software or cloud computing platforms could have a material adverse impact on our business, increase our expenses and otherwise result in delays in providing our services until equivalent technology is either developed by us, or obtained through purchase or license and integrated into our services. In addition, to the extent that we suffer periods of unavailability of our service for reasons related to PaaS providers, we may be contractually obligated to provide our customers with credits for future services, and in some cases refunds, or be liable for penalties. Any such extended service outages could harm our reputation, revenue and operating results.

Some of our products and solutions utilize cloud services based on AI Technologies. Due to growing market demand for AI-based offerings, computing capacity for these offerings may become difficult to access or to obtain on commercially reasonable terms. Our inability to secure the required capacity for AI processing could limit our ability to deliver our solutions and constrain the growth in our AI-based offerings. Furthermore, even if accessible, the costs associated with running certain AI Technologies, including inference and compute costs, are significant and volatile. If we are unable to optimize these costs or successfully pass them on to our customers through our pricing models, our gross margins and overall cloud profitability may be negatively impacted.

As we grow our cloud business, we will continue to depend on both existing and new strategic relationships with such vendors. Our inability to establish and foster these relationships could adversely affect the development of our cloud business, as well as our growth, reputation and results of operations.

Further, cloud computing may make it easier for new competitors to enter our markets due to the lower up-front technology costs and easier implementation and for existing market participants to compete with us on a greater scale. Such

increased competition is likely to heighten the pressure on us to decrease our pricing, which could have a negative effect on our revenues, profitability and results of operations.

We may not be able to compensate for loss of on-premises business with the continued shift to cloud-based offerings.

The increasing prevalence of SaaS delivery models offered by us and our competitors may unfavorably impact pricing and overall demand for our on-premises software products and related services, which could reduce our revenues and profitability. With the continued shift to cloud-based offerings, we cannot guarantee that revenues generated from our cloud business will compensate for a loss of business in our on-premises enterprise software business.

We may not be able to successfully execute our growth strategy.

Our strategy is to continue investing in, enhancing and securing our business and operations and to grow our business, both organically and through acquisitions. Investments in, among other things, new markets, products, solutions, and technologies, research and development, infrastructure and systems, geographic expansion, and additional qualified and experienced personnel, are critical to achieving our growth strategy. Growth of our revenue depends on the success of all these factors, including our ability to maintain and grow our customer base and the revenues from existing and new customers, develop our strategic partnerships, introduce our offerings to new global markets, strengthen and improve our offerings through significant investments in research and development and successfully consummate and integrate acquisitions.

Our success depends on our ability to execute our growth strategy effectively and efficiently in order to meet our customers' and market needs. We cannot guarantee that we will be able to sustain our growth in future years. If we are unable to execute our growth strategy successfully and properly manage our investments and expenditures, our results of operations may be materially adversely affected.

Customers' move to communication channels other than voice channel could materially and adversely affect the success of our voice solutions.

Our voice solutions currently generate, and in recent years have generated, a significant portion of our revenues, and we will continue to rely on the sales of our voice solutions and related recurring revenues, such as subscription and maintenance services, in the next several years. The trend of enterprise customers moving from voice communications to other means of communication with the enterprise (such as autonomous AI agents, self-service, e-mail, messaging applications, social media and chat) may result in a reduction in the demand for our voice platform and applications. There can be no assurance that customers will adopt our solution for other or alternative communication channels that are offered as part of our product portfolio and that the growth in our digital and customer automation solutions will compensate for such possible decline in demand for our voice solutions. Therefore, a significant decline in the voice solutions market may have a material adverse effect on revenues generated from our voice solutions, which may have a material adverse effect on our business, financial condition or results of operations.

Our business could be materially adversely affected as a result of the risks associated with acquisitions and investments. In particular, we may not succeed in making additional acquisitions or be effective in integrating such acquisitions.

As part of our growth strategy, we made a number of acquisitions over the last several years, including a significant acquisition of Cognigy GmbH ("Cognigy"), a provider of conversational and Agentic AI, in 2025 (see Item 5, "Operating and Financial Review and Prospects - Recent Acquisitions" in this annual report for a description of certain recent acquisitions), and expect to continue to complete acquisitions and investments in the future. As we continue to evaluate strategic opportunities, there can be no assurance that we will be successful in closing additional acquisitions. Even if we are successful in making additional acquisitions, integrating an acquired business into our operations or investing in new technologies may: (1) result in unforeseen operating difficulties and large expenditures; and (2) absorb significant management attention that would otherwise be available for the ongoing development of our business, both of which may result in the loss of key customers or personnel and expose us to unanticipated liabilities.

Other risks commonly encountered with respect to acquisitions include the effect of acquisitions on our financial and strategic position, the inability to integrate successfully or commercialize acquired technologies and achieve expected synergies or economies of scale on a timely basis and the potential impairment of acquired assets. Further, we may not be able to retain the key employees that may be necessary to operate the businesses we acquire and we may not be able to attract, in a timely manner, new skilled employees and management to replace them.

In recent years, several of our competitors have also completed acquisitions of companies in our markets or in complementary markets. As a result, it may be more difficult for us to identify suitable acquisitions or investment targets or to consummate acquisitions or investments once identified on acceptable terms or at all. If we are not able to execute on our acquisition strategy, we may not be able to achieve our growth strategy, may lose market share, or may lose our leadership position in one or more of our markets.

We often compete with others to acquire companies, and such competition may result in decreased availability of, or an increase in price for, suitable acquisition candidates. We also may not be able to consummate acquisitions or investments that we have identified as crucial to the implementation of our strategy for other commercial or economic reasons. Further, we may not be able to obtain the necessary regulatory approvals, including those of competition authorities and foreign investment authorities, in countries where we seek to consummate acquisitions or make investments. For those and other reasons, we may ultimately fail to consummate an acquisition, even if we announce the intended acquisition. Also, even if we do consummate acquisitions, we may do so on less favorable terms and/or may be subject to certain conditions or commitments imposed by such authorities and agencies that may impact post-acquisition integration or have an adverse effect on our business.

We may require significant financing to complete an acquisition or investment, whether through bank loans, raising of debt or otherwise. We cannot assure that such financing options will be available to us or available on terms we find reasonable.

In addition, if we consummate one or more significant acquisitions in which the consideration consists, in whole or in part, of our ordinary shares or American Depositary Shares ("ADSs") representing our ordinary shares, our shareholders may suffer immediate or other dilution of their interests in us or earnings per share, or may suffer future dilution if we issue exchangeable or convertible debt to finance a significant acquisition. For example, during 2025, we completed an acquisition in which the consideration also included the issuance of ADSs, resulting in immaterial dilution of our shares.

Future acquisitions or investments may also require us to incur contingent liabilities, amortization expenses related to intangible assets and impairment of goodwill, any of which could have a material adverse effect on our operating results and financial condition.

If we are unable to develop or maintain our relationships with existing and new distributors and strategic partners, our business and financial results could be materially adversely affected.

An important element of our market strategy involves developing our indirect sales, implementation and support channels, which include our global network of partners, distributors, resellers and other strategic partners. We have agreements in place with many distributors, dealers and resellers to market and sell our offerings across the business lines and geographies in which we operate. Our financial results could be materially adversely affected if our agreements with distribution channel partners or our other strategic partners were terminated, if our relationship with our distribution channel partners or our other strategic partners were to deteriorate, or if the financial condition of such partners were to weaken.

In addition, we depend on our channel partners globally to comply with applicable regulatory requirements, such as anti-corruption and anti-bribery laws and regulations. Despite our contractual arrangement with such partners, that require them to comply with applicable laws, we cannot guarantee that our partners will not violate applicable law or our policies and procedures designed to ensure compliance with applicable law. To the extent that they fail to do so, that could expose us to criminal or civil enforcement actions and could have a material adverse effect on our business, operating results, and financial condition.

The execution of our growth strategy also depends on our ability to create new alliances and enter into strategic partnerships with certain market players, including technology providers. Additionally, as our market opportunities change and we grow our business and expand in certain markets and territories, our dependency on particular distribution channels and strategic partners may increase or we may need to create new strategic partnerships and alliances to address changing market needs. We may not be successful in maintaining, creating or expanding these channels and partnerships, which may negatively impact the development of our business, our growth, gross margins and results of operations.

We may also develop dependency on certain strategic partners, and to the extent that we have to find alternatives in the market, our development efforts and business may be negatively impacted. Also, these partnerships and alliances are typically not exclusive and our partners may also offer products and services of our competitors or may compete with us directly. If we are not successful at creating and maintaining strategic partnerships under favorable terms, we may lose sales opportunities, customers and market share, which may have a material adverse effect on our business and results of operations.

Risks Relating to Our Offerings and Operations

Some of our enhanced services are dependent on leased network connectivity lines, and a significant disruption or change in these services could adversely affect our business.

A portion of our cloud offerings is provided to customers through a dedicated network of equipment we own that is connected through leased network connectivity lines based on Internet protocol with capacity dedicated to us. We also deliver a portion of our voice long distance service over this dedicated network.

We lease network connectivity lines and space at co-location facilities for our equipment from third-party suppliers. These co-location facilities represent the backbone of our dedicated network. If any of these suppliers is unable or unwilling to provide or, if we desire, expand their current levels of service to us, the services we offer to customers may be adversely affected. We may not be able to obtain substitute services from other providers at reasonable or comparable prices or in a timely fashion. Any resulting disruptions in the services we offer that are provided over our dedicated network would likely result in customer dissatisfaction and adversely affect our operations. Furthermore, pricing increases by any of the suppliers we rely on for our dedicated network could adversely affect our results of operations if we are unable to pass-through such pricing increases.

We rely on multiple internet service providers to provide our customers and their clients with connectivity to our cloud contact center software. A failure by these service providers to provide reliable services could cause us to lose customers and subject us to claims for credits or damages.

We depend on internet service providers to provide uninterrupted and error-free service through their telecommunications networks. We exercise little control over these third-party providers, which increases our vulnerability to problems arising from the services they provide, including failures relating to internet accessibility in general. When problems occur, it may be difficult to identify the source of the problem, and there is no assurance that the multiple redundancies and backup we have will prevent such problems. Service disruption or outages, even if not caused by our products or services, may damage our reputation or result in loss of market acceptance of our offerings, and any necessary remedial actions may force us to incur significant costs and expenses, such as payments of credits, penalties or damages to affected customers.

We rely on third-party network service providers to originate and terminate public switched telephone network calls, and significant failures in these networks could harm our operations.

For our business in the unified communications market, we leverage the infrastructure of third-party network service providers to provide telephone numbers, public switched telephone network call termination and origination services, and local number portability for our customers rather than deploying our own network. If any of these network service providers ceases operations or otherwise terminate the services that we depend on, the delay in switching our technology to another network service provider, if available, could have an adverse effect on our business, financial condition or operating results.

We rely on software, components and technology infrastructure provided by third parties. If we lose the right to use that software or infrastructure, we will have to spend additional capital to redesign our existing software to adhere to new third-party providers or develop new software.

We integrate and utilize various third-party software products, such as LLMs or other AI Technologies as components of, or integration with our products and solutions, to enhance their functionality. The LLMs and other infrastructure components require significant computing resources, which may be limited or not available on terms acceptable to us. In addition, we rely on technology infrastructure from third parties, such as cloud services and cloud providers through which we deliver our offerings, including, in some cases, deployment through a single cloud provider. Furthermore, reliance on AI Technologies licensed from third parties subjects us to operational risks, including potential deprecation of specific model versions by vendors, which could impact the continuity of our downstream applications.

Our business could be disrupted if functional versions of these software products, components or technology infrastructure were either no longer available to us or no longer made available to us on commercially reasonable terms. In the event that any of these third-party vendors, including third-party vendors from which we license AI Technologies, suffers any malfunctions in the implementation of their services, service disruptions or outages, disruptions related to implementing security systems, security measures or authorization and access control mechanisms, or other disruptions resulting from sharing such vendor's resources with other third parties, or is unable to meet our requirements in a timely manner or in a

manner that meets our needs or our relationship with any such vendor is terminated, we may experience disruption in our business until an alternative source of supply can be obtained. Any disruption or any other interruption in a vendor's ability to provide software (including AI Technologies), components, technology infrastructure or services to us could result in interruptions to our services and delivery of our solutions, delays or inability in making product deliveries or the need to significantly redesign our products, which could have a material adverse effect on our business, financial condition and results of operations. Additionally, price increases by any of our third-party vendors could adversely affect our results of operations if we are unable to pass-through such price increases.

Additionally, certain of the data that we use in developing our AI Technologies is licensed from third parties, and we are dependent upon our ability to obtain necessary data licenses within appropriate time frames and on commercially reasonable terms, and such third parties' assurances that such data was obtained and provided to us lawfully. Our data suppliers may withhold their data from us in certain circumstances or we could terminate relationships with our data suppliers if they fail to adhere to our data quality, vendor or other standards. If a substantial number of data suppliers were to withdraw or withhold their data from us, or if we sever ties with our data suppliers based on their inability to meet our standards, our ability to provide products and services to our customers and our revenue prospects could be materially adversely impacted.

Undetected errors or malfunctions in our products or services could impact demand for our products and services, and we could face potential product liability claims directly impairing our financial results.

Our products and services may include undetected errors, inaccuracies, defects, failures, bugs or other weaknesses that could result in service disruption or unanticipated downtime for our customers, loss of data, product returns, loss of or delay in market acceptance of our products and services, loss of competitive position, or claims by customers or others.

In addition, the increasing implementation of AI Technologies in our products and services creates potential ethical issues, inaccurate content or results, unintentional bias, privacy and cybersecurity related challenges, potential breach of third-party intellectual property rights and potential difficulty in asserting ownership rights in our intellectual property rights when the development of such products and services is assisted by the use of AI tools. The realization of any of these or other AI related risks may result in potential legal, business, operations, reputational or financial harm.

Moreover, our customers could incorrectly implement or misuse our products or services, which could result in client dissatisfaction and harm our reputation and brand. Correcting and repairing such errors, inaccuracies, failures, misleading content or bugs, or investing in mitigation activities to address risks derived from the use of AI, such as those related to privacy, cybersecurity or intellectual property, could entail significant costs and could cause interruptions, delays or cessation of our products and services.

As our customers use our offerings for important aspects of their business, any errors, defects, disruptions in service or other performance problems could significantly damage our customers' businesses and ultimately harm our reputation. As a result, customers could elect not to renew our services or delay or withhold payment to us. We could also lose future sales or customers may make warranty or other liability claims against us, which may harm our business and adversely affect our results. In particular, some of our customers, including financial institutions, may suffer significant damages as a result of a failure of our solutions to perform their functions. The occurrence of any of these events could result in our inability to attract or retain customers, and adversely affect our revenues, financial condition and results of operations.

We cannot guarantee that our quality assurance programs or other procedures will be effective in detecting, preventing or addressing errors, inaccuracies, malfunctions or other AI related risks in our products and solutions or that we will be able to eliminate or successfully limit our liability for any failure of, or inaccuracies in, our solutions, including with respect to responsible use of products and services incorporating AI Technologies. Any product liability insurance we carry may not be sufficient to cover our losses resulting from any such product liability claims. The successful assertion of one or more large product liability claims against us could have a material adverse effect on our results of operations and financial condition.

We provide certain service level commitments to our customers, which could cause us to provide credits for future services if the stated service levels are not met for a given period and could adversely impact our revenue.

Our customer agreements for cloud services provide service level commitments. If we are unable to meet the stated service level commitments or suffer extended periods of unavailability for our service, including for reasons related to PaaS providers or other third parties, we may be contractually obligated to provide these customers with credits for future services,

and in some cases refunds, or be liable for penalties. Our revenue could be adversely impacted if we suffer unscheduled downtime that exceeds the allowed downtimes under our agreements with our customers. Any such extended service outages could harm our reputation, revenue and operating results.

Challenges in designing or implementing our new ERP system could negatively impact our business and operations.

We went live with the core financials portion of our new enterprise resource planning system ("ERP") during the first quarter of 2025. The implementation of an ERP system is a complex and time-consuming project and requires transformations of business and finance processes to reap the benefits of the ERP system. While the new ERP system is intended to maintain accurate financial records, improve operational functionality, and provide timely information to our management regarding our business operations, we cannot ensure the implementation of the new ERP system will be seamless as any such transformation involves inherent risks, including loss of information and potential disruption to normal operations. Additionally, if the ERP system does not operate as intended, the effectiveness of our internal control over financial reporting could be adversely affected or our ability to assess those controls adequately could be delayed. The scope and time line for any subsequent phases is still to be determined.

Risks Relating to Information and Product Security and Intellectual Property

Our IT Systems and those of our third-party providers, such as hosting facilities, cloud computing platforms, service partners or other technology infrastructure providers as well as customers' data, our business data, and our reputation are vulnerable to ongoing cybersecurity risks and threats that could result in material impact to our business, including legal and financial exposure and liabilities.

We rely on computer systems, hardware, software, technology infrastructure and online sites and networks for both internal and external operations that are critical to our business (collectively, "IT Systems"). We own and manage certain IT Systems but also rely on third parties for IT Systems and related services, such as cloud computing and SaaS solutions. Our products and services involve the storage and transmission of customers' and their end users' proprietary and other sensitive or confidential information, including financial information and other personally identifiable information. In addition, some of our customers use our products and services to compile and analyze highly sensitive or confidential information, and we may encounter or store such information or data, including when we perform service or maintenance functions for our customers. We also maintain propriety information about our business such as source code. Our IT Systems and information are vulnerable to security incidents and we cannot guarantee that the security measures we have in place or those used by our third-party providers will prove sufficient in preventing or detecting the occurrence of a security incident. Security incidents threaten the availability, integrity and confidentiality of our IT Systems and our or our customers' and their end users' information, and could result in significant investigations and enforcement actions, litigation and other liabilities that materially impacts our operations, financial results and/or reputation.

We are regularly subject to cyberattacks and from time to time have experienced, and expect to continue to experience attacks and security incidents in varying degrees in the future. For example, we regularly experience phishing attacks and have experienced unauthorized access to information in the past. These attacks and incidents to date have not materially impacted our business, financial results or reputation, but there is no guarantee that material incidents will not occur in the future. The sources of security incidents are diverse and include fraud or breaches by computer hackers, employee error, malfeasance, intentional misconduct, unauthorized access to, or use of, our systems, products and services, our customers' and their end users' data or our data, including our intellectual property and other confidential business information, in order to derive a financial benefit or for other purposes. In addition, the perception or fact that the internal security policies and procedures which we have in place did not prove effective in safeguarding customers' confidential information, or that any of our employees has improperly handled sensitive information of a customer or a customer's end user, could negatively affect our business.

Cybersecurity attacks are becoming increasingly sophisticated, including by way of frequent changes in the techniques and tools used by threat actors, such as advanced malware (e.g., ransomware), social engineering/phishing and AI, to obtain unauthorized access to IT Systems, circumvent controls, evade detection and even remove forensic evidence. This makes incident detection and recovery increasingly challenging. If we fail to recognize and deal with such security attacks and threats, or if we fail to update our systems, products and services and address such threatened attacks in real time to protect our customers' or other parties' sensitive information, whether retained in our IT Systems or by our customers using our products and services, our business and reputation will be harmed. The costs of recognizing and addressing security attacks and threats and updating our systems, products and services, may be material. In addition, we track known vulnerabilities in software that is used in our IT Systems but cannot guarantee that patches or countermeasures will be implemented before they can be

exploited by a threat actor. We have acquired and are likely to continue to acquire companies with security vulnerabilities or unsophisticated security measures, which exposes us to significant integration and related risks.

Our offerings, including our cloud services, are vulnerable to cybersecurity attacks, even if they do not contain defects. Such vulnerability and risk further increase with our use of products and services incorporating AI Technologies, including to circumvent controls, avoid detection, and remove or obfuscate forensic evidence. These attacks on one of our products or services, even absent a defect or error, may result in significant concerns regarding the integrity of our offerings generally, which could cause adverse publicity and impair their market acceptance and could have a material adverse effect on our results or financial condition.

Third parties regularly attempt to attack our security measures or inappropriately take advantage of our solutions, including our cloud services, through computer viruses, electronic break-ins and other disruptions. Such attempts also include fraudulently inducing employees or customers into disclosing sensitive information such as usernames, passwords or other information to gain access to our customers' data, our data or our systems. Furthermore, certain customers authorize third-party technology providers to access their customer data, and some of our customers and/or their providers may not have adequate security measures in place to protect their data that is stored on our services. Because we do not control our customers or third-party technology providers, or the access methods or processing of such data by third-party technology providers, we cannot ensure the integrity or security of such access, transmissions or processing. Malicious third parties may also conduct attacks designed to temporarily deny customers access to our services. Any security incident could result in a loss of confidence in the security of our services, damage our reputation, negatively impact our future sales, disrupt our business and lead to legal liability. In addition, any circumvention or failure of our cybersecurity measures could compromise the confidentiality, integrity, and availability of our customers' own IT Systems and/or our customers' information.

We could be subject to risks of losses resulting from cybersecurity attacks that might be beyond the limits, or outside the scope of coverage of the insurance policies maintained by us, which may limit or prevent indemnification available to us under our insurance policies. This potential insufficiency of insurance coverage could result in an adverse effect on our business, financial position, profit, and cash flows.

Interruptions or delays in our services through security incidents, failures, or disruptions could disrupt our ability to deliver services, harm our reputation and our relationships with customers and partners, and thereby subject us to material operational impact and liability.

Significant interruptions or delays to our services, whether as a result of error or security incidents, and whether accidental or willful, could harm our reputation and our relationships with customers and partners, subject us to liability, and adversely affect our business and results of operations. In the event of damage or interruption, our insurance policies may not adequately compensate us for any losses that we may incur.

We currently serve our customers using third-party data center hosting facilities and cloud computing platform providers. While we have security measures in place that are based on applicable industry standards, they are vulnerable to breach due to third-party action, including intentional misconduct by computer hackers, employee error, malfeasance or otherwise, and result in someone obtaining unauthorized access to our or our third-party vendors' systems and infrastructure. Moreover, such facilities and platforms are vulnerable to interruptions resulting from power or network connectivity issues, criminal acts and other misconduct, including security incidents and computer viruses. Occurrence of such damage or interruptions could result in disruptions in our services. Despite precautions such vendors are required to take, the occurrence of such damage or interruption or other unanticipated problems at these facilities, could result in lengthy interruptions in our services, subject us to liability and require the issuance of credits or payment of penalties pursuant to our customer agreements, and/or cause customers to terminate their subscriptions and adversely affect our attrition rates and our ability to attract new customers, all of which would reduce our revenues. Also, we are not entitled to indemnification in all cases and situations and may not be able to recoup any such loss or damage from such service providers, which may result in us bearing the burden of any such liability or losses.

In addition, we are also dependent on our computer databases, billing systems and accounting computer programs, network and computer hardware that houses these systems to effectively operate our business and market our services. Our customers may become dissatisfied by any failures of such systems that interrupt our ability to deliver our services. Therefore, significant disruption or failure in the operation of these systems could adversely affect our business and results of operations.

Furthermore, we provide some of our services through computer hardware that we own and that is currently located in third-party web hosting co-location facilities and data centers maintained and operated in various locations globally. Our hosting providers do not guarantee that our customers' access to our solutions will be uninterrupted, error-free or secure. Our

operations depend on our providers' ability to protect their and our systems in their facilities against such damage or interruption. Our back-up computer hardware and systems may not have sufficient capacity to recover all data and services in the event of an outage occurring simultaneously at all facilities. In the event that our hosting arrangements are terminated, or there is a lapse of service or accidental or willful damage to such facilities, we could experience lengthy interruptions in our service as well as delays and/or additional expense in arranging new facilities and services. Any or all of these events could cause interruptions in our services.

We may face risks relating to inadequate intellectual property protection of our products or solutions and liability resulting from infringement by our products or solutions of third-party proprietary rights.

Our success is dependent, to a significant extent, upon our proprietary technology. We currently hold 598 U.S. patents and 30 patents issued in additional countries covering substantially the same technology as the U.S. patents. We have 228 patent applications pending in the United States and other countries. We rely on a combination of patent, trade secret, copyright and trademark law, together with non-disclosure and non-competition agreements, as well as third-party licenses to establish and protect the technology used in our offerings. However, we cannot assure that such measures will be adequate to protect our proprietary technology, that competitors will not develop products with features based upon, or otherwise similar to our products, that intellectual property ownership and third-party licenses, including with respect to copyrights ownership of content that is produced in whole or in part by generative AI tools, will be available to us or that we will prevail in any proceeding instituted by us in order to enjoin competitors from selling similar products. In most of the areas in which we operate, third parties also have patents which could be found applicable to our technology and products. Such third parties may include competitors, as well as large companies, which heavily invest in their patent portfolios, regardless of their actual field of business. Regarding development of AI Technologies, other parties may have (or in the future may obtain) patents or other proprietary rights that would prevent, limit, or interfere with our ability to make, use, or sell our own AI Technologies. AI Technologies have sometimes generated content that is "substantially similar" to proprietary or open source materials on which the AI tool was trained. If the AI Technologies we use to generate materials such as code is too similar to other proprietary materials, or to software processes that are protected by patent, and we incorporate such materials in our business operations or offerings, we could be subject to intellectual property infringement claims based on how we use and distribute such materials. We cannot assure that one or more third parties will not make a claim related to infringement of intellectual property rights or that we will be successful in defending such claim. In defending ourselves against any such claims or actions we may be subject to substantial costs and diversion of management resources. While some providers of AI Technologies offer to indemnify their end users for any copyright or other intellectual property infringement claims arising from the output of their AI Technologies, such indemnification may not apply to the manner in which we generated or used such output, and we may not be successful in adequately recovering our losses in connection with such claims.

We generally distribute our software products and services under license terms that restrict the use of our products and services by terms and conditions prohibiting unauthorized reproduction or transfer of the software products or proprietary technology or data. However, effective copyrights and other intellectual property rights protection may be inadequate or unavailable to us in every country in which our software products are available, the laws of some foreign countries may not be as protective of intellectual property rights as those in the United States, and the assertion of our ownership rights in materials and inventions created with the assistance of AI tools is uncertain. Consequently, we may be unable to prevent our proprietary technology from being exploited abroad, which could affect our ability to expand to international markets or require costly efforts to protect our technology. Policing the unauthorized use of our products, trademarks and other proprietary rights is expensive, difficult and, in some cases, impossible. Litigation may be necessary in the future to enforce or defend our intellectual property rights, to protect our trade secrets or to determine the validity and scope of the proprietary rights of others. Such litigation could result in substantial costs and diversion of management resources, either of which could harm our business. Accordingly, we may not be able to prevent third parties from infringing upon or misappropriating our intellectual property. If we fail to obtain protection for such intellectual property rights, or later have our intellectual property rights invalidated or otherwise diminished, third parties or our competitors may be able to take advantage of our research and development efforts to develop competing products, which could adversely affect our business, reputation and financial condition.

In addition, to the extent we are not successful in defending such claims, we may be subject to injunctions with respect to the use or sale of certain of our products or to liabilities for damages and may be required to obtain royalty bearing licenses which may not be available on reasonable terms. Any of these may have a material adverse impact on our business or financial condition.

We face risks relating to our use of certain "open source" software and AI Technologies.

Certain of our software products contain open-source code, and we may use additional open-source code in the future. In addition, certain third-party software and AI technologies that we embed in our products and services may include open-source software and/or Open-Weights AI Models, meaning AI models whose trained parameters (weights) are made publicly available under applicable licenses. These licenses generally permit use, modification, and distribution, subject to compliance with applicable terms and conditions, which may impose certain obligations on us or our customers. Open-source software and Open-Weights AI Models are typically provided on an "as is" basis, without warranties, and the licensors generally do not provide indemnification, support, maintenance, or remedies for defects, security vulnerabilities, or other issues. As a result, the use of such software or models may increase our exposure to operational disruptions, security risks, regulatory or contractual non-compliance, and potential legal liability.

As a result of our use of open source materials, we could be subject to suits by parties claiming ownership of what we believe to be open source materials, and we may incur expenses in defending claims that we did not abide by the open source license. In addition, third-party licensors do not provide intellectual property protection with respect to the open source components of their products, and therefore we may not be indemnified by such third-party licensors in the event that we or our customers are held liable in respect of the open source software contained in such third-party software. If we are not successful in defending against any such claims that may arise, we may be subject to injunctions and/or monetary damages or be required to remove the open source materials from our products. Such events could disrupt our operations and the sales of our offerings, which would negatively impact our revenues and cash flow.

Moreover, under certain conditions, the use of open source materials to create derivative code may obligate us to make the resulting derivative code available to others at no cost. The circumstances under which our use of open source materials would compel us to offer derivative code at no cost are subject to varying interpretations. If we are required to publicly disclose the source code for such derivative products or to license our derivative products that use an open source license, our previously proprietary software products may be available to others without charge. If this happens, our customers and our competitors may have access to our products without cost to them, which could harm our business.

We monitor our use of such open source code to avoid subjecting our products to conditions we do not intend, however there is no assurance that the use of such open source code may not ultimately subject some of our products to unintended conditions and that we may be required to take remedial action that may divert resources away from our development efforts.

Risks Relating to Regulatory Environment

Privacy, data protection and cybersecurity legislation and other regulations may limit the use and adoption of our offerings, adversely affect our business, increase compliance costs and expose us to increased liability.

Governments and other international organizations in various jurisdictions around the world (such as the legislative and regulatory institutions of the European Union) have enacted and are continuing to adopt new laws, regulations and guidelines addressing data privacy and security, including the processing of personal information, cybersecurity, breach notification, risk management and reporting, as well as requirements related to security risk management and digital operational resilience. These laws, regulations and guidelines may be inconsistent across jurisdictions and are subject to evolving and differing (sometimes conflicting) interpretations. In some cases, different sets of data privacy laws and regulations, such as the European Union's General Data Protection Regulation ("GDPR"), local laws and regulations including certain U.S. state laws on privacy and data protection, such as the California Consumer Privacy Act ("CCPA"), as amended by the California Privacy Rights Act ("CPRA"), as well as the Israeli Privacy Protection Law and the regulations promulgated thereunder (the "Israeli Privacy Law"), govern our collection, use, retention, security, disclosure, transfer and processing of personal information. Additionally, new state privacy laws in the U.S. may also apply. Certain privacy laws extend rights to consumers, which may apply additional compliance requirements to challenges to our use of AI Technologies. These and other regulatory requirements may slow the pace at which we close sales or procurement transactions and in some cases may restrict our ability to store, transfer and process data or impact our ability to offer some of our solutions and services for use in relation to data subjects that reside in certain locations or our customers' ability to deploy our solutions globally. Compliance with these regulatory requirements may be onerous, time consuming and expensive, especially where these requirements are

inconsistent from jurisdiction to jurisdiction or where the jurisdictional reach of certain requirements is not clearly defined or seeks to reach across national borders. Failure to comply with laws, regulations and guidelines addressing data privacy and security in the jurisdictions in which we operate, may expose us to administrative fines, civil claims and, in certain cases, criminal liability.

Should we, or any party on our behalf, fail to comply with privacy or cybersecurity legislation or other required or agreed security measures, we may incur substantive civil liability to government agencies, customers, shareholders and individuals who may have been impacted. As privacy and cybersecurity legislation is increasing globally, and more government agencies are granted with authority to fine organizations for non-compliance with applicable laws and regulations, and require companies to take certain steps to remediate such non-compliance, we may find ourselves forced to pay damages penalties, fines, remediation costs, reimbursement of customer costs and other significant expenses due to our (or our subcontractors' or vendors') non-compliance with data privacy or cybersecurity laws and regulations. Moreover, even the perception that the privacy of personal information that we process or control is not adequately protected or does not meet regulatory requirements could damage our reputation, inhibit sales of our products or services and could limit adoption of our offerings.

In addition to legal and regulatory requirements, we are contractually obligated to certain customers, and may in the future be expected by prospective customers, to meet certain information security certifications or customer unique requirements. Such certifications or requirements may include requirements related to system resilience and performance such as the Digital Operational Resilience Act in the EU, territory-specific requirements imposed on banks and other financial institutions by local regulatory authorities, or network and information systems requirements, such as the Network and Information Security Directive 2 or other standards established by third parties, such as the ISO 27001:2022 on information security management certification. These certifications are often required by customers and regulators and are critical to our ability to compete in certain markets and secure new business. Achieving and maintaining these certifications requires significant resources. If we are unable to obtain or maintain these certifications or meet these standards or requirements, it could harm our reputation and business and subject us to liability.

Industry-specific regulation and other requirements and standards are evolving and unfavorable industry-specific laws, regulations, interpretive positions or standards could harm our business.

Our customers and potential customers conduct business in a variety of industries, including financial, insurance, telecommunications and healthcare services. We also serve customers in the public safety and other government entities. In certain industries in which we operate, there may be regulations or guidelines for use of SaaS, hosting and cloud-based services that mandate specific controls or require enterprises to obtain certain approvals prior to outsourcing certain functions. Regulators in certain industries have adopted and may in the future adopt regulations or interpretive positions regarding the use of cloud computing and other outsourced services. These regulations, such as regulations with respect to digital operational resilience, data sovereignty or residency requirements, may apply to various entities and providers to which we deliver our offerings. The costs of compliance with, and other burdens imposed by, industry-specific laws, regulations and interpretive positions may limit our customers' use and adoption of our services and reduce overall demand for our services.

Compliance with these regulations may also require us to devote greater resources to support certain customers, which may increase costs and lengthen sales cycles. For example, some financial services regulators have imposed guidelines for use of cloud computing services that mandate specific controls or require financial services enterprises to obtain regulatory approval prior to outsourcing certain functions. Other examples may include sector-specific customers' requirements, such as making available sovereign cloud platforms. If we are unable to adjust our products and solutions to facilitate compliance with these guidelines or controls, or if our customers are unable to obtain regulatory approval to use our services where required, our business may be harmed. If in the future we are unable to achieve or maintain industry specific certifications or other requirements or standards relevant to our customers, it may harm our business and adversely affect our results.

Our revenues would be adversely affected if we fail to adapt our offerings to changes in rules and regulations applicable to the business of certain customers, such as rules and regulations regarding securities trading, broker sales compliance and anti-money laundering, which could have an impact on their need for our products and services.

In addition, due to a variety of regulations that apply to certain of our customers, we may be limited in our ability to transfer or outsource business to certain jurisdictions and may be limited in our ability to undertake development activity in certain jurisdictions, which may impede our efficiency and adversely affect our business and results of operations.

Failure to comply with legal and regulatory requirements, including those relating to AI, could materially and adversely affect our business, results of operations and financial condition.

Our business, results of operations and financial condition could be materially and adversely affected if we failed to comply with laws, regulations, contracts or standards relating to our business, products and services, our operations or our employees (including labor laws and regulations) or if they are changed or new ones are implemented. Such implemented laws and regulations include requirements in the United States, the EU, the U.K., Israel and other territories in which we operate, and may relate to data privacy and protection, AI, cybersecurity, consumer protection, anti-bribery and anti-corruption, foreign investment, import and export, sanctions, labor, tax, environmental and social issues. For information on the market risks relating to data privacy and protection and cybersecurity, please see Item 3, "Key Information - Risk Factors - Risks Relating to Regulatory Environment" in this annual report.

As a company with global operations we are also subject to applicable economic sanctions laws and export control laws, imposed by the countries in which we do business, that are subject to continuous change, and we may be prohibited from directly or indirectly engaging in transactions with individuals and entities or in countries and territories that are the target of sanctions. We may also be required to obtain licenses to export, reexport, or transfer certain products, services, or technology (which may be time-consuming and may not be granted on a timely basis or at all).

In November 2025, Israel's Ministry of Defense signed an order to revoke the 1974 Encryption Order, with the repeal officially taking effect in March 2026 and transferring control over the export of encryption and/or decryption items, including various items that include encryption capabilities, to the control frameworks under the defense and civilian dual-use equipment orders. To comply with such evolving regulation we may need to apply for or revise certain licenses and adjust our compliance processes, which could increase our compliance costs and affect the transactions cycles.

A failure to comply with applicable export control regulations or economic sanctions laws could result in fines, civil and criminal sanctions against us or our employees, prohibitions on the conduct of our business, and damage to our reputation, which could have an adverse effect on our business, financial condition, and results of operations.

Certain states and countries have already taken steps towards, proposed, or implemented, laws and regulations relating to AI. Such new proposed laws, regulations, regulatory guidance and executive orders in the EU, the United States, and other jurisdictions impose, and may continue to impose, additional obligations relating to the development, deployment, and use of AI Technologies. Additionally, existing laws and regulations may be interpreted in ways that would affect the operation of our AI Technologies, or could be rescinded or amended as new administrations take differing approaches to evolving AI Technologies. As a result, implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, and we cannot yet completely determine the impact future laws, regulations, standards, or market perception of their requirements may have on our business and may not always be able to anticipate how to respond to these laws or regulations.

Already, certain existing legal regimes (e.g., relating to data privacy) regulate certain aspects of AI Technologies, and new laws regulating AI Technologies have either entered into force in the United States and the EU, or are expected to enter into force in the future. U.S. legislation related to AI Technologies has also been introduced at the federal level and has passed at the state level. For example, California enacted several laws and regulations, such as the California AI Transparency Act, that further regulate use of AI Technologies and provide consumers with additional protections around companies' use of AI Technologies, including by imposing transparency obligations. Other states have also passed AI-focused legislation, such as Colorado's Artificial Intelligence Act, which will require developers and deployers of "high-risk" AI systems to implement certain safeguards against algorithmic discrimination, Utah's Artificial Intelligence Policy Act, which establishes disclosure requirements and accountability measures for the use of generative AI in certain consumer interactions, and Texas' Responsible AI Governance Act, which prohibits specified harmful uses of AI, including behavioral manipulation and unlawful discrimination. Such additional regulations, and uncertainty around their enforceability, may impact our ability to develop, use, procure and commercialize AI Technologies in the future. However, the manner in which these laws are subsequently enforced is still uncertain and may be rescinded. In the United States in December 2025, the Trump administration issued the "Ensuring a National Policy Framework for Artificial Intelligence" Executive Order (the "AI National Framework EO"). This executive order calls for federal standards and legislation that would preempt conflicting state AI regulations and create a federal litigation task force focused on challenging state AI laws in court. The Trump administration may continue to rescind other existing federal orders and/or administrative policies relating to AI Technologies, or may implement new executive orders and/or other rule making relating to AI Technologies in the future. Any such changes at the federal level could require us to expend significant resources to modify our products, services, or operations to ensure compliance or remain competitive.

In Europe, on August 1, 2024, the EU Artificial Intelligence Act (the "EU AI Act") entered into force, and establishes a comprehensive, risk-based governance framework for AI in the EU market. Once gradually applicable through August 2026, the EU AI Act will have a material impact on the way AI is regulated in the EU, including depending on the risk level of each AI system, requirements around AI literacy, transparency, conformity assessments and monitoring, human oversight, security, and accuracy. The fines for non-compliance with the EU AI Act are significant. In addition, the revised EU Product Liability Directive came into force in December 2024, to be implemented into EU member state national law by December 2026. This Directive extends the EU's existing strict product liability regime to AI Technologies and AI-enabled products, and facilitates civil claims in respect of harm caused by AI. Once fully applicable, the EU AI Act and the EU Product Liability Directive will have a material impact on the way AI is regulated in the EU. Further, in Europe, the GDPR regulates the use of personal data, including, for automated decision making, that results in a legal or similarly significant effect on a data subject, and provides rights to data subjects, including in respect of automated decision making. Any new regulations or further guidance of authorities with respect to privacy and AI regulations may require adjustments in our use or commercialization of our products, additional compliance measures and changes to our operations and processes, may result in increased compliance costs, and could adversely affect our business, operations and financial condition.

We expect that the legal and regulatory environment relating to AI Technologies will continue to develop and may also include regulatory developments in intellectual property, privacy, consumer protection, employment, and other laws regarding the use of AI Technologies. As the regulatory landscape continues to evolve, our investment in products and services incorporating AI Technologies and our procurement of AI-based tools for the internal operations of our business may be subject to enhanced governmental or regulatory scrutiny. Compliance with such regulatory requirements, as well as with related requirements by our customers, may be onerous, time consuming and expensive and may require adjustments in our products and services or in the implementation of AI Technologies as well as in the operations of our business in the various territories in which we operate, and may increase the risk of non-compliance.

We cannot assure that we will be successful in our efforts to comply with applicable laws and regulations or in addressing new or changed requirements and standards, including with respect to laws and regulations relating to AI or privacy, that such changes will not negatively affect the demand for our products and services, or that our competitors will not be more successful or prepared than us. The cost to comply with such laws, regulations, or decisions and/or guidance interpreting existing laws, or to adjust our business plans based on changes to how such laws are enforced, could be significant and may increase our operating expenses (such as by imposing additional reporting obligations regarding our use of AI Technologies). Any failure to comply with such requirements may result in civil or criminal liability imposed upon us or our employees, reputation or financial harm and may affect our business, financial condition or results of operations.

Alternatively, any substantial changes resulting in a reduction in the implementation or elimination of rules and regulations that apply to a certain sector of our business, such as deregulation in the area of compliance or other regulatory trends that may reduce demand by governmental customers, could result in a decrease in demand for certain of our products, which could materially and adversely affect our business and results of operations.

In addition, recent developments present new litigation risks resulting from claims alleging violations of privacy, wiretapping, and alleged breaches of data protection laws in the development and deployment of AI Technologies. For example, a recent trend in the U.S. has emerged in which class action lawsuits target consumer-facing companies that use generative AI Technologies to provide analytics on customer service calls and there is no guarantee that such class action lawsuits will not also target providers. These risks can also affect the demand for our offerings, our results of operations may be affected, and we could face potential legal claims which could result in monetary damages, liability, government investigation, lawsuits, and reputational harm.

Risks Relating to Our Financial Condition

Our quarterly results may be volatile at times, which could cause us to miss our forecasts.

We generally provide forecasts as to expected future revenues and profitability in the coming fiscal quarters and fiscal year. Our revenue and operating results can vary and have varied in the past, sometimes substantially, from one quarter to another. These forecasts are based on management estimation and expectations, our then-existing pipeline and backlog, and an analysis of assumptions and assessments that may not materialize or end up being inaccurate. We may not meet our expectations or those of industry analysts in a particular future quarter. Our quarterly operating results may be subject to significant fluctuations, due to the following factors, among others: the timing and size of customer orders, delays in issuance or shifting of customer orders (as often happens when customers postpone their buying decisions to the end of the budgetary year), large customer losses or reduction in usage, variations in distribution channels or pricing models, mix of products and

services, delays in deployment of our offerings due to internal or external capacity constraints with deployment partners or customers, new product introductions and competitive pressures.

Our cloud offering is generally purchased by customers on a subscription basis and revenues from these offerings are generally recognized ratably over the term of the subscriptions. In cases where our offerings are purchased on a usage-based model, there may be seasonality in the usage of our offering, including macroeconomic factors that may impact customer usage of our solutions, or short-term declines in revenues resulting from transitioning from legacy pricing models to usage based pricing models, which would impact our ability to predict and forecast revenues and result in fluctuations in our quarterly results. Therefore, any fluctuations in our cloud business or other offerings could adversely affect our results of operations and our ability to forecast our quarterly results.

Our revenue and operating profit growth depends on the continued growth of demand for our products and services, and our business is affected by general economic, business, and geopolitical conditions worldwide, including inflation and rising interest rates. A softening of demand, whether caused by changes in customer preferences or a weakening of the U.S. or global economies, or by increasing shift to consumption-based pricing models, which may increase our exposure to macro-economic factors, may result in decreased revenue or growth.

In addition, we derive a substantial portion of our sales through indirect channels, making it more difficult for us to predict revenues because we depend partially on estimates of future sales provided by third parties. Changes in our arrangements with our network of channel partners or in the products they offer, such as the introduction of new support programs for our customers, which combines support from our channel partners with back-end support from us, could affect the timing and volume of orders. Furthermore, our expense levels are based, in part, on our expectations as to future revenues. If our revenue levels are below expectations, our operating results could be adversely affected.

Fluctuations in our results of operations may result from, among other things, our ability to retain and increase sales to existing customers, attract new customers and satisfy our customers' requirements, the timing and success of new product and solution introductions and enhancements or product initiation by our competitors, the purchasing and budgeting cycles of our customers and general economic, industry and market conditions.

While seasonality and other factors mentioned above are common in the software and technology industry, this pattern should not be considered a reliable indicator of our future revenue or financial performance. Many other factors, including general economic conditions, may also have an impact on our business and financial results.

In addition, changes in non-core business factors including taxes and foreign exchange rates may also cause variation in quarterly results.

We face foreign exchange currency risks.

Exchange rate fluctuations affect our operations. We experience risks from fluctuations in the value of the NIS, EUR, GBP, INR, PHP and other currencies compared to the U.S. dollar, the functional currency in our financial statements. A significant portion of the expenses associated with our Israeli, Indian and Philippines operations, including personnel and facilities related expenses, are incurred in NIS, INR, EUR, and PHP, respectively, whereas most of our business and revenues are generated in dollars, and to a certain extent, in GBP, EUR and other currencies. If the value of the dollar decreases against these foreign currencies, our earnings may be negatively affected. As a result, we may experience an increase in the costs of our operations, as expressed in dollars, which could adversely affect our earnings. In addition, certain balance sheet items are denominated in currencies other than U.S. dollar. Fluctuations in the value of the U.S. dollar exchange rate compared to these currencies, can result in unfavorable balance sheet revaluation at the reporting period.

We monitor foreign currency exposure and may use various instruments to preserve the value of sales transactions, expenses and commitments, however this cannot ensure our full protection against risks of currency fluctuations that could affect our financial results. As part of our efforts to mitigate these risks, we use foreign currency hedging mechanisms, which may be ineffective in protecting us against adverse currency fluctuations and can also limit opportunities to profit from exchange rate fluctuations that would otherwise be favorable. For information on the market risks relating to foreign exchange, please see Item 11, "Quantitative and Qualitative Disclosures about Market Risk" in this annual report.

We currently benefit from local government programs as well as international programs and local tax benefits that may be discontinued or reduced, or may result in liabilities if underlying conditions are not met.

We derive and expect to continue to derive benefits from various programs, including Israeli tax benefits relating to our "Special Preferred Technology Enterprise" and "Preferred Technology Enterprise" programs, and certain other grants and

tax benefits, including grants from the Israel Innovation Authority (formerly known as the Office of the Chief Scientist of the Ministry of Economy) of the State of Israel (the "IIA"), for research and development.

To be eligible for tax benefits as a Special Preferred Technology Enterprise as of 2025 and Preferred Technology Enterprise, we must continue to meet certain conditions. While we believe that we have met and continue to meet the conditions that entitled us to previously obtained Israeli tax benefits, there can be no assurance that we will in the future or that the Israeli Tax Authorities will agree.

To be eligible for IIA-related grants and benefits, we must continue to meet certain conditions, including providing the IIA with an undertaking that the know-how to be funded, and any derivatives thereof, is wholly-owned by us, upon its creation. In addition, we are prohibited from transferring to third parties the know-how developed with these grants without the prior approval of an IIA research committee, which approval may be conditioned upon payment(s) to the IIA. See Item 4, "Information on the Company—Research and Development" in this annual report, for additional information about IIA programs.

If the local and international grants, programs and benefits available to us or the laws, rules and regulations under which they were granted are eliminated or their scope is further reduced, or if we fail to meet the conditions of existing grants, programs or benefits and are required to refund grants or tax benefits already received (together with interest and penalties and in certain circumstances may lead to criminal charges) or fail to meet the criteria for future Israeli Special Preferred Technology Enterprise and Preferred Technology Enterprises, our business, financial condition and results of operations could be adversely affected.

Additional tax liabilities resulting from our global operations could materially adversely affect our results of operations and financial condition.

As a global corporation, we are subject to income, non-income and transactional tax regimes in the United States, Israel, India and various other jurisdictions, which are unsettled and may be subject to significant change. Our effective tax rate could be materially affected by changes in tax rulings, tax laws, regulations, administrative practices, principles, applicability of special tax regimes, or changes in interpretations of existing tax laws, including changes to the global tax framework, in the jurisdictions in which we do business. Such changes could come about as a result of economic, political, and other conditions. Additionally, our effective tax rate could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuations of our deferred tax assets and liabilities, tax implications of acquisitions, expansion into new territories, intercompany transactions, changes in foreign currency exchange rates, changes in our stock price and uncertain tax positions. Although we believe that our provision for income taxes and our tax estimates are reasonable, tax authorities may disagree with certain positions we have taken. From time to time, we are subject to income and other tax audits in various jurisdictions, the timing of which is unpredictable. We regularly assess the likelihood of an adverse outcome resulting from these examinations to determine the adequacy of our tax accruals. While we believe we comply with applicable tax laws and have adequate balance sheet reserves related to tax positions, there can be no assurance that a governing tax authority will not have a different interpretation of the law and assess us with additional taxes, which we may dispute and litigate. If we are assessed additional taxes exceeding our tax accruals or if additional taxes are imposed on us, such additional taxes could have a material adverse effect on our results of operations and financial condition.

The Organization for Economic Co-operation and Development ("OECD"), an international association of 38 countries including the United States, has proposed changes to numerous long-standing tax principles, namely, its Pillar Two framework, which imposes a global minimum corporate tax rate of 15%. In December 2022, the EU member states adopted a directive that complements the Pillar Two framework. Certain countries in which we operate have enacted legislation to adopt the Pillar Two framework (e.g., United Kingdom), and several other countries are also considering changes to their tax laws to implement this framework. Tax and compliance costs are expected to be increased by the adoption of the Pillar Two framework in these countries. In response to concerns raised by the United States, the OECD recently finalized a "side-by-side" approach, under which certain U.S.- parented multinational enterprises may be exempt from certain Pillar Two rules. It is not entirely clear how this side-by-side agreement will be implemented by each participating jurisdiction. As a result, Pillar Two remains under negotiation and continues to evolve. When and how this framework is adopted or enacted by the various countries in which we do business could increase tax complexity and uncertainty and may adversely affect our provision for income taxes in the United States and other non-U.S. jurisdictions.

In line with the above-mentioned global developments in international taxation, the state of Israel has recently enacted the Law for the Taxation of Multinational Enterprise Groups – 2025, entered into force as of January 1, 2026 and is aimed at implementing key aspects of the OECD's Pillar Two framework. In particular, the new legislation introduces a

domestic minimum top-up tax (Qualified Domestic Minimum Top-Up Tax – QDMTT) generally applicable to Israeli entities that are part of multinational enterprise groups with consolidated annual revenues of at least EUR 750 million, with the objective of ensuring a minimum effective tax rate of 15% on profits attributable to activities in Israel and preventing the allocation of taxing rights to foreign jurisdictions under the Income Inclusion Rule or the Undertaxed Profits Rule.

The Israeli Ministry of Finance has recently published draft legislation as part of the 2026 Economic Plan, proposing a revised incentive regime for research and development activities in Israel, structured primarily as refundable or credit-based tax incentives designed to qualify under the OECD's "qualified" incentive criteria in a Pillar Two environment.

We might recognize a loss with respect to our financial investments.

We invest most of our cash through a variety of financial investments. If the obligor of any of our financial investments defaults or undergoes reorganization in bankruptcy, we may lose a portion of such investment and our assets and income may decrease. In addition, a downturn in the credit markets or the downgrading of the credit rating of our investments could result in a reduction in the market value of our holdings and reduce the liquidity of our investments, which could require us to recognize a loss at the time of credit impairment and would adversely affect our assets and income.

Restrictions in the agreements governing our indebtedness could adversely affect our financial condition and impact our business needs and plans.

On February 18, 2026, we and NICE Systems, Inc. ("NICE Systems") entered into a secured Credit Agreement with the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (the "Credit Agreement"), which provides for a senior secured revolving facility in an aggregate amount of $300 million USD.

The Credit Agreement imposes, and the terms of any future debt may also impose, operating and other restrictions on us. Such restrictions, in certain circumstances, limit or prohibit, among other things, our and our subsidiaries' ability to:

- incur or guarantee additional debt;
- pay dividends on our ordinary shares or redeem, repurchase or retire our equity interests or subordinated debt;
- transfer or sell our assets:
- make certain payments, investments or acquisitions;
- make capital expenditures;
- create certain liens on assets;
- create restrictions on the ability of our subsidiaries to pay dividends or make other payments to us;
- engage in certain transactions with our affiliates; and
- merge or consolidate with other companies.

The Credit Agreement also includes a requirement that we maintain a Total Net Leverage Ratio (as defined below) that does not exceed 3.00 to 1.00, but after any acquisition or series of related acquisitions consummated within a six-month period by any loan party with aggregate consideration of at least $250 million, we shall have the option to increase the maximum Total Net Leverage Ratio for each of the four consecutive fiscal quarters ending thereafter (commencing with the fiscal quarter during which such acquisition is consummated) by 0.50:1.00.

In addition, if we were to anticipate non-compliance with the Total Net Leverage Ratio, we may take actions to maintain compliance with them. These actions may include reductions in our general and administrative expenses or capital expenditures, which could have an adverse effect on our business, financial condition, and results of operations. We cannot assure that our business will continue to generate sufficient cash flow from operations or that future financing will be available

to us in an amount sufficient to enable us to service our debt, or to fund our other liquidity needs or execute on our strategic plans.

If any event of default occurs under the Credit Agreement, the lenders under the Credit Agreement could elect to terminate their commitments or cease making further loans and accelerate the outstanding loans.

For additional information relating to the Credit Agreement, see Item 10, "Additional Information - Material Contracts - Credit Agreement" in this annual report.

If we fail to maintain effective internal control over financial reporting and operations, it could have a material adverse effect on our business, operating results, and the price of our ordinary shares and ADSs.

Effective internal controls are necessary for us to provide reliable financial reports and prepare consolidated financial statements for external reporting purposes in accordance with U.S. GAAP and U.S. securities laws, as well as to effectively prevent material fraud. Because of inherent limitations, even effective internal control over financial reporting may not prevent or detect every misstatement. In addition, if we fail to maintain the adequacy of our internal controls, we may not be able to ensure that we can conclude on an ongoing basis that we have effective internal control over financial reporting and operations. Furthermore, as we grow our business or acquire businesses, our internal controls may become more complex and we may require significantly more resources to ensure they remain effective. In addition, we may identify material weaknesses or significant deficiencies in our internal control over financial reporting. Failure to maintain effective internal control over financial reporting and operations could result in investigation or sanctions by regulatory authorities and could have a material adverse effect on our business and operating results, investor confidence in our reported financial information, and the market price of our ordinary shares and ADSs.

Current and future accounting pronouncements and other financial reporting standards and principles might have a significant impact on our financial position and negatively impact our financial results.

We prepare our consolidated financial statements in accordance with U.S. GAAP. These principles are subject to interpretation by the SEC and various bodies formed to interpret and create appropriate accounting principles. A change in these principles can have a significant effect on our reported results and may even retroactively affect previously reported transactions. Additionally, the adoption of new or revised accounting principles may require that we make significant changes to our systems, processes and controls. Changes resulting from these new standards may result in materially different financial results and may require that we change how we process, analyze and report financial information and that we change financial reporting controls.

We regularly monitor our compliance with applicable financial reporting standards and review new pronouncements and drafts thereof that are relevant to us. As a result of new standards, changes to existing standards and changes in their interpretation, we might be required to change our accounting policies.

This could lead to risks associated with our ability to react in a timely manner to new accounting pronouncements and financial reporting standards and unpredictable changes in interpretation of standards. Any one or more of these events could have an adverse effect on our business, financial position, and profit. See Item 5, “Operating and Financial Review and Prospects - Recently Issued Accounting Pronouncements Not Yet Adopted” in this annual report for a description of certain recent accounting pronouncements.

Risks Relating to Our Securities

The market price of each of our ADSs and ordinary shares is volatile and may decline.

The market price of our ADSs and ordinary shares has fluctuated in the past and may continue to fluctuate or decline. Numerous factors, some of which are beyond our control, may cause the market price of our ADSs and ordinary shares to fluctuate significantly. These factors include, among other things:

- Quarterly variations in our operating results;
- Changes in expectations as to our future financial performance, including financial estimates by securities analysts;

- Perceptions of our company held by analysts and investors;
- Additions or departures of key personnel;
- Announcements related to dividends and share repurchase plans;
- Development of or disputes concerning our intellectual property rights;
- Announcements of technological innovations;
- Material orders of our products or services by customers and business partners;
- New products and services by us or our competitors;
- Acquisitions or investments by us or by our competitors and partners;
- Security breaches or other incidents impacting our customers' or their end users' data and security breaches of companies that provide solutions or services similar to ours;
- Currency exchange rate fluctuations;
- Earnings releases by us, our partners or our competitors;
- General financial, economic and market conditions;
- Geopolitical risks, including those arising from political changes, international armed conflicts (including in Israel)
- Natural catastrophes or event beyond our control in the regions in which we operate;
- Market conditions in the industry and the general state of the securities markets, with particular emphasis on the technology and Israeli sectors of the securities markets; and
- General stock market volatility.

Our ADSs and ordinary shares are traded on different markets and this may result in price variations.

Our ADSs have been listed on The Nasdaq Stock Market since 1996 and our ordinary shares have been traded on the Tel Aviv Stock Exchange, or the "TASE," since 1991. Trading in our securities on these markets takes place in different currencies (our ADSs are traded in U.S. dollars and our ordinary shares are traded in New Israeli Shekels), and at different times (resulting from different time zones and different public holidays in the United States and Israel). As a result, the trading prices of our securities on these two markets may differ due to these factors. In addition, any decrease in the price of our securities on one of these markets could cause a decrease in the trading price of our securities on the other market.

Substantial future sales or the perception of sales of our ADSs or ordinary shares could cause the price of our ADSs or ordinary shares to decline.

Sales of substantial amounts of our ADSs or ordinary shares in the public market, or the perception that these sales could occur, could adversely affect the price of our ADSs and ordinary shares and could impair our ability to raise capital through the sale of additional shares. Such sales may also make it more difficult for us to sell equity or equity-related securities in the future at a time and at a desirable price.

It may be difficult to enforce a U.S. judgment against us and our officers and directors in Israel or the United States, or to serve process on our officers and directors.

Service of process upon us, our Israeli subsidiaries, directors and officers, and Israeli advisors, if any, named in this annual report, may be difficult to obtain within the United States. Additionally, it may be difficult to enforce civil liabilities

under U.S. federal securities law in original actions instituted in Israel. Israeli courts may refuse to hear a claim based on a violation of U.S. securities laws because Israel is not the most appropriate forum to bring such a claim. In Israeli courts, the content of applicable U.S. law must be proved as a fact, which can be a time-consuming and costly process and certain matters of procedure will also be governed by Israeli law. There is little binding case law in Israel addressing these matters.

Provisions of Israeli law and the Company's articles of association may delay, prevent or otherwise impede a merger with, or an acquisition of, our company, which could prevent a change of control, even when the terms of such a transaction are favorable to us and our shareholders.

Israeli corporate law regulates mergers, requires tender offers for acquisitions of shares above specified thresholds, establishes a high ownership threshold to squeeze out minority shareholders in a full tender offer, requires special approvals for transactions involving directors, officers or significant shareholders and regulates other matters that may be relevant to these types of transactions.

In addition, the Company's articles of association provides that a merger of the Company shall require the approval of the holders of a majority of seventy five percent (75%) of the voting power represented at the General Meeting of the Company and voting in accordance with the provisions of the Israeli Companies Law.

Furthermore, Israeli tax considerations may make potential transactions unappealing to us or to our shareholders whose country of residence does not have a tax treaty with Israel exempting such shareholders from Israeli tax. These and other similar provisions could delay, prevent or impede an acquisition of us or our merger with another company, even if such an acquisition or merger would be beneficial to us or to our shareholders.

See Item 10, “Additional Information—Mergers and Acquisitions” in this annual report, for additional discussion regarding anti-takeover effects of Israeli law.

General Risk Factors

Conditions and changes in the local and global economic environments may adversely affect demand for our products and services, our business and financial results.

Adverse economic conditions in markets or regions in which we operate can harm our business. Demand for our products and services, availability of infrastructure services or other products and services we rely on and our results of operations can be affected by adverse changes in local and global economic conditions, slowdowns, inflation, recessions, trade policies and restrictions, and international trade disputes, including tariffs and other protectionist measures, or unpredictable changes in tax and tariff regimes, and economic instability. To the extent that our business suffers as a result of such unfavorable economic and market conditions, our operating results may be materially adversely affected.

In particular, during times of economic slowdowns, enterprises may reduce spending in connection with their customer engagement or contact centers and financial institutions may reduce spending in relation to trading floors, compliance and operational risk management. Generally, our customers may prioritize other expenditures over our solutions, including a possible slowdown resulting from a shift or reduction in expenditures driven by AI and generative AI solutions' effect on the markets in which we operate. If any of the above occurs, and our customers or partners do not adopt our solutions or significantly reduce their spending, our business, results of operations, and financial condition could be materially adversely affected.

In addition, our operations may be subject to the effects of the rising rate of inflation. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition and results of operations.

Some of our customers or partners may fail to comply with the terms of their agreements, including compliance with regulatory requirements and intellectual property terms, or may suffer from liquidity concerns and possibly commence insolvency or other reorganization procedures or go out of business due to disruption to the global economy or other business and market conditions, or may terminate their subscriptions for our solution which may result in delay or failure to make payments to us, all of which risks may be intensified by the effects of adverse economic conditions, including, slowdowns, inflation, recessions, trade policies and restrictions or unpredictable changes in tax and tariff regimes, and economic instability, and may adversely impact our business and results of operations.

Disruption to the global economy could also result in a number of follow-on effects in addition to a slow-down in our business and increased costs, including a possible (i) negative impact on our liquidity, financial condition and share price, which may impact our ability to raise capital in the market, obtain financing and secure other sources of funding in the future on terms favorable to us, and (ii) decrease in the value of our assets that are deemed to be other than temporary, which may result in impairment losses (iii) instability of banking institutions with which we or our customers or partners engage.

We face risks relating to our global operations.

We sell our offerings throughout the world and intend to continue to increase our penetration of international markets. Our operations and results of operations could be adversely affected by a variety of global factors affecting international transactions, including:

- governmental controls and regulations, including import or export license requirements, trade protection measures, sanctions, telecommunication authorization and licenses and changes in tariffs;
- compliance with applicable international and local laws, regulations and practices, including those related to trade compliance, anti-corruption, data privacy and protection, AI, tax, labor, employee benefits, customs, currency restrictions and other requirements;
- fluctuations in currency exchange rates;
- longer payment cycles in certain countries in our geographic areas of operations;
- potential adverse tax consequences, variations in effective income tax rates and tax policies among countries where we conduct business, including the complexities of foreign value added tax systems;
- geopolitical risks, including those arising from political instability or tensions, armed conflicts, terrorism and security concerns, disruption and tensions resulting from restrictions related to the conflict between Russia and Ukraine, and armed conflicts in the Middle East, their intensity, duration and effect on demand for our products and services are difficult to predict;
- reduced or limited protection for intellectual property rights in some countries; and
- general difficulties in managing our global operations.

Changes in the political or economic environments, credit rating and the availability and cost of capital in the countries in which we operate, especially in Israel and the U.S., including the impact of such changes on foreign currency rates and interest rates, could have a material adverse effect on our financial condition, results of operations and cash flow.

As a result of our global presence, especially in emerging markets, we face increasing challenges that could adversely impact our results of operations, reputation and business.

In light of our global presence, especially in emerging markets such as those in Asia, Eastern Europe and Latin America, we face a number of challenges in certain jurisdictions that provide reduced legal protection, including poor protection of intellectual property, inadequate protection against crime (including bribery, corruption and fraud) and breaches of local laws or regulations, unstable governments and economies, governmental actions that may inhibit the flow of goods and currency, challenges relating to competition from companies that already have a local presence in such markets and difficulties in recruiting sufficient personnel with appropriate skills and experience.

Local business practices in jurisdictions in which we operate, and particularly in emerging markets, may be inconsistent with international regulatory requirements, such as anti-corruption and anti-bribery laws and regulations (including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act) to which we are subject. We cannot guarantee that our policies and procedures will be effective in ensuring compliance with these laws or that none of our employees, contractors, partners and agents, as well as those companies to which we outsource certain elements of our business operations, will not violate applicable law or our policies and procedures designed to ensure compliance with applicable law. Any such violation could have an adverse effect on our business and reputation and may expose us to criminal or civil enforcement actions, including penalties and fines.

Furthermore, the increased presence of our global operations in emerging markets, including outsourcing of certain operations to service providers in such markets (such as India and the Philippines), could impact the control over our operations, as well as create dependency on such external service providers. This method of operation may impact our business and adversely affect our results of operations.

Our business, facilities or operations could be adversely affected by events outside of our control, such as natural disasters or health epidemics.

Natural disasters or other unexpected events that adversely affect the business climate in any of our markets could have a material adverse effect on our business, financial condition and results of operations. Our business operations may be subject to a disruption or failure of our systems or operations because of a natural disaster, such as a major earthquake, weather event, fire, power shortages, telecommunications failures, pandemics and epidemics, such as COVID-19, cybersecurity attack, terrorist attack or other catastrophic event or event beyond our control, which could cause delays in completing sales, providing services, or performing other critical functions. There is no assurance that our disaster recovery and business continuity plans will be effective in addressing any such event. Such events could make it difficult or impossible for us to manage our operations and deliver our products and services to our customers.

The occurrence of such events may adversely affect our operations, financial condition, and results of operations. The extent to which such events impact our business going forward will depend on factors such as the duration and scope of such events; governmental, business, and individuals' actions in response to such events; and the impact on economic activity, including the possibility of recession or financial market instability.

Our business could be negatively affected as a result of the actions of activist shareholders, and such activism could impact the trading value of our securities.

In recent years, U.S. and non-U.S. companies listed on U.S. exchanges have been faced with governance-related demands from activist shareholders, as well as unsolicited tender offers and proxy contests. Responding to these types of actions by activist shareholders could be costly and time-consuming and divert the attention of management and our employees. Such activities could interfere with our ability to execute our strategic plan. In addition, a proxy contest for the election of directors at our annual meeting would require us to incur significant legal fees and proxy solicitation expenses and require significant time and attention by management and our Board of Directors. Lawsuits, including derivative actions, against the Company, are also a means activist shareholders may use. For example, a shareholder of a negligible amount of shares has filed a request for discovery of documents against us in an Israeli court. While we believe such request has no merit, there is no assurance that we will be successful in having such request dismissed nor that it will not mature into a derivative action or other legal proceedings. The perceived uncertainties due to these potential actions of activist shareholders could also affect our reputation or the market price and volatility of our securities.

We depend on our ability to recruit and retain qualified personnel.

In order to compete, we must recruit and retain highly qualified personnel across our business, including executives and other key employees. Hiring and retaining highly qualified personnel, executives and key employees is critical to our business. Competition for highly qualified and experienced executives in our industry is intense. There is no guarantee that key management members will not leave the Company, or if they do, that we will be able to identify and hire qualified replacements, or that the transition of new personnel will not cause disruption in our business.

In addition, due to our growth, or as a result of regular recruitment, we are required to regularly hire and integrate new employees across all locations in which we operate, and may also require us to obtain work visas and comply with local immigration laws and policies. Recruiting and retaining qualified engineers and computer programmers (particularly with AI and machine learning backgrounds) to perform research and development and to commercialize our offerings, as well as qualified personnel to market and sell the offerings, are critical to our success.

There is competition to recruit and retain highly skilled employees in the technology industry due to market conditions and the continued workforce trend that values multiple company experiences over long tenures. As a result, we may be required to offer exclusive compensation packages in order to retain and recruit certain skilled employees and key employees with particular expertise.

In certain locations in which we have development centers, including low-cost countries such as India, the rate of attrition is typically higher than other locations and could have a negative impact on our ability to retain our employees in such centers, timely develop our products and solutions, and/or service our customers.

Any inability to attract and retain highly qualified employees may have an adverse effect on our ability to develop new products, solutions and enhancements for our offerings and to successfully market such offerings, all of which would likely have a material adverse effect on our results of operations and financial position. Our success also depends, to a significant extent, upon the continued service of key management, sales, marketing and development employees and executives, the loss of any of whom could materially adversely affect our business, financial condition and results of operations.

Item 4. Information on the Company

Item 4.A History and Development of the Company

1986 - Founding Vision
NiCE was founded on September 28, 1986 as Neptune Intelligent Computer Engineering Ltd., with a mission to digitize unstructured data previously captured through analog means, laying the foundation for data and analytics innovation.

1991 - Expansion into Customer Service
On October 14, 1991, the Company was renamed NICE-Systems Ltd. and shifted its focus to the Customer Service market, becoming a global leader in Workforce Optimization software for contact centers and adding solutions for Public Safety and Justice sectors.

2000s - Analytics and Compliance Growth
As interaction data grew, NiCE launched Interaction Analytics to help organizations mine insights from customer interactions. In 2007, it acquired Actimize, a leader in financial crime and compliance analytics, transforming the company into a broader enterprise analytics provider.

2014–2016 - Cloud & AI Emergence
From 2014 onward, NiCE expanded into cloud, digital and analytics, through innovations and acquisitions. A key milestone was the 2016 acquisition of inContact, enabling NiCE to offer one of the industry's first fully integrated cloud, data-driven contact center platforms.

2019+ - Digital CX & AI Self-Service
As customer expectations shifted toward digital CX, NiCE broadened its portfolio with AI-powered digital and automated self-service solutions, extending its reach beyond traditional contact centers into comprehensive customer experience automation.

2025 - Strategic AI Expansion with Cognigy
In 2025, NiCE accelerated its AI strategy by acquiring Cognigy, a global leader in conversational and Agentic AI for customer experience, enabling organizations to implement AI agents that reason, adapt, and decide in real-time, powered by custom data models that enable continuous testing, optimization, and learning. This acquisition strategically combines Cognigy's advanced conversational and Agentic AI capabilities with NiCE's CXone platform to accelerate AI adoption across front- and back-office customer interactions.

Today, NiCE is a global leader in AI, cloud, analytics, digital experience, and automated solutions across Customer Engagement and Financial Crime & Compliance markets, leveraging extensive data assets, automation capabilities, and domain expertise to help organizations deliver trusted customer experiences and improve business results. We possess the complete set of must-have AI assets necessary to lead our markets: one of the world's leading CCaaS platforms, combined with one of the world's leading conversational and Agentic AI platforms, a large collection of unique historical and current data, most relevant knowledge elements, robust automation applications, and deep domain expertise. Our solutions help organizations of all sizes create extraordinary and trusted customer experiences, prevent financial crime, and improve criminal justice evidence management.

NiCE is a company limited by shares organized under the laws of the State of Israel. Our Israeli offices are located at 13 Zarchin Street, P.O. Box 690, Ra'anana 4310602, Israel (Tel. +972-9-775-3151). Our subsidiary, NICE Systems, Inc. has been appointed as our Agent for Service in the United States, and is located at 221 River Street, Hoboken, New Jersey 07030.

The Securities and Exchange Commission ("SEC") maintains an Internet site that contains reports, proxy and information statements, and other information that is filed electronically with the SEC at http://www.sec.gov. Our website address is at https://www.nice.com/company/investors/. Information contained, or that can be accessed through, our website does not constitute a part of this annual report and is not incorporated by reference herein, and we have included our website address in this annual report solely for informational purposes.

Principal Capital Expenditures

In the last three fiscal years, our principal uses of capital were the acquisition of other businesses and repurchases of our American Depositary Receipts ("ADR"). For information regarding our acquisitions and ADR share repurchases, please see Item 5, "Operating and Financial Review and Prospects – Recent Acquisitions," and "Operating and Financial Review and Prospects – Liquidity and Capital Resources," in this annual report. For additional information regarding our ADR share repurchases, please also see Item 16E, "Purchases of Equity Securities by the Issuer and Affiliated Purchasers," in this annual report.

Item 4.B Business Overview

Breakdown of Revenues

For a breakdown of total revenues by business model (cloud, products and services) and by geographic markets for each of the last three years, please see Item 5, "Operating and Financial Review and Prospects – Results of Operations," in this annual report.

About NiCE

NiCE is a global enterprise software leader, delivering mission-critical AI-powered cloud platforms that serve two main markets: Customer Engagement and Financial Crime and Compliance. Our platforms are designed to automate complex, high-volume, and highly regulated workflows where reliability, security, and measurable outcomes are essential. In Customer Engagement, our CXone platform enables enterprises to automate customer service by orchestrating workflows, AI, and human agents, and enterprise knowledge within a single, unified AI platform. In Financial Crime and Compliance, we provide embedded AI solutions that help financial institutions prevent money laundering and fraud, and ensure real-time regulatory compliance across financial markets.

Our strategy is based on serving specialized and rapidly expanding markets that demand feature-rich solutions delivered through secure, enterprise-grade cloud platforms. AI is foundational to this strategy, driving differentiation, accelerating cloud adoption, and enabling customers to automate increasingly complex workflows at scale. We leverage our proprietary AI models and unique customer engagement data to increase competitive win rates in cloud migrations, expand adoption across digital and automated channels, and introduce new domain-specific use cases that deepen customer relationships and increase long-term platform value.

In the Customer Engagement market, our CXone AI platform enables organizations to automate service at scale, augment their workforce with AI-powered solutions, and unify enterprise knowledge, data and AI models to drive faster resolutions and superior customer experiences. Purpose-built AI ensures every interaction and workflow is intelligently orchestrated across all customer touchpoints, seamlessly blending autonomous Agentic AI and human assisted interactions to deliver best-in-class service that is proactive, knowledge-based, resolution-oriented, and efficient. Our Public Safety and Justice business is included in our Customer Engagement segment. In this business, we are transforming the criminal justice system by using AI to uncover the truth in digital evidence, facilitating swift justice. Our AI-powered workflows help relieve police, prosecutors, public defenders, courts and correctional institutions from the tedious task of managing digital evidence.

In the Financial Crime and Compliance market, we protect financial services organizations, with embedded-AI solutions that identify risks to help prevent money laundering and fraud in real-time, as well as help ensure financial markets compliance. With our holistic, data and entity-centric approach, we leverage machine learning, predictive analytics, behavioral analytics, network analytics, NLP (natural language processing), generative AI and Agentic AI to detect suspicious activity and automate routine tasks, collaborate with analysts and adapt in real time to proactively keep ahead of emerging threats.

NiCE is at the forefront of several industry technological disruptions that have greatly accelerated in the last several years: AI-driven automation and Agentic AI solutions are transforming customer service, as organizations seek to optimize both efficiency and customer experience; domain-specific AI is enhancing decision-making and workforce performance; and cloud scalability is enabling enterprises to modernize operations at an unprecedented pace. NiCE's AI-powered platforms unify data, workflows, AI agents and automation to drive enterprise-wide transformation. Built on deep domain expertise, our

solutions empower customer service, financial crime prevention, and criminal justice organizations to lead with intelligence, efficiency, and confidence.

We rely on multiple key assets and core strengths to drive our growth:

- Our AI leadership with purpose-built AI models that power automation, optimization, and user experience transformation.
- Our domain-specific Agentic AI that is designed to manage complex tasks, make decisions and take action, with and without human intervention.
- Our comprehensive cloud platforms that are scalable, secure, and built for enterprise-wide adoption.
- Our AI-powered copiloting employee augmentation capabilities, built for specific roles and around domain-specific functionality to increase efficiencies, maintain compliance and improve resolution.
- AI-powered orchestration tools that are designed to allow organizations to design, build and operate end-to-end workflows.
- Our extensive self-service automation solutions that are built to use the power of AI to deliver human-like interactions at scale.
- Our extensive portfolio of applications addresses organizational needs across all our areas of domain expertise.
- Our broad array of proprietary technologies and algorithms in the domains of generative AI, LLMs, automation, analytics, machine learning, speech-to-text, natural language processing, personality-based routing and others.
- Our native AI models which are based on years of industry-specific data and domain expertise, consistently using machine learning for generating actionable insights.
- Our access to vast amounts of CX data, derived from billions of domain-specific interactions of all types, enriching our applications and enabling us to build hundreds of CX purpose-built AI models.
- Our advanced data security and compliance capabilities that deliver trusted enterprise software across all our markets, including FedRAMP authorization to the relevant business lines, with more than 30 authorized applications, native PCI, supported by one of the most advanced Security Operation Centers (SOCs) in the industry.
- Our flexible delivery model that allows our customers to benefit from a wide range of both cloud and on-premises solutions.
- Our solutions' market coverage of all segments, from small and mid-sized businesses to large scale Fortune 100 enterprises.
- The mission critical nature of our solutions to the operations of our customers and our cloud platforms that are essential for enabling a scalable and sustainable work-from-anywhere environment.
- Our market leadership, which makes us a well-recognized brand and creates top-of-mind awareness for our solutions in our areas of operation.
- Our large and broad partner ecosystem with strategic alliances and integrations that extend market reach and solution capabilities.
- Our loyal customer base of more than 25,000 organizations in over 150 countries, across many industries, including 85 of the Fortune 100 companies.

- Our strong cash position that allows us to invest in innovative solutions and product development and fuels strategic acquisitions.

- Our ability to quickly drive mainstream adoption for innovative solutions and new technologies and trends, which we introduce to the market through our direct sales force and distribution network.

- Our skilled employees and domain expertise in our core markets allow us to bring our customers the right solutions to address key business challenges and build strong customer partnerships.

- Our customer support and operations, which enable our customers to quickly enjoy the benefits of our solutions, with multiple deployment models in the cloud or on-premises throughout the world and support for full value realization and customer success.

- Our outcome-oriented white-glove services that enable our customers to achieve greater efficiency, higher revenue, and lower operating costs with our solutions.

Industry and Technology Trends

Following are the key cross-industry trends that we have identified as driving demand for our solutions where we leverage our key assets and domain expertise to deliver maximum value:

- **AI is evolving from task-based assistance to full-scale automation.** Enterprises are increasingly deploying AI beyond task-level support to end-to-end automation of complex workflows. This includes the use of AI agents capable of autonomously or collaboratively managing decisions, interactions, and processes, enabling organizations to improve efficiency, consistency, and operational scalability across customer-facing and internal functions.

- **AI adoption is increasingly driving platform expansion and demand for advanced automation capabilities.** Enterprises are expanding the use of AI across operational and customer engagement workflows, leading to increased demand for AI-powered automation, Agentic capabilities, and orchestration of people, AI agents, systems, and processes. This trend is contributing to increased platform adoption and expansion opportunities within existing customer environments.

- **Cloud platforms are advancing into AI-first platforms.** Organizations are consolidating fragmented systems into unified platforms that integrate data, knowledge, workflows, and AI models. These platforms are designed not only to host applications, but to orchestrate intelligence across the enterprise, enabling real-time decision-making and automation while reducing architectural complexity and vendor sprawl.

- **The continued migration from on-premises infrastructure to cloud-based customer engagement platforms remains a significant driver of industry demand.** Many enterprises remain in early stages of cloud transformation, creating sustained opportunities for cloud platform adoption, recurring revenue expansion, and long-term customer relationships.

- **AI copilots are reshaping the modern workforce.** AI-powered copilots are increasingly embedded into daily workflows to provide real-time guidance, automate repetitive activities, and surface contextual insights. When integrated with domain-specific workflows, these capabilities improve decision quality, increase efficiency, and enable employees to focus on higher-value work while operating within governed and compliant environments.

- **Software is becoming more conversational and adaptive.** Advances in large and small language models and generative AI are transforming user interaction models from static interfaces to natural-language-driven experiences. Conversational systems that understand intent and context are reducing training requirements, improving usability, and enabling more efficient interaction across complex enterprise applications.

- **AI Personal Assistants are becoming the new consumer entry point.** AI-powered personal assistants are rapidly becoming the primary interface through which consumers manage daily tasks, information, and transactions. As these assistants evolve into autonomous agents capable of handling service, commerce, and decision support, they are emerging as the new digital front doorstep for brands.

- **Transition from data warehouses to AI-ready data platforms**. The industry is evolving from siloed data warehouses to consolidated data platforms that provide the unified data foundation required to power enterprise AI.

- **AI trust and explainability are critical for enterprise adoption**. As AI assumes greater responsibility in customer engagement and regulated decision-making, enterprises are prioritizing security, transparency, and governance. This includes requirements for explainability, human oversight, auditability, and compliance with evolving regulatory standards, making responsible AI frameworks a critical component of enterprise-scale deployment.

Following is a list of customer engagement trends and market dynamics driving the demand for our solutions, where we leverage our key assets and expertise to deliver maximum value:

- **AI-driven automation has become foundational to modern customer service.** Enterprises are increasingly deploying AI to automate routine interactions and workflows, improve consistency, and manage service at scale. AI agents and Agentic capabilities are being used alongside human agents to increase efficiency and enable organizations to handle growing interaction volumes without proportional increases in cost.

- **Demand is shifting toward domain-specific AI**. Organizations are prioritizing AI solutions trained on industry-specific data that understand intent, context, and operational nuance. Purpose-built AI improves automation accuracy, reduces error rates and escalations, and enables more reliable outcomes in complex customer service environments.

- **AI copilots are transforming customer service workforce productivity.** Role-specific AI copilots are being embedded into customer service workflows to provide real-time guidance, automate repetitive tasks, and support decision-making. When aligned to domain workflows, these capabilities improve agent effectiveness, reduce training requirements, and support consistent service delivery.

- **Customer service is becoming increasingly proactive.** Enterprises are applying AI to anticipate issues, trigger automated actions, and coordinate resolution across teams and systems. This shift supports improved customer outcomes, greater operational efficiency, and more predictable service performance.

- **Digital-first engagement continues to accelerate.** The shift from brick-and-mortar to digital-first customer interactions continues to accelerate, with customers expecting seamless, AI-enhanced service across web, mobile, and messaging channels. Organizations are investing in AI-powered digital engagement strategies that provide instant, personalized, and proactive customer service. Enterprises that fail to optimize digital interactions risk losing customers to brands delivering faster, smarter, and more connected experiences.

- **Knowledge management is the foundation of AI-powered customer service.** As AI plays a larger role in customer interactions, enterprises require unified and governed knowledge foundations to ensure accuracy, consistency, and trust. AI-driven knowledge management supports both automated and human-assisted service by delivering context-aware information in real time.

- **Enterprises favor open, extensible AI platforms.** AI becomes more effective when it has access to broader, high-quality data, enabling smarter decision-making, deeper insights, and more precise automation. At the same time, AI's ability to drive business outcomes grows exponentially when seamlessly connected to third-party applications and workflows across the enterprise. Organizations are prioritizing extensible AI platforms that integrate across their ecosystem, ensuring greater agility, faster automation, and maximum AI-driven ROI.

- **Enterprises are increasingly extending customer engagement automation beyond traditional contact center environments into mid- and back-office operational workflows**. This expansion increases demand for workflow orchestration, AI-driven automation, and cross-functional service platforms, expanding the addressable market for customer engagement technologies.

- **Reducing labor costs remains a top priority in CX**. Enterprises continue to seek AI-driven automation to offset rising labor costs while maintaining high-quality customer service. AI-powered workflows, intelligent routing, Agentic AI and digital self-service are enabling businesses to handle more interactions with fewer human agents, reducing operational expenses without sacrificing service quality. Organizations

that optimize labor efficiency through automation are gaining a competitive edge by lowering costs, improving scalability, and reallocating human resources to higher-value tasks.

- **Customer satisfaction is now a strategic competitive advantage**. In a market where products and pricing are often easily replicated, CX is the key differentiator driving loyalty and revenue growth. Organizations are investing in AI-powered personalization, proactive service, and frictionless digital experiences to elevate satisfaction and retention. Businesses that prioritize AI-driven CX improvements not only reduce churn but also turn superior service into a long-term competitive moat that strengthens brand loyalty and business outcomes.

- **Growing volume of digital evidence,** contained in multiple disjointed systems, labor intensive processes and staffing challenges are all impacting the ability of government agencies to deliver on the promise of timely justice. Government agencies of all types - from police and first responders to prosecutors, defense attorneys and courts - are looking to digital transformation as a way to overcome the challenges of digital evidence silos and disjointed work processes. Through digital transformation, stakeholders can work smarter and more efficiently within their own agency and effectively share digital evidence throughout the criminal justice system.

- **With emergency communications becoming more complex,** and staff turnover at an all-time high, digital transformation is becoming critical. Emergency communications managers spend much of their time handling manual, time-consuming tasks related to daily operations, quality assurance, reporting, training, development, hiring, staff supervision and fulfilling emergency incident evidence reproduction requests. Training new staff to handle the wide range of emergency calls is a significant cost burden. Digitally transforming and automating quality assurance, incident reconstruction and performance metrics tracking frees up managers to spend more time engaging with and coaching staff. This helps improve and retain employees, resulting in more effective emergency incident handling, higher staff retention, and lower turnover-related costs.

Financial Crime and Compliance trends that are driving demand for our solutions:

- **Growing demand for embedded AI across all fraud, financial crime and risk management controls.** Financial services organizations are transforming to ensure secure, safer and more unhindered customer access to accounts across all channels and transactions. At the forefront of these initiatives is the need to leverage purpose-built advanced AI to ensure regulatory compliance and provide exceptional customer experiences while stopping financial fraud and preventing the laundering of illicit funds.

- **Agentic AI, generative AI and LLMs are being used to streamline and further automate financial crime investigation processes and tasks**. This frees investigators from low value, high volume manual tasks so that they may better focus on more important and strategic work and decision making. This leads to better resource utilization, increased accuracy and productivity, and improved return on investment.

- **Preventing financial crime and ensuring stringent compliance with evolving regulatory environments.** Regulatory scrutiny of financial institutions continues to apply pressure on organizations to adopt more advanced regulatory compliance and risk management technology. Regulators have been expanding their focus from the largest financial institutions to a broader market, including smaller banks and alternative financial service providers. Furthermore, the U.S. GENIUS Act, imposes heightened KYC, AML, sanctions, and other regulatory compliance obligations on stablecoin issuers. Together, these shifts are creating increased demand for sophisticated risk and compliance related solutions.

- **An unpredictable threat landscape environment.** The growing number of data breaches and cyber security incidents put increasing amounts of personally identifiable information and sensitive data at risk of exposure. This information can be used to open accounts for laundering money, terrorist financing, financial fraud, market manipulation, social engineering, and more. In addition, the surge in consumer scams that lead to account takeover and authorized fraud threatens an organization’s reputation and customer satisfaction, as well as creates large financial exposures due to both losses and fines. The large volumes of data, related to both internal and external threats, place an enormous operational burden on organizations. Financial institutions are seeking advanced AI solutions to help address these threats and ultimately protect their firm and their customers.

- **An increasing need to control cost of compliance.** The regulatory pressures and increasingly complex threat landscape have driven up the number of risk and compliance personnel, in turn dramatically

increasing the cost of compliance and financial crime programs. Organizations are turning to technology, specifically AI, to help control these costs without compromising their compliance adherence while continuing to lower their risk exposure.

- **Financial institutions seek a single AI platform that aggregates and analyzes financial crime-related risk in one place.** The ever-expanding risk landscape and sophistication of financial criminals, as well as the need to keep costs in check, creates a growing need for a single unified view of fraud, AML and compliance risk throughout a financial services organization. Single platforms allow financial services organizations to analyze data, act on it and present it in one dashboard to both operations and executives.

- **Financial institutions are adopting cloud platforms for financial crime and compliance solutions.** Top tier financial institutions have been slow to adopt cloud delivery driven by the sensitive nature of their data, but are now realizing the value and economics of the cloud, and are increasingly choosing to deploy solutions on their own private cloud or on public cloud infrastructure.

- **AI and Machine learning is being adopted in the fight against financial crime.** Traditional methods of financial crime detection, such as rule-based systems, are limited in their ability to adapt and detect new types of financial crime or changes in criminal behavior and patterns. AI and Machine learning algorithms can be trained on historical data and continue to improve their performance as they encounter new behaviors. This enables them to detect patterns and anomalies indicative of financial crime.

- **Financial institutions are leveraging consortium risk signals to defend against fraud and stop the movement of illicit funds across institutions.** The increased usage of real-time payment rails leaves banks with narrow windows to detect and prevent financial crime. Consortium risk signals give financial institutions a broader, cross-institutional view of emerging fraud patterns, helping identify repeat offenders and coordinated schemes that no single institution could detect alone. By pooling anonymized data, shared insights, and transaction behaviors across multiple banks, consortiums enhance detection accuracy and provide real-time intelligence that reveals fraud trends spanning several institutions. This collaborative approach strengthens fraud and AML programs, enabling faster, more informed decisions that reduce false positives and prevent losses, all while maintaining strong privacy and governance controls.

Strategy

Our long-term strategy is to further broaden our industry leadership in both the Customer Engagement and Financial Crime and Compliance market segments using our unique domain-specific AI capabilities and our foundational platforms, applications and data assets. In January 2025, we completed a leadership transition with Scott Russell assuming the role of CEO, bringing deep enterprise software and cloud experience to accelerate our AI-first platform strategy.

We continue to lead the industry in both our business segments where the total addressable market is fast-growing due to the opportunities driven by the evolution of AI. NiCE is uniquely positioned for ongoing success to enable faster, safer, more personalized and cost efficient interactions occurring in real-time. Our offerings manifest unmatched favorable attributes: they provide constant problem solving that typically transcends economic fluctuations; they address complex challenges that require feature-rich solutions, preventing commoditization and giving rise to high barriers of entry that keep potential competitors at bay; they create an abundance of opportunities fueled by the distinctive lag of technology adoption; and they operate in markets burdened by soaring labor-driven costs, often exceeding 90% of total expenditures, ripe for the massive shift of spend from labor to automation.

NiCE is well-positioned across all markets, given our unique set of assets: we offer complete, robust and market-leading platforms; we deliver a wide-ranging portfolio; we own the most critical data elements that form the foundation for AI to learn, adapt, and drive superior outcomes; we have an established wide-reaching global ecosystem; and we are categorically recognized as one of the top leaders by every market research firm that evaluates the markets we operate in. On top of it all, we are a highly profitable company, with a strong balance sheet, acting as a foundation for our organic and inorganic growth. For additional information, please see Note 16 of the Financial Statements in this annual report.

In the Customer Engagement business, we intend to further expand our leadership through strategic AI-powered product launches fueled by organic developments and selective acquisitions. In September 2025, we acquired Cognigy, a global leader in conversational and Agentic AI. The combination of Cognigy and CXone, our CX AI platform, enables organizations to accelerate AI adoption across front and back-office operations by deploying autonomous AI agents capable of real-time reasoning, adaptation, and decision-making, while leveraging our purpose-built data models to continuously test,

optimize, and learn. Furthermore, we intend to continue to evolve as a global leader in all major markets and segments for managing customer service – hold and expand the largest market share for CCaaS and WEM solutions; be the most adopted self-service AI provider in the CX market, providing purpose-built AI for CX solutions; become the leading provider of AI copilot capabilities for augmenting CX employees at all levels, offer the most extensive CX marketplace platform and data; and continue to expand into international markets in both the high-end and the mid to low end of the markets we serve. In Public Safety and Justice, we intend to further increase our leadership in the digital transformation of the US criminal justice system, becoming the de facto platform for workflow management across the Criminal Justice system. We will do so by leveraging our Evidencentral platform for handling massive amount of digital evidence and cases with streamlined workflows; using AI to further uncover insights and automate justice processes; and delivering effective justice from the overwhelming amounts of evidence for every stakeholder in the criminal justice eco-system.

In our Financial Crime and Compliance business, we intend to expand to be the largest and leading AI cloud platform provider of fraud, financial crime and compliance solutions in all segments and across all major markets – further embedding AI across our portfolio while leveraging the X-Sight platform to cloudify the high end of the market; enhancing Xceed to be the cloud platform of choice in the mid-market; leveraging our unparalleled collective intelligence to provide a more holistic view of digital identity risk; and better monetizing data, based on advanced AI capabilities.

Leading our markets with domain-specific AI solutions

We intend to continue strengthening our AI leadership across all our markets, as AI becomes an overarching catalyst for NiCE's five vectors of growth:

- **AI fuels our cloud win rate** - We are witnessing an enterprise cloud inflection point, where the majority of large-scale cloud transitions is about to take place. AI is enhancing our differentiation, substantially expanding our cloud win rates and displacements.

- **AI is the bedrock of rapid expansion into digital** - NiCE's digital solutions encompass the range of digital interactions. AI is a strong contributing factor for migration from legacy digital vendors to NiCE, contributing to the growth in volume of digital engagements managed by our platforms.

- **AI fusion powers our platform adoption** – Enterprises are pivoting from multiple point solutions to building and simplifying their tech stack by standardizing on a single platform. This trend is now gaining a significant momentum because it is one of the most viable ways to implement AI.

- **AI automation extends our opportunity beyond the contact center** – Enterprises are looking to harness CX specific AI capabilities to replace current manual customer service processes that traverse the traditional contact center, often touching additional organizational functions such as back-office operations, marketing, sales and other internal and customer-facing functions.

- **AI as an endless source for lucrative new use-cases** – Organizations are coming to a clear realization that generic generative AI and LLM solutions are not providing the expected results. NiCE's specialized AI, with its thousands of constantly evolving and expanding models, based on billions of interactions, is fast becoming a truly viable option for addressing the complex use-cases of our markets.

Empowering organizations to lead by adapting to change

We intend to continue leading the market by leveraging several major industry trends and evolving our offering to meet our customers' current and future needs while focusing on key strategic pillars:

- **Cloud Foundation** – we provide cloud-native open platforms for our Customer Engagement and Financial Crime and Compliance offerings. This allows our customers to facilitate adoption of cloud infrastructure to accelerate innovation and reduce integration, implementation, operational efforts and cost.

- **Complete Platform Suite –** across all markets, we provide one of the industry's most comprehensive set of integrated, scalable, world class applications. Our ability to provide our customers with a full range of capabilities, for organizations of various sizes and different needs using a single vendor unified suite, gives

us a strong market differentiation in today's drive for simplicity, cost savings and elimination of legacy solution silos.

- **Digital Engagement –** we enable organizations to deliver experiences in every possible digital way, keeping their customers engaged and informed, leveraging smart self-service, AI and knowledge across the full customer journey, as well as providing secure digital banking, and helping public safety organizations shift to digital evidence and collaboration environments.

- **AI** – we accelerate business transformation with purpose-built AI-embedded natively across our platforms, making our applications and business processes smarter. Our domain expertise, proprietary data, advanced technology, and purpose-built AI models create leading solutions for all our market segments.

- **Large Language Models, generative AI and Agentic AI –** we leverage LLMs generative AI and Agentic AI to empower autonomous AI agents that reason, plan, and execute workflows, alongside empowering consumers and employees to access knowledge and interact with each other effortlessly and safely, while improving employee productivity and customer experience. In addition, we leverage these technologies to move beyond simple task automation, to full end-to-end workflow execution, empowering employees to effortlessly complete complex processes.

- **Data –** recognizing the power of data, we consider data as a key component and a strategic asset across our portfolio and leverage it as a basis for our purpose-built AI solutions. We manage our customer data with security and compliance measures while leveraging it to equip our customers with a data-driven approach to manage their business, reduce cost, improve performance and identify customer insights.

Strengthening our market leadership

Our brand, global reach, robust financial resources, extensive domain expertise and ability to deliver a wide array of solutions for large, as well as small and mid-sized organizations, will further anchor our market-leading position.

We plan to continue to develop our open cloud platforms and advanced purpose-built AI capabilities for the Customer Engagement and Financial Crime and Compliance markets to enable unified integrated solutions that offer fast innovation and quick time to value. These platforms allow us to deepen our direct relationships with our customers, nurture our partner ecosystem and create new growth opportunities. Our domain-specific, purpose-built AI serves as a strong differentiator and catalyst for cloud migration and our platform adoption.

In our Customer Engagement business, we intend to continue being a leader in the CCaaS market and expand our leadership into AI-first customer experience automation with CXone, a comprehensive CX AI platform, enabling enterprises to design, build and operate customer service automation by seamlessly orchestrating workflows, human and AI agents and knowledge as part of a single, unified and scalable platform. CXone automates workflows, breaking silos between customer-facing and internal service teams, leverages shared insights between human and AI agents to boost performance and centralizes data and knowledge under one platform, delivering the right insight at the right moment to enhance resolution. With its unique AI domain-expertise and Agentic capabilities, CXone enables rapid innovation, agility and scalability, and continue to extend our offering around the goal of providing high-quality, proactive, personalized automated end-to-end experiences for consumers, organizations and service agents. With CXone, organizations can provide the right attended or AI enabled service, based on their profile, preferences and needs. This includes a broad suite of digital, analytics and purpose-built AI-powered integrated applications, used for understanding consumers, employees and business needs and preferences, and leveraging that information to create orchestrated journeys that cover every interaction and workflow from the front and back office. We intend to continue enhancing AI capabilities to deliver purpose-built copiloting, self-service and management capabilities. Alongside our existing offering, we plan to lead in new product categories, as we introduce novel solutions and enter additional market segments.

We will continue to extend our leading market position for AI-powered cloud solutions, operating self-optimizing workflows powered by AI memory, building AI agents quickly based on historical interaction data and designing automation with all the relevant data, knowledge and AI models in one place, building protection for data and brands with robust access control guardrails, catering to organizations of all sizes and replacing legacy on-premises infrastructure players. We will also continue to enable our customers to easily extend our solutions by using CXone's open framework of hubs, simplifying integrations with quick, intuitive connections that eliminate silos and streamline management, as well as through innovative third-party applications via our DEVone dedicated partner ecosystem that our customers can self-select through our platform's CXexchange application marketplace.

Our Evidencentral cloud digital evidence management platform enables public safety, law enforcement and criminal justice agencies to transform to unified digital evidence workflows by managing incident response, investigation and prosecution digitally on a single platform, with analytics and AI throughout the entire process. Agencies can leverage data to the fullest and work together collaboratively to enhance public safety and deliver faster, fairer justice processes.

In our Financial Crime and Compliance business, we will continue to expand our offerings across market segments by providing new and enhanced solutions that protect financial services organizations and their customers earlier in the customer lifecycle and by further embedding AI across our portfolio of solutions. With our X-Sight cloud platform, we provide open, scalable and flexible solutions to orchestrate and automate risk mitigation workflows and processes, across a broad set of financial crime and compliance coverage to the top tier of the market. Continued innovations on X-Sight will further cement our leading market position. With our Xceed platform, we provide packaged anti-money laundering (AML) and fraud coverage solutions to the mid-market, enabling smaller organizations to realize greater protection with quick time to value. In the Financial Crime and Compliance business, our solutions are embedded with AI, machine learning, automation, natural language processing, LLMs, and other advanced technologies. This allows financial services organizations to merge innovative and patented technologies to effortlessly connect data and apply AI to turn raw data into financial crime intelligence that fuels analytic precision to detect and prevent financial crimes. These offerings enable us to add value to our existing customers, as well as expand our reach and open up new opportunities, considerably increasing our total addressable market.

Helping our on-premises customers and new customers migrate to the cloud

Our leading cloud platforms and domain expertise, along with our flexible migration models, enable our customers to adopt cloud solutions and migrate to the cloud at the pace that matches their needs and preferences.

To support all our customers and the different pace of their cloud migrations, we intend to continue offering our solutions in a variety of delivery models, which enable us to be flexible in effectively addressing our customers' needs.

We are the trusted advisor for our on-premises customers as we support their migration from legacy infrastructure to the cloud. We provide deep cloud expertise and migration tools to simplify configuration, reporting and data collection from legacy systems. Further, we offer holistic transformation consulting services, provided exclusively by our skilled employees, delivering a smooth transition for our customers.

Continuing to cross-sell and upsell our full solutions portfolio to our existing customer base

One of our main assets is our growing customer base. We believe there are many opportunities to expand, up-sell and cross-sell within our existing cloud customer base. This includes increasing our customers' exposure to the full breadth of our portfolio. We continue to provide our customers with new benefits by expanding the offering they already use, and adding new products and solutions.

Helping our customers adopt and use our solutions

We help our customers get the most out of their installed solutions. We do this by offering comprehensive onboarding programs, consulting services, and white-glove account management. This increases the value for our customer while at the same time drives additional billing, stickiness, and customer satisfaction.

Continuing organic innovation and development, while also selectively pursuing acquisitions

We intend to continue investing in innovation across our portfolio and platforms and will selectively augment our organic growth with additional disciplined acquisitions that broaden our product and technology portfolio, expand our presence in select verticals, adjacent markets and geographic areas, broaden our customer base, and increase our distribution channels.

Maximizing the synergies across our businesses

At NiCE, we value and promote a synergetic approach to our platforms and solutions (e.g., sharing information, knowhow, and design practices in transitioning to native cloud platforms across Customer Engagement and Financial Crime and Compliance). We will continue leveraging our solutions' common cloud architectures as well as methodologies of capturing and analyzing massive amounts of structured and unstructured data, providing real-time insight and driving process automation. Maximizing these synergies and cooperation between our business areas is a key pillar of our corporate strategy.

We have several joint offerings across our business segments and combined go-to-market efforts. We will continue leveraging our extensive complementary domain expertise, technological know-how, capabilities and development, in order to grow our business through additional cross-sell and up-sell opportunities.

Increasing our footprint in select geographical regions

As part of our growth strategy, we are expanding our business in select regions globally, where we can further grow and establish our presence in less penetrated, growing markets. We are doing this by leveraging our go-to-market teams and a growing partner ecosystem, in both the Customer Engagement business as well as the Financial Crime and Compliance business. We continue to expand our international partner network.

Expanding our global partnerships

As part of our growth strategy, we are investing in expanding relationships with global go to market partners including strategic partners, resellers, and global system integrators that we believe can accelerate our growth while ensuring the success of our customers. In addition, as part of our open platforms, we are enabling the success of our technology partners who complement our product offerings to bring unique value to our customers.

Customer Engagement Business Strategy

Our strategy is to continue our market leadership in the Customer Engagement market and expand our reach beyond the boundaries of the contact center by fundamentally reinventing the way consumers interact with organizations. We are driving a new CX standard by providing AI-powered end-to-end automation of customer service, intelligently and proactively interacting with customers, enabling resolution through purpose-built AI and data-driven self-service and providing agents with knowledge and tools to successfully resolve any need in real-time. We intend to achieve this by:

- Infusing AI, analytics and automation into every element of our Customer Engagement offerings to enable predictive and proactive service, workforce augmentation and automation. We leverage insights from an extensive number of interactions, with hundreds of purpose-built CX AI models to create frictionless customer experiences that are smarter and faster.

- Enabling our customers to deploy domain-specific AI-driven agents that provide self-service and assisted service capabilities, to improve customer experience as well as reduce the cost to service consumers.

- Augmenting agents with unique unified and native capabilities including digital collaboration, agent assistants, AI-powered copiloting capabilities and real-time guidance, to assist agents using conversational context and knowledge-based information.

- Empowering our customers to anticipate business demands with smarter, AI-based forecasting and scheduling tools, and providing their workforce with AI- enhanced training and analytics tools to help them gain the accountability, transparency and flexibility they need around their performance, as part of our holistic WEM suite that enhances both agent engagement and customer experiences.

- Offering CXone, a unified AI platform for enterprise customer experience operations with advanced conversational and Agentic AI capabilities across voice and digital channels, domain-specific AI purpose-built for CX use-cases, knowledge management, agent assist tools, interaction analytics and leading Workforce Engagement Management and automation solutions.

- Expanding our capabilities to provide holistic digital and Agentic AI experiences throughout the entire customer journey, through self-service and engagement with human or AI agents, enabling customer service organizations to provide a end-to-end service experience across all touchpoints.

- Leading cloud transformation across the entire Customer Engagement portfolio for all market segments and regions to enable rapid innovation, enhance flexibility and agility, and lower operational costs.

- Offering our customers the ability to extend our solutions by using CXone's open framework of hubs, simplifying integrations with quick, intuitive connections that eliminate silos and streamline management, as well as through innovative third-party applications provided by our DEVone dedicated partner ecosystem, selected from our platform's CXexchange marketplace.

- Increasing our presence across all verticals, regions and market segments with CXone, AI innovation and enhanced data to help organizations adapt to today's complex consumer expectations as well as the constantly changing CX environment.

- Leveraging our large customer base in all verticals and regions to generate incremental revenue growth through up-selling and cross-selling our Customer Engagement portfolio.

- Bringing AI and automation capabilities to Public Safety Answering Points (PSAPs) to support next generation digital emergency communication, ensuring compliance, and improve staff performance and retention.

- Offering one of the industry's most unified cloud-based Digital Evidence Management platform, Evidencentral, that integrates and consolidates all forms of evidence information - data and media from police records, videos and photos, and dispatch management systems.

Financial Crime and Compliance Business Strategy

We plan to continue extending our market leading position and our addressable market, while further supporting the move to the cloud by financial institutions. We also plan to leverage our capabilities to facilitate both better financial crime protection and to help our customers realize cost reductions. We intend to achieve this by focusing on:

- Enhancing our platform of integrated Financial Crime and Compliance solutions that help financial services organizations identify risks faster and earlier throughout all phases of the customer lifecycle.

- Expanding our market reach within mid-tier banks and financial institutions with our Xceed native cloud and AI platform, which provides AML and Fraud solutions in a packaged SaaS offering to smaller organizations, enabling them to benefit from the capabilities previously only afforded to large organizations.

- Expanding X-Sight, our AI cloud platform and solutions for the top tiers of the market to further strengthen and grow our market leadership position. X-Sight combines data and analytics agility and provides us the ability to cross-sell solutions. Our cloud platform leverages data, AI, machine learning, advanced automation, and other technologies to help customers reduce the cost of operations, while increasing their adherence to compliance and preventing financial crime.

- Expanding X-Sight AI, machine-learning data-driven, analytics-managed service or self-development environment to help further optimize analytic models and develop new analytics by leveraging insights across our broad customer base and our market-wide and domain expertise in fraud prevention and anti-money laundering.

- Empowering our customers to increase their operations teams' productivity by providing more purpose-built generative AI and Agentic AI offerings within X-Sight and Xceed to enable faster and more accurate investigations.

- Offering X-Sight DataIQ, our orchestration and aggregation engine that effortlessly connects to multiple premium and public data sources, turning raw data into data intelligence to fight financial crimes.

- Expanding the X-Sight Marketplace, an ecosystem of innovative third-party partners where our customers can select complementary offerings to extend our platforms and products.

- Offering our solutions to verticals outside of the traditional financial services, such as technology, gaming, energy, insurance, industry regulators, government agencies, fintech and alternative payments providers.

- Further expanding our footprint across international geographies and segments while continuing to cross-sell and up-sell into our existing customer base around the world.

- Expanding our sales channels with world-class systems integrators, consultancies, core banking providers, and other regional reseller firms to identify additional significant opportunities.

I. Offering Overview - Customer Engagement

CXone is an enterprise-grade AI platform designed to automate and manage customer engagement at scale. The platform enables organizations to orchestrate customer interactions across channels and systems, deploy Agentic and human-assisted experiences, and augment the workforce with real-time intelligence, all within a unified cloud environment. By consolidating these capabilities, CXone supports efficient service delivery, consistent customer experiences, and disciplined operational execution.

CXone enables organizations to apply AI across customer-facing and operational workflows, supporting both automation and human-assisted engagement. Purpose-built conversational and Agentic AI capabilities allow enterprises to deploy autonomous AI agents that operate within governed workflows, adapt in real time, and continuously improve through learning. These capabilities extend across front-office, mid-office, and back-office environments, supporting scalable adoption and long-term operational resilience.

Our Platform and Solutions' Core Capabilities:

Agentic Experience Automation - CXone enables Agentic experience automation across customer service, sales, and marketing workflows, and supports end-to-end process automation. Autonomous AI agents execute defined workflows from intent through fulfillment, operating across customer engagement, revenue-generating, and operational processes. These capabilities retain context and govern experience memory to deliver accurate, personalized, and continuously improving interactions. Agentic automation spans front-office engagement and downstream business processes, enabling scalable automation while maintaining control and reliability.

AI Platform - CXone is a cloud-native, AI-first platform designed to automate and optimize customer engagement at enterprise scale by integrating enterprise data, knowledge, workflows, and AI models within a unified architecture. The platform applies predictive, generative, and real-time AI to understand intent, analyze sentiment, and execute intelligent workflows, while continuously learning from both human- and AI-driven interactions. By retaining context and outcomes across interactions on a consolidated data and intelligence layer, CXone enables closed-loop learning in which each interaction informs and improves subsequent engagements, supporting sustained performance improvement, operational efficiency, and consistent service delivery over time while maintaining governance, security, and control.

Engagement Orchestration - CXone orchestrates customer engagement through a single, AI-powered channel that unifies voice, digital, and self-service interactions. The platform coordinates interactions and workflows across systems and teams using AI-driven routing and decision making informed by intent, context, and business objectives. By operating on a unified engagement layer, CXone enables consistent execution, coordinated resolution, and enterprise-wide visibility across front-, mid-, and back-office processes.

Workforce Empowerment - CXone provides workforce capabilities designed to manage and optimize performance across both human and AI agents. The platform supports scheduling, quality management, performance monitoring, and real-time assistance for hybrid workforces operating at scale. AI copilots and analytics deliver contextual guidance and oversight, while performance insights help organizations manage capacity, compliance, and service quality consistently across human- and AI-driven interactions.

NiCE Evidencentral - Our Digital Evidence Management and Investigation Platform for the criminal justice system, transforms how digital evidence and data are managed. Criminal Justice agencies spend precious time managing digital evidence and data- collecting, storing, copying, analyzing, sharing and even physically transporting it. Evidencentral helps overcome these obstacles by breaking down data silos, applying analytics and workflow automation to processes, and by connecting public safety and criminal justice agencies together, so justice can flow smoothly, from incident to court. Evidencentral help agencies get control of digital evidence and data, so they can get emergency response right, be a greater force for good, ensure safer communities, and provide timelier justice for victims.

II. Offering Overview - Financial Crime and Compliance

Enabling trusted financial transactions is critical in the digital banking era and is increasingly challenging for financial services organizations. With criminals, organized crime rings, and armies of cyber bots leveraging AI to attack digital payments and banking channels while also scamming individuals and corporations, preventing fraud without customer friction and detecting and predicting money laundering is more complex than ever. In addition, adhering to capital markets compliance regulations by surveilling trades across all asset classes and communications across all mediums for market manipulation has also become more complex.

These demands, the evolving regulatory landscape and market dynamics coupled with consumers' desire for frictionless digital transactions require organizations to transform and modernize their financial crime programs.

NiCE Actimize provides a market-leading purpose-built cloud platforms embedded with AI capabilities for real-time and cross-channel fraud prevention, know-your-customer, anti-money laundering and capital markets compliance. We enable financial institutions to effectively adapt to changing threats, provide excellent customer experiences and grow their business, all while protecting their organization, safeguarding their customers, and ensuring the integrity of the financial services industry.

Our Platforms' and Solutions' Core Capabilities

AI cloud platform for the high-end of the market, X-Sight, is an open and flexible AI-cloud platform for Financial Crime and Compliance, enabling financial services organizations to leverage market-leading solutions and services that meet their sophisticated and unique needs with security, scalability and speed. X-Sight is powered by embedded AI including Machine Learning, Agentic AI, generative AI and other AI Technologies which provide global clients with immediate value and access to new innovations. Our analytics are trained on industry-wide data and include the richest set of analytic models and features. The platform also includes many self-service capabilities providing the largest global financial institutions the flexibility to configure their controls and financial crime programs to meet their unique needs.

AI cloud platform for the mid-market, Xceed, brings together powerful AI, data intelligence, machine learning, and insights for comprehensive AML and fraud prevention for small and mid-sized organizations. The solutions on Xceed provide the protection that larger organizations receive but are packaged and connect directly with core banking providers for smaller organizations to realize immediate value.

X-Sight and Xceed AI offerings apply advanced AI techniques fueled by insights we receive in working collaboratively with our large world-class client base to provide rich intelligence to optimize machine learning prevention and detection analytics in our portfolio of solutions as well use generative AI, Agentic AI and automation to cut down analysts' time when investigating financial crimes. This allows us to provide leading solutions to our customers, addressing numerous business use cases across risk domains and coverage areas. All Financial Crime and Compliance solutions are infused with Always on AI, our multi-layered approach that injects AI, machine learning, automation, natural language processing, and other advanced technologies throughout the financial crime and compliance value chain. This provides financial services organizations with innovative and patented technologies which fuel automation and analytic precision to detect and prevent financial crimes in real-time and provides secure and frictionless customer experiences.

Cloud platforms provide financial services organizations with the agility required to quickly adapt to changing regulatory and threat landscapes. With machine learning, predictive analytics, and embedded AI, organizations are able to proactively prevent crime faster, leading to higher customer satisfaction, lower losses, and reduced risk of regulatory enforcement action or reputational damage. Our platforms and solutions enable organizations to have a more comprehensive understanding of their customers' activities and risk, as well as the organization's risk exposure.

Data intelligence solutions enable organizations to turn raw data into comprehensive actionable intelligence to prevent and detect financial crimes and enable better and faster decisions. With effortless access to data, our curated risk signals, and our X-Sight Marketplace ecosystem of complementary partner offerings, our solutions deliver comprehensive real-time intelligence to fuel analytics and enrich investigations.

AI and Analytics innovative technologies, our deep domain expertise, and the insights we receive by working collaboratively and collectively with our large world-class client base provide rich intelligence to our solutions. This allows us to provide market leading solutions to our customers, addressing numerous business use-cases across risk domains and coverage areas. All Financial Crime and Compliance solutions are embedded with AI, including machine learning, Agentic AI and generative AI, and other advanced technologies throughout the financial crime and compliance value chain. This

provides financial services organizations with innovative and patented technologies which fuel automation and analytic precision to detect and prevent financial crimes in real-time and provides secure and frictionless customer experiences.

Vast coverage of solutions enables organizations to detect market manipulations and prevent money laundering and fraud while helping them adhere to compliance regulations. With broad coverage for compliance around regulations and financial crime risks including account takeover, social engineering scams and many other financial crimes, the solutions include hundreds of out-of-the-box engineered models for current risk topologies across global regulatory regimes as well as emerging risk types including cryptocurrencies and cannabis-related risks to name a couple. Organizations gain holistic coverage to reduce risk, mitigate losses and protect their organizations and customers.

Intelligent investigations solutions serve hundreds of thousands of analysts and investigators across the globe enabling them to make better, faster decisions. The rich and robust, purpose-built solutions include out-of-the-box workflows and audits for the regulated industries. Our Agentic and generative AI capabilities understand financial institutions' policy and procedures guidelines, recognize the context of an investigation and have the agency to determine what data sources and risk signals to leverage for accurate and fast decisioning. The solutions track all activity providing transparency for internal and regulatory audits.

Self-Service solutions provide organizations with customization and self-development capabilities powered by APIs and intuitive tools.

Strategic Alliances

We sell our Customer Engagement and Financial Crime and Compliance platforms and solutions worldwide, primarily directly to customers and indirectly through selected partners to better serve our global customers. We partner with companies in a variety of sales channels, including service providers, system integrators, consulting firms, distributors, value-added resellers and complimentary technology vendors. These partners form a vital network for selling and supporting our solutions and platforms. We have established a cross-organization business partner program to support our ever-growing eco-system, providing a full range of tools and benefits to help promote the NiCE offerings and drive mutual revenue growth and success.

Our strategic technology partnerships ensure full integration with the NiCE offerings, delivering value added capabilities that enable them to provide our customers with an improved set of solutions and services.

Our DEVone program, comprising more than 200 partners, allows third-party software providers that bring complementary capabilities, to integrate with our CXone platform and extend its functionality. DEVone partner offerings are listed in our CXexchange Marketplace. Our Actimize X-Sight Marketplace hosts market leading vendors in the AML and Fraud domains that complement the Financial Crime and Compliance solution suite.

Our Evidencentral Marketplace hosts an expanding ecosystem of technology vendors that integrate with our Evidencentral platform to extend its functionality and make it simpler and faster for Emergency Communications, Law Enforcement and Criminal Justice agencies to bring a high volume of multimedia evidence together, accelerate case building, unearth hidden evidence and address evidence disclosure challenges.

Professional Service and Support

The NiCE Professional Services and Support organization enables our customers to derive sustainable business value from our solutions. In addition to our internal Services organization, we also utilize third party certified implementation partners to extend our capacity for deployment of our offerings.

The Professional Service and Support offerings include a variety of services - both standalone and bundled with our products. We address all stages of the technology lifecycle, including defining requirements, planning, design, implementation, customization, optimization, proactive maintenance and ongoing support.

Enabling Value

Solution Delivery optimizes outcomes for our customers, enabling them to achieve their specific business and organizational goals on time and on budget. NiCE solutions are delivered by certified project managers, technical experts, and application specialists. We follow a proven methodology that includes business discovery to map solutions to business processes.

Value Realization Services (VRS) ensure quick, deep and sustained adoption of the NiCE solutions. These services enable our customers to leverage the features and functionalities of our solutions to drive immediate and long-term results, aligned to their specific business case, accelerating their return on investment. The services are specifically designed to address the top short and long-term business concerns we heard through working with hundreds of customers across the globe. VRS teams work with customers during all phases of solution implementation – before, during and after go-live. We begin working with customer teams as soon as the project is kicked off, when the solution goes live, and for months after the solution is implemented. Our experience has shown that our customers benefit greatly from access to NiCE VRS resources once they begin using the solution. This post-implementation engagement allows us to build skill and ownership within customer teams, embed changes within the customer organization and determine return on investment from the solution.

Managed Services empowers organizations to meet short term objectives, such as reducing handle time or improving sales rates, along with achieving long term goals such as customer retention. Our team of experienced practitioners work with customers, guiding the process of collecting interactions, prioritizing subjects to study, conducting analysis and most importantly, developing plans that put the results of the analysis into action.

Customer Education Services provide users with the necessary knowledge and skills to operate NiCE solutions and to leverage their capabilities to meet customer needs. These services are offered both before and after the deployment of NiCE solutions.

Sustaining Value

Customer Success focuses on close collaboration with our customers to identify areas where they can maximize business value and minimize complications, ensuring continued delivery of business benefits.

Cloud Operations ensure that solutions deployed on the NiCE cloud run optimally and allow more simplified software upgrades, maximizing availability, performance and quality, while ensuring the security of customer information. This is delivered by using sophisticated proprietary utilities and automations that operate in a proactive manner, providing the means to avoid impacting customer and business operations. This includes: Cloud Architecture teams that design cloud service delivery and operation architectures; Cloud Security teams that help ensure that we set and meet the required Security certifications; Cloud Infrastructure teams that manage both virtual and physical infrastructure requirements; Cloud DevOps teams that implement the utilities and automations while working with our product development teams to optimize our solutions for the cloud environment; and the 7X24 Cloud Application Support teams that monitor and manage the solutions for our customers, ensuring world class up-time, performance, scalability and security. The NiCE Cloud utilizes multiple underlying technologies to give our customers many paths to the cloud – these include Physical Data Centers and Public Cloud providers such as AWS and Azure. NiCE maintains multiple Cloud Certifications including SOC 2 Type II – Applications; BSI C5, Cyber Essentials, IRAP, HITRUST; ISO:27001 and PCI DSS.

Customer Support and Maintenance responds to customer requests for support on a 24/7 basis, using advanced tools and methodologies. NiCE offers flexible service level agreements to meet our customers' needs. Our solutions are generally sold with a warranty for repairs of software defects or malfunctions. Software maintenance includes an enhancement program with (in the majority of cases) an ongoing delivery of "like-for-like" upgrade releases, service packs and hot fixes. NiCE also offers a Technical Account Management service or TAM. The TAM is a designated manager responsible for escalation management and overall customer care services.

Proactive Maintenance addresses issues before they can significantly impact our customers' businesses. These offerings include:

- **Advanced Services** – Technical experts perform system-level audits to ensure ongoing compliance with operational specifications as well as specific product customizations tailored to the requirements of the customer.

- **Application Performance Services** – A 24/7 function that proactively monitors NiCE-hosted and customer-premises environments with triage, resolution and escalation of system alarms.

Managed Technical Services (Technical and Operation) – NiCE offers a suite of managed technical and operation services that enable the customer to fully outsource all necessary responsibilities and functions required in order to

manage the NiCE solutions. This service includes dedicated onsite and remote support engineers, system management, system operation, updates and upgrades.

Information Security - we have established information security management policies and procedures to protect the confidentiality, integrity, and availability of our IT Systems and data while providing value to the way we conduct our business. We have security measures, internal policies, and procedures in place to protect our customers' information and ensure that proper measures are taken in connection with our customers' and their end users' information. Additionally, our information security controls are designed and implemented throughout our products and services development lifecycle. Our information security management policies and procedures are based on industry standards, such as ISO 27001. For additional information on information security, please see Item 16K, "Cybersecurity" in this annual report.

Manufacturing and Source of Supplies

Many of our solutions are software-based and are deployed by open cloud platform and standard commercial servers. The cloud platform services are provided to us by one or more third-party provider. For information on the risks relating to our engagements with cloud providers, please see Item 3, "Key Information - Risk Factors - "Risks Relating to Our Offerings and Operations" and "Key Information - Risk Factors - "Risks Relating to Information and Product Security and Intellectual Property" in this annual report.

In addition, there is a small portion of our products that have certain hardware elements that are based primarily on standard commercial off-the-shelf components and utilize proprietary in-house developed circuit cards and algorithms, digital processing techniques and software. These products are IT-grade compatible.

We manufacture those products that contain hardware elements through subcontractors. Our manufacturers provide turnkey manufacturing solutions including order receipt, purchasing, manufacturing, testing, configuration, inventory management and delivery to customers for all of our product lines. NiCE exercises various control mechanisms and supervision over the entire production process. In addition, the manufacturer of a significant portion of such products, is obligated to ensure the readiness of a back-up site in the event that the main production site is unable to operate as required. We believe these outsourcing agreements provide us with a number of cost advantages.

Some of the components we use have a single approved manufacturer while others have two or more alternatives for supply. In addition, we maintain an inventory for some of the components and subassemblies in order to limit the potential for interruption. We also maintain relationships directly with some of the more significant manufacturers of our components, and we believe that we can obtain alternative sources of supply in the event that the suppliers are unable to meet our requirements in a timely manner.

We have qualified for and received the ISO-9001:2015 quality management and ISO 14001:2015 environmental management certifications.

Research and Development

We believe that the development of new products and solutions and the enhancement of existing products and solutions are essential to our future success. Therefore, we intend to continue to devote substantial resources to research and new product and service development, and to continuously improve our systems and design processes in order to reduce the cost of our products and services. We conduct our research and development activities primarily in Israel, India and the U.S. Our research and development efforts have been financed through our internal funds and through some programs sponsored through the government of Israel.

We participate in programs funded by the IIA to develop generic technology relevant to the development of our products. Such programs are approved pursuant to the Law for the Encouragement of Research, Development and Technological Innovation in Industry 5744-1984 (the "Research and Development Law"), and the regulations promulgated thereunder. We were eligible to receive grants constituting between 30% and 55% of certain research and development expenses relating to these programs. Some of these programs were approved as programs for companies with large research and development activities and some of these programs are in the form of membership in certain Magnet consortiums. Accordingly, the grants under these programs are not required to be repaid by way of royalties. However, the restrictions of the Research and Development Law described below apply to these programs.

The Research and Development Law generally requires that the product incorporating know-how developed under an IIA-funded program be manufactured in Israel. However, upon the approval of the IIA (or notification in the event set forth below, as the case may be), some of the manufacturing volume may be performed outside of Israel, provided that the grant recipient may be required to pay royalties at an increased rate, which may be substantial, and the aggregate repayment amount may be increased to between 120% and 300% of the grants from IIA depending on the manufacturing volume that is performed outside of Israel). Following notification to the IIA (and provided the IIA did not object), up to 10% of the grant recipient's approved Israeli manufacturing volume, measured on an aggregate basis, may be transferred out of Israel, subject to payment of the increased royalties referenced above.

The Research and Development Law also provides that know-how (or rights thereto) developed under an approved research and development program may not be transferred or pledged to third parties without the approval of the IIA. Such approval is not required for the sale or export of any products resulting from such research or development. The IIA, under special circumstances, may approve the transfer of IIA-funded know-how outside Israel, including, in the event of a sale of the know-how, provided that the grant recipient pays to the IIA a portion of the sale price, which portion will not exceed six times the amount of the grants received plus interest (or three times the amount of the grant received plus interest, in the event that the recipient of the know-how has committed to retain the R&D activities of the grant recipient in Israel after the transfer). Under IIA regulations, grants received before June 30, 2017 bear the annual interest rate that applied at the time of the approval of the applicable IIA file which will apply to all of the funding received under such IIA approval. Grants received from the IIA after June 30, 2017, bear an annual interest rate based on the 12-month Secured Overnight Financing Rate, or SOFR, or at an alternative rate published by the Bank of Israel plus 0.71513%. Grants approved after January 1, 2024, shall bear the higher rate of (i) 12 months SOFR, plus 1%, or (ii) a fixed annual interest rate of 4%.

Intellectual Property

We currently rely on a combination of trade secret, patent, copyright and trademark law, together with non-disclosure and non-compete agreements, to establish and/or protect the technology used in our systems.

We currently hold 598 U.S. patents and 30 patents issued in additional countries covering substantially the same technology as the U.S. patents. We have 228 patent applications pending in the United States and other countries. We believe that the improvement of existing products and the development of new products are important in establishing and maintaining a competitive advantage. We believe that the value of our products is dependent, among other things, upon our proprietary software and hardware continuing to be "trade secrets" or subject to copyright or patent protection. We generally enter into non-disclosure and non-compete agreements with our employees, subcontractors and business counterparties. However, there can be no assurance that such measures will protect our technology, or that others will not develop a similar technology or use such technology in products competitive with those offered by us. In most of the areas in which we operate, third parties also have patents which could be found applicable to our technology and products. Such third parties may include competitors, as well as large companies, which invest significant amounts in their patent portfolios, regardless of their actual field of business. Although we believe that our products do not infringe upon the proprietary rights of third parties, there can be no assurance that one or more third parties will not make a claim alleging that our products infringe upon their proprietary rights, nor that we will be successful in defending such claim.

In addition, to the extent we are not successful in defending such claims, we may be subject to injunctions with respect to the use or sale of certain of our products or to liabilities for damages and may be required to obtain royalty bearing licenses which may not be available on reasonable terms.

We own the following trademarks and/or registered trademarks in different countries: Actimize, Actimize logo, NiCE Adaptive WFO, NiCE WFM, NiCE Voice of the Customer, NiCE Work Force Management, NiCE Incentive Compensation, NiCE Real Time Solutions, NiCE Trading Recording, NiCE Uptivity, NiCE Air, NiCE Communication Surveillance, Customer Engagement Analytics, Decisive Moment, Fizzback, IEX, inContact, inContact Logo, NiCE inContact, Last Message Replay, NiCE, NiCE Analyzer, NiCE Engage, NiCE Engage Platform, NiCE Interaction Management, NiCE Sentinel, NiCE Inform, NiCE Inform Lite, NiCE Performance Compliance, NiCE Inform Media Player, NiCE Inform Verify, NiCE, NiCE Logo, NiCE, NiCE Logo, NiCE smile Logo, NiCE Incentive Compensation Management, NiCE Real Time Solutions, NiCE Trading Recording, NiCE Proactive Compliance, NiCE Security Recording, NiCE, Nexidia, Nexidia ((!)) Logo, Nexidia Search Grid, Neural Phonetic Speech Analytics, Own the Decisive Moment, Scenario Replay, inContact Cloud Center Solutions, Supervisor on-the-go, VAAS, Voice as a Service, Personal Connection, InTouch, Echo, inCloud, CXone, CXone Logo, NiCE inContact CXone, NiCE Performance Management, inContact Automatic Contact Distributor, inContact Personal Connection, inContact Interactive Voice Response, inContact Work Force Management, Mattersight, Mattersight Logo, Net Promoter, Satmetrix, NPX, NPS, Fraudmap, Guardian Analytics, Evidence

Lake, Alacra, Free your business, Resolve, Brand Embassy, ContactEngine, ContactEngine Logo, GoMoxie, FluenCX, Truth Depends on it, MindTouch, NiCE ElevateAI, ElevateAI, NiCE Smile design logo, StatsViewer, ScheudleViewer, VoApps, Directdrop voicemail and Directdrop voicemail logo, BusinessPhone, BusinessPhone Logo, LiveVox, LiveVox Logo, Human Call Initiator, HCI and HTI, Playvox, Clearview-live, Cognigy, NiCE Cognigy Logo, Cognigy.AI, Cognigy.NLU, Cognigy.VG, Cognigy.LA, Nexus Engine, Cognigy Nexus LLM, Cognigy Logo, Cognigy AI Logo, Cognigy VG Logo.

Seasonality

In previous years the majority of our business operated under an on-premises enterprise software model, which was characterized, in part, by uneven business cycles throughout the year, with a significant portion of customer orders received in the fourth quarter of each calendar year. This was due primarily to year-end capital purchases by customers and holiday season spending. In recent years, our business has been shifting more and more to the cloud, which is characterized by more evenly distributed business, which balances the impact of being heavily weighted towards the fourth quarter. While the seasonality associated with our cloud business is less impactful, we continue to have a second half fiscal year which typically features higher usage of our solutions stemming primarily from the retail, health care and insurance verticals. While seasonal factors such as these are common in the software and technology industry, this pattern should not be considered a reliable indicator of our future revenue or financial performance. Many other factors, including general economic conditions, also have an impact on our business and financial results. See “Risk Factors” under Item 3, “Key Information” of this annual report for a more detailed discussion of factors which may affect our business and financial results.

Regulation

Data Privacy, Cybersecurity and AI

Certain data privacy and cybersecurity related laws and regulations apply to us or to our customers and end-users in countries in which we operate and our customers and their end-users are located, including the United States, Israel, the E.U. and the U.K., mostly in relation to our SaaS, hosting and cloud offering, as well as other outsourced services. These laws and regulations also include industry specific regulations that may apply to certain of our customers or end-users, such as regulations with respect to the digital operational resilience as well as requirements related to security risk management.

We or our customers are also subject to domestic data privacy laws, such as the GDPR, Israeli Privacy Law, the CCPA and the United Kingdom Data Protection Act 2018. We are also subject to laws regulating AI Technologies, including in the US and abroad. We continuously evaluate the business impact of compliance with the constantly changing data privacy, cyber security and AI laws and regulations, which may include domestic laws, regulations and guidelines that may come into effect in additional regions as well, and apply to our operations, products and services.

With heightened privacy, cybersecurity and AI regulations, we continuously align our governance and compliance of certain products, offerings or services to facilitate our customers' and end-users' compliance. As part of our efforts to comply with such regulations and mitigate any future risks related to data privacy, cybersecurity and the use of AI, we have adopted certain internal policies and procedures related to privacy and data protection, information security and incident response, and the use of AI. These policies include Business Continuity Plans, Risk Assessment Procedures and Vendor Management Policies and guidelines on AI governance and the use of AI Technologies, and are intended to address our business and operational practices as well as our customers' concerns, and to avoid or mitigate the risks associated with our information assets and those of our customers. In addition, we received the ISO 27001:2022 information security management certification, ISO 27701:2019 privacy management and SOC2 Type II, PCI DSS, BSI C5, Cyber Essentials, IRAP, Hitrust and FedRamp certifications for the relevant business lines (as required). Furthermore, we continually evaluate our policies and procedures in light of the evolving regulations related to data privacy, cybersecurity and AI and to our customers' needs. For more information on data privacy, cybersecurity and AI related concerns and legislation, including the GDPR and regulations governing AI, see also Item 3, "Key Information - Risk Factors" in this annual report.

Trade Compliance

As a company with global operations, we may be subject to laws as well as international treaties and conventions controlling imports, exports, re-export and transfer of goods, services and technology. These include import and customs laws, export controls, trade embargoes and economic sanctions, restrictions on sales to parties that are listed on (or are owned or controlled by one or more parties listed on) denied party watch lists and anti-boycott measures.

We are subject to applicable export control regulations in countries from which we export goods and services, including the United States, Israel, the European Union and the United Kingdom. Such regulations may apply with respect to

product components that are developed or manufactured in, or shipped from, the United States, Israel, the European Union and the United Kingdom, or with respect to certain content contained in our products. There are restrictions that apply to software products that contain encryption functionality. In the event that our products and services are subject to such controls and restrictions, we may be required to obtain an export license or authorization, which could be time-consuming and may not be granted on a timely basis or at all, and comply with other applicable requirements pursuant to such regulations or may be restricted from exporting certain products and services to certain countries or to sanctioned parties.

Export control regulations have expanded over the past several years. The U.S. Department of Commerce, Bureau of Industry and Security ("BIS"), other regulatory authorities in the European Union, or any member state of the European Union and Israel's Minister of Defense have changed and may again change the export control rules at any time and may impose additional export control restrictions and elevated licensing requirements on our products, which would negatively impact our business, financial condition, results of operations, and prospects. We are also monitoring the recent passage of the Remote Access Security Act in the U.S. House of Representatives, which would provide the Department of Commerce with authority to restrict remote access to export-controlled items, including potentially our products, through the cloud. If the Act were passed by Congress, signed into law, and implemented by the Department of Commerce, it could restrict our ability to enable remote cloud access to certain products, if they are made subject to new remote access restrictions.

Applicable economic sanctions laws imposed by the countries in which we do business, including the United States, Israel, the European Union, and the United Kingdom, may restrict our transactions or dealings in or with certain countries or territories, and with certain customers, business partners, and other persons and entities. Due to evolving geopolitical developments, these laws and regulations are complex and may change rapidly. As a result, we may be prohibited from, directly or indirectly (including through a third-party intermediary), procuring goods, services, or technology from, or engaging in transactions with countries, territories, individuals, and entities that are the target of sanctions or required to suspend of terminate such existing engagements.

Any violation of applicable export control regulations or economic sanctions laws could result in fines, civil and criminal sanctions against us or our employees, prohibitions on the conduct of our business, and damage to our reputation, which could have an adverse effect on our business, financial condition, and results of operations. Investigations of alleged violations can be expensive and disruptive. In addition, the promulgation of new laws, rules, and regulations could restrict or unfavorably impact our business, which could decrease demand for our services, reduce revenue, increase costs, or subject us to additional liabilities.

European Environmental Regulations

Our European activities require us to comply with the Directive 2011/65/EU of the European Parliament and of the Council on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment and the Commission Delegated Directive (EU) 2015/863 (together "RoHS"). RoHS provides, among other things, that producers of electrical and electronic equipment may not place new equipment containing certain materials, in amounts exceeding certain maximum concentration values, on the market in the EU. We are also required to comply with Regulation (EC) 1907/2006 of the European Parliament and of the Council Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH", SVHC-205), which requires producers to manage the risks from chemicals used in their products and to provide safety information on the substances found in their products.

Our products meet the requirements of the RoHS and REACH directives, and we are making every effort in order to maintain compliance, without adversely affecting the quality and functionalities of our products. If we fail to maintain compliance, including by reason of failure of our suppliers to comply, we may be restricted from conducting certain business in the EU, which could adversely affect our results of operations.

Our European activities also require us to comply with Directive 2012/19/EU of the European Parliament on Waste Electrical and Electronic Equipment ("WEEE"). The WEEE directive covers the labeling, recovery and recycling of IT/ Telecommunications equipment, electrical and electronic tools, monitoring and control instruments and other types of equipment, devices and items, and we have set up the operational and financial infrastructure required for collection and recycling of WEEE, as stipulated in the WEEE directive, including product labeling, registration and the joining of compliance schemes. We are taking and will continue to take all requisite steps to ensure compliance with this directive. If we fail to maintain compliance, we may be restricted from conducting certain business in the EU, which could adversely affect our results of operations.

Similar regulations have been, or are being, formulated in other parts of the world. We may be required to comply with other similar programs that are enacted outside Europe in the future.

Environmental, Social and Governance (ESG) Report

NiCE is guided by a deep commitment to social contribution, environmental sustainability and corporate citizenship that is ingrained in our core values. The Board's Internal Audit and ESG Committee is responsible for oversight of ESG matters. For further information on our ESG strategy and performance, you may access our full ESG Report, which is located on our Corporate Responsibility webpage at https://www.nice.com/company/corporate-responsibility. The contents of our ESG Report and related supplemental information (including information on our website) are not incorporated by reference into this annual report or in any other report or document we file with the SEC.

Competition

We believe that our solutions have several competitive advantages (as set forth above in "Our Solutions" section in this Item 4, "Information on the Company – Business Overview") in their scale, performance and accuracy, comprehensiveness and broad functionality.

We are leaders in the Customer Engagement space. In the CCaaS market, which is a part of the broader Contact Center Infrastructure market that is still mainly held by traditional on-premises players, we compete against Amazon Connect, Avaya, Cisco, Five9, Genesys, and TalkDesk, as well as other niche vendors. In the Conversational and Agentic AI market, we compete against vendors such as Kore.ai, Sierra.ai, Cresta and Salesforce. In the digital engagement market, we compete against vendors such as LivePerson, which offer digital engagement and self-service capabilities for contact centers.

In the WEM market we compete against players such as Alvaria, Calabrio, Genesys and Verint. We also compete against certain UCaaS and collaboration software vendors such as 8x8, Vonage and Zoom, which offer basic CCaaS capabilities. In addition, we are seeing some CRM companies, such as Salesforce and Zendesk, that provide a subset functionality of our broader offerings.

We are leaders in the Financial Crime and Compliance space. We compete against niche vendors that provide one subset of functionality to protect against a specific risk and against vendors that provide a more comprehensive offering. In the Anti-Fraud market, we compete against vendors such as SAS, FICO and Feedzai. In the Anti-Money Laundering market we compete against vendors such as SAS, Oracle and Quantexa. In the Financial Markets Compliance market, we compete against vendors such as SMARTS (Nasdaq), Oracle and SAS. In the Mid-market segment, we compete mainly against Verafin.

Item 4.C Organizational Structure

The following is a list of our significant subsidiaries and other subsidiaries, including the country of incorporation or residence. Each of our subsidiaries listed below is wholly owned by us.

Name of Subsidiary	Country of Incorporation or Residence
NICE Systems Australia PTY Ltd.	Australia
NICE Systems Technologies Brasil LTDA	Brazil
NICE Systems Canada Ltd.	Canada
NICE Interactive Solutions India Private Ltd.	India
Actimize Ltd.	Israel
NICE Japan Ltd.	Japan
NICE Technologies Mexico S.R.L.	Mexico
NICE Netherlands B.V.	Netherlands
NICE Systems (Singapore) Pte. Ltd.	Singapore
NICE Technologies Sole Proprietorship LLC	United Arab Emirates
Actimize UK Limited	United Kingdom
NICE Systems Technologies UK Limited	United Kingdom
NICE Systems UK Ltd.	United Kingdom
Actimize Inc.	United States
inContact Inc.	United States
NICE Systems Inc.	United States
NICE Systems Technologies Inc.	United States
LiveVox Inc.	United States
Cognigy GmbH	Germany

Item 4.D Property, Plants and Equipment

We have leased offices and facilities in several countries, which include the following headquarter offices:

- Our Israeli headquarters in Ra'anana occupies approximately 148,000 square feet.
- Our North American headquarters in Hoboken, New Jersey, occupies approximately 60,000 square feet;
- Our EMEA headquarters in London, occupies approximately 10,000 square feet; and
- Our APAC headquarters in Singapore occupies approximately 5,600 square feet.

Additional leased facilities consist of the following:

- Americas facilities located in Atlanta, Georgia and Salt Lake City, Utah.
- APAC facilities include offices space located in Pune and Manila.

We believe that our existing facilities are adequate to meet our current needs and substantially adequate to meet our foreseeable future needs.

Item 4A. Unresolved Staff Comments.

None.

Item 5. Operating and Financial Review and Prospects.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes and other financial information included elsewhere in this annual report. This discussion contains certain forward-looking statements that involve risks, uncertainties and assumptions. As a result of many factors, including those set forth under Item 3, "Key Information - Risk Factors" and elsewhere in this annual report, our actual results may differ materially from those anticipated in these forward-looking statements. For more information about forward-looking statements, see the "Preliminary Note" that immediately follows the Table of Contents of this annual report.

Overview

NiCE is a global enterprise software leader, delivering mission-critical AI-powered cloud platforms that serve two main markets: Customer Engagement and Financial Crime and Compliance. Our platforms are designed to automate complex, high-volume, and highly regulated workflows where reliability, security, and measurable outcomes are essential. In Customer Engagement, our CXone platform enables enterprises to automate customer service by orchestrating workflows, AI and human agents, and enterprise knowledge within a single, unified AI platform. In Financial Crime and Compliance, we provide embedded AI solutions that help financial institutions prevent money laundering and fraud, and ensure real-time regulatory compliance across financial markets.

Our strategy is based on serving specialized and rapidly expanding markets that demand feature-rich solutions, delivered through secure, enterprise-grade cloud platforms. AI is foundational to this strategy, driving differentiation, accelerating cloud adoption, and enabling customers to automate increasingly complex workflows at scale. We leverage our proprietary AI models and unique customer engagement data to increase competitive win rates in cloud migrations, expand adoption across digital and automated channels, and introduce new domain-specific use cases that deepen customer relationships and increase long-term platform value.

In the Customer Engagement market, our CXone AI platform enables organizations to automate service at scale, augment their workforce with AI-powered solutions, and unify enterprise knowledge, data and AI models to drive faster resolutions and superior customer experiences. Purpose-built AI ensures every interaction and workflow is intelligently orchestrated across all customer touchpoints, seamlessly blending autonomous Agentic AI and human assisted interactions to deliver best-in-class service that is proactive, knowledge-based, resolution-oriented and efficient. Our Public Safety and Justice business is included in our Customer Engagement segment. In this business, we are transforming the criminal justice system by using AI to uncover the truth in digital evidence, facilitating swift justice. Our AI-powered workflows help relieve police, prosecutors, public defenders, courts and correctional institutions from the tedious task of managing digital evidence.

In the Financial Crime and Compliance market, we protect financial services organizations, with embedded-AI solutions that identify risks to help prevent money laundering and fraud in real-time, as well as help ensure financial markets compliance. With our holistic, data and entity-centric approach, we leverage machine learning, predictive analytics, behavioral analytics, network analytics, NLP (natural language processing), generative AI and Agentic AI to detect suspicious activity and automate routine tasks, collaborate with analysts and adapt in real time to proactively keep ahead of emerging threats.

NiCE is at the forefront of several industry technological disruptions that have greatly accelerated in the last several years: AI-driven automation and Agentic AI solutions are transforming customer service, as organizations seek to optimize both efficiency and customer experience; domain-specific AI is enhancing decision-making and workforce performance; and cloud scalability is enabling enterprises to modernize operations at an unprecedented pace. NiCE's AI-powered platforms unify data, workflows, AI agents and automation to drive enterprise-wide transformation. Built on deep domain expertise, our solutions empower customer service, financial crime prevention, and criminal justice organizations to lead with intelligence, efficiency, and confidence.

We rely on multiple key assets and core strengths to drive our growth:

- Our AI leadership with purpose-built AI models that power automation, optimization, and user experience transformation.

- Our domain-specific Agentic AI that is designed to manage complex tasks, makes decisions and take action, with and without human intervention.
- Our comprehensive cloud platforms that are scalable, secure, and built for enterprise-wide adoption.
- Our AI-powered copiloting employee augmentation capabilities, built for specific roles and around domain-specific functionality to increase efficiencies, maintain compliance and improve resolution.
- AI-powered orchestration tools that are designed to allow organizations to design, build and operate end-to-end workflows.
- Our extensive self-service automation solutions that are built to use the power of AI to deliver human-like interactions at scale.
- Our extensive portfolio of applications addresses organizational needs across all our areas of domain expertise.
- Our broad array of proprietary technologies and algorithms in the domains of generative AI, Large Language Models (LLMs), automation, analytics, machine learning, speech-to-text, natural language processing, personality-based routing and others.
- Our native AI models which are based on years of industry-specific data and domain expertise, consistently using machine learning for generating actionable insights.
- Our access to vast amounts of CX data, derived from billions of domain-specific interactions of all types, enriching our applications and enabling us to build hundreds of CX purpose-built AI models.
- Our advanced data security and compliance capabilities that deliver trusted enterprise software across all our markets, including FedRAMP authorization to the relevant business lines, with more than 30 authorized applications, native PCI, supported by one of the most advanced SOCs in the industry
- Our flexible delivery model that allows our customers to benefit from a wide range of both cloud and on-premises solutions.
- Our solutions' market coverage of all segments, from small and mid-sized businesses to large scale Fortune 100 enterprises.
- The mission critical nature of our solutions to the operations of our customers and our cloud platforms that are essential for enabling a scalable and sustainable work-from-anywhere environment.
- Our market leadership, which makes us a well-recognized brand and creates top-of-mind awareness for our solutions in our areas of operation.
- Our large and broad partner ecosystem with strategic alliances and integrations that extend market reach and solution capabilities.
- Our loyal customer base of more than 25,000 organizations in over 150 countries, across many industries, including 85 of the Fortune 100 companies.
- Our strong cash position that allows us to invest in innovative solutions and product development and fuels strategic acquisitions.
- Our ability to quickly drive mainstream adoption for innovative solutions and new technologies and trends, which we introduce to the market through our direct sales force and distribution network.

- Our skilled employees and domain expertise in our core markets allow us to bring our customers the right solutions to address key business challenges and build strong customer partnerships.

- Our customer support and operations, which enable our customers to quickly enjoy the benefits of our solutions, with multiple deployment models in the cloud or on-premises throughout the world and support for full value realization and customer success.

- Our outcome-oriented white-glove services that enable our customers to achieve greater efficiency, higher revenue, and lower operating costs with our solutions.

Recent Acquisitions

From time to time we make acquisitions and investments. Some of them are not considered material to our business and operations. During 2025, we completed the acquisition of Cognigy, a global market leader in conversational and agentic AI, for total final consideration of $887.3 million, as well as an additional acquisition for total consideration of $36.5 million. During 2024, we completed two acquisitions for a total consideration of approximately $68.9 million. For additional information see Note 1b to our Consolidated Financial Statements included elsewhere in this annual report.

The Cognigy acquisition was accounted for by the acquisition method of accounting, and, accordingly, the purchase price was allocated to the assets acquired and liabilities assumed based on their respective fair values. The results of operations related to each acquisition are included in our consolidated statements of income from the date of acquisition.

Critical Accounting Estimates

We prepare our consolidated financial statements in accordance with U.S. GAAP.

Certain accounting policies require that we apply significant judgment in determining the appropriate assumptions for calculating financial estimates. By their nature, these judgments will be subject to an inherent degree of uncertainty. Our judgments are based upon our management's historical experience, terms of existing contracts, observance of trends in the industry, information provided by our customers and information available from other outside sources, as appropriate.

We believe that the accounting policies and estimates discussed below are critical to our financial results and to the understanding of our past and future performance, as these policies relate to the more significant areas involving management's estimates and assumptions. We consider an accounting estimate to be critical if: (1) it requires us to make assumptions because information was not available at the time or it included matters that were highly uncertain at the time we were making our estimate and (2) changes in the estimate could have a material impact on our financial condition or results of operations.

Revenue Recognition. We generate revenues from sales of cloud, service and software products, which include software license, SaaS, network connectivity, hosting, support and maintenance, implementation, configuration, project management, consulting and training, most of which are considered a separate performance obligation. We sell our cloud, software products and services directly through our sales-force and indirectly through a global network of distributors, system integrators and strategic partners.

We recognize revenues in accordance with ASC No. 606, "Revenue from Contracts with Customers" ("ASC 606"). Under this standard, we recognize revenues when a customer obtains control of promised goods or services in an amount that reflects the consideration that we expect to receive in exchange for those goods or services.
Trade Receivables are recorded when the right to consideration becomes unconditional. Trade receivables are recorded net of credit losses allowance for any potential uncollectible amounts. We make estimates of expected credit and collectability trends for the allowance for credit losses based upon its assessment of various factors, including historical collectability experience, the age of the trade receivable balances, credit quality of its customers, current economic conditions, reasonable and supportable forecasts of future economic conditions, and other factors that may affect its ability to collect from customers. We write off receivables when they are deemed uncollectible, having exhausted all collection efforts. Actual collection experience may not meet expectations and may result in increased bad debt expense.

To determine revenue recognition for contracts that are within the scope of this standard, we perform the following five steps:

1) Identify the contract(s) with a customer

A contract with a customer exists when (i) there is an enforceable contract with the customer that defines each party's rights regarding the goods or services to be transferred and identifies the payment terms related to these goods or services; (ii) the contract has commercial substance; and (iii) we determine that collection of substantially all consideration for goods or services that are transferred is likely based on the customer's intent and ability to pay the promised consideration. We apply judgment in determining the customer's ability and intent to pay, which is based on a variety of factors, including the customer's historical payment experience.

2) Identify the performance obligations of the contract

We enter into contracts that may include multiple performance obligations. We account for individual products and services separately if they are distinct – i.e., if a product or service is separately identifiable from other items in the contract and if a customer can benefit from it on its own or with other resources that are readily available to the customer.

3) Determine the transaction price

The transaction price is determined based on the consideration to which we will be entitled in exchange for transferring goods or services to the customer. For certain contracts, the Company's contracts include usage based fees that constitute variable consideration and are included in the transaction price.

We receive payments from customers based upon billing cycles and contract terms which may vary by contract type. Invoice payment terms are usually 30 days. In instances where the timing of revenue recognition differs from the timing of invoicing, we generally do not include a significant financing component in our contracts since our sale prices are not subject to billing terms and the purpose of our contracts is not to receive financing from, or provide financing to, customers. In addition, we elect to apply the practical expedient to not adjust the promised amount of consideration for the effects of a significant financing component if we expect, at contract inception, that the period between when we transfer a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Revenue is measured based on the consideration specified in a contract with a customer, excluding taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that we collect from a customer.

4) Allocate the transaction price to the performance obligations of the contract

We allocate the transaction price to each performance obligation identified based on its relative standalone selling price ("SSP") out of the total consideration of the contract.

We use judgment in determining the SSP. If the SSP is not observable through standalone transactions, we estimate the SSP by taking into account available information such as geographic or regional specific factors, internal costs, profit objectives, and internally approved pricing guidelines related to the performance obligations.

We typically establish SSP range for our products and services, which is reassessed on a periodic basis or when facts and circumstances change. SSP for products and services can evolve over time due to changes in our pricing practices that are influenced by intense competition, changes in demand for products and services, and economic factors, among others.

For products where the SSP cannot be determined based on observable prices given that the same products are sold for a broad range of amounts (that is, the selling price is highly variable), we apply the residual approach whereby all other performance obligations within a contract are first allocated a portion of the transaction price based upon their respective SSPs, with any residual amount of transaction price allocated to these product revenues.

Some of the our contracts include variable fees that are based on actual usage. For these contracts the we generally allocates the variable fees using the variable consideration allocation exception.

5) Recognize revenue when (or as) the entity satisfies a performance obligation

We derive our cloud revenues from subscription services, which are comprised of subscription fees from granting customers access to our cloud platforms, network connectivity and services fees for deployment of certain cloud platforms.

Revenue from subscription services is recognized when control is transferred to the customer, occurring either evenly over the contract period as services have a consistent continuous pattern of transfer to the customer, or based on actual usage. Revenue from network connectivity is based on customer call usage and is recognized in the period the call is initiated. Services fees for deployment, which are considered as material rights, are initially deferred and recognized over the average customer life.

Revenue from software license, support and maintenance services are recognized at the time the related performance obligation is satisfied by transferring the promised product or service to the customer. Software license revenues are recognized at the point in time when the software license is delivered, and the customer obtains control of the license asset. Support and maintenance service revenues are recognized when control is transferred to the costumer, occurring evenly over the maintenance contract term, as the services have a consistent continuous pattern of transfer to a customer.

Professional services revenues, are generally recognized over-time as services are performed using an input method based on labor hours, which the Company believes best depicts the transfer of the services to the customer. Subscription professional services are recognized evenly over the subscription term, as the services have a consistent continuous pattern of transfer to the customer.

Deferred revenue, which represent a contract liability, represent unrecognized fees collected mostly for maintenance, cloud and professional services. Deferred revenues are recognized as (or when) we perform under the contract.

Impairment of Long-Lived Assets. Our long-lived assets include goodwill, property and equipment and identifiable other intangible assets that are subject to amortization.

Goodwill represents the excess of the purchase price in a business combination over the fair value of the net tangible and intangible assets acquired. Under ASC 350, "Intangible - Goodwill and Other" ("ASC 350"), goodwill is not amortized but rather subject to an annual impairment test, which we perform as at the fourth quarter of each year, or if an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying amount. If we determine that it is more likely than not that the fair value of a reporting unit is less than its carrying value, then we prepare a quantitative analysis to determine whether the carrying value of reporting unit exceeds its estimated fair value. If the carrying value of a reporting unit exceeds its estimated fair value, we recognize an impairment of goodwill for the amount of this excess.

During the fourth quarter of each of the fiscal years ended December 31, 2025, 2024 and 2023, we performed a qualitative assessment for our reporting units and concluded that the qualitative assessment did not result in a more likely than not indication of impairment, and therefore no further impairment testing was required. Accordingly, no impairment charge was recognized during any of such fiscal years.

Income Taxes. To prepare our consolidated financial statements, we estimate our income taxes in each of the jurisdictions in which we operate, and in certain of these jurisdictions, our income taxes are calculated based on our assumptions as to our entitlement to various benefits under the applicable tax laws in the jurisdiction. The entitlement to such benefits depends upon our compliance with the terms and conditions set out in these laws.

We account for income taxes in accordance with ASC 740, “Income Taxes.” This topic prescribes the use of the liability method whereby deferred tax asset and liability account balances are determined based on differences between financial reporting and tax bases of assets and liabilities, and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. We provide a valuation allowance, if necessary, to reduce deferred tax assets to the amount that is more likely than not to be realized. Deferred tax assets and deferred tax liabilities are presented under long-term assets and long-term liabilities, respectively.

We implement a two-step approach to recognize and measure uncertain tax positions. The first step is to evaluate the tax position taken or expected to be taken in a tax return by determining if the weight of available evidence indicates that it is more likely than not that, on an evaluation of the technical merits, the tax position will be sustained on audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% (cumulative basis) likely to be realized upon ultimate settlement.

In December 2023, the Financial Accounting Standards Board issued ASU 2023-09- Income Taxes (Topics 740): Improvements to Income Tax Disclosures, which expands the disclosure requirements for income taxes, primarily related to the rate reconciliation and income taxes paid. We have adopted ASU 2023-09 for our annual period beginning January 1, 2025 on a retrospective basis, See Note 13 Income taxes for further information.

Business Combination. We apply the provisions of ASC 805, "Business Combination," and we allocate the fair value of purchase consideration to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. When determining the fair values of assets acquired and liabilities assumed, management makes significant estimates and assumptions, especially with respect to intangible assets.

Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from customer relationships, acquired technology and acquired trademarks from a market participant perspective, useful lives and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. Acquisition-related expenses are recognized separately from the business combination and are expensed as incurred.

Contingent consideration incurred in a business combination is included as part of the acquisition price and recorded at fair value as of the acquisition date. The fair value of the contingent consideration is re-measured at each reporting period, with any adjustments in fair value recognized in earnings under general and administrative expenses.

Stock-based Compensation. We granted restricted share units ("RSUs") and stock options vesting solely upon continued service, as well as performance-based awards, including performance stock units ("PSUs"), with vesting based on achievement of specified performance targets. In addition, we granted share purchase rights under our Employee Stock Purchase Plan ("ESPP"), which is primarily available to active employees.

We account for stock-based compensation in accordance with ASC 718, "Compensation - Stock Compensation" ("ASC 718"), which requires the measurement and recognition of stock base compensation expense based on estimated fair values for all share-based payment awards made to employees and directors. ASC 718 requires companies to estimate the fair value of equity-based payment awards on the date of grant using an option-pricing model. We elected to account for forfeitures as they occur.

We recognize compensation expenses for the value of our awards, which have graded vesting, based on the accelerated attribution method over the requisite service period of each of the awards.

We estimate the fair value of stock options and ESPP granted using the Black-Scholes-Merton option-pricing model, which requires a number of assumptions: the expected volatility is based upon actual historical stock price movements; the expected term of options granted is based upon historical experience and represents the period of time that options granted are expected to be outstanding; the risk-free interest rate is based on the yield from U.S. Federal Reserve zero-coupon bonds with an equivalent term; and the expected dividend rate (an annualized dividend yield) is based on the per share dividend declared by our Board of Directors.

We measure the fair value of restricted stock based on the market value of the underlying shares at the date of grant.

Marketable Securities. We account for investments in debt securities in accordance with ASC 320, "Investments - Debt Securities" and ASC No. 326, "Financial Instruments - Credit Losses". Management determines the appropriate classification of our investments in debt securities at the time of purchase and re-evaluates such determinations at each balance sheet date.

Marketable securities classified as "available-for-sale" ("AFS") are carried at fair value. Unrealized gains and losses are reported in a separate component of shareholders' equity in accumulated other comprehensive income, net of taxes. Gains and losses are recognized when realized, on a specific identification basis, in our consolidated statements of income.

For each reporting period, we evaluate whether declines in fair value below the amortized cost are due to expected credit losses, as well as our ability and intent to hold the investment until a forecasted recovery occurs, in accordance with ASC 326. Allowance for credit losses on AFS debt securities are recognized as a charge in financial expenses (income) and other, net, on the consolidated statements of income, and any remaining unrealized losses, net of taxes, are included in accumulated other comprehensive income (loss). As of December 31, 2025, no credit losses have been recorded.

We classified all our marketable securities with maturities beyond 12 months as current assets under the caption short term investments on the consolidated balance sheet. These securities are available to support current operations and we may sell these debt securities prior to their stated maturities.

Recently Issued Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Topic 220): Disaggregation of Income Statement Expenses, which requires disaggregated disclosure in the notes to the financial statements, of prescribed categories of expenses within relevant income statement captions. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. We are currently evaluating the effect of adopting the ASU on our disclosures.

In July 2025, the FASB issued ASU 2025-05, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets, which provides a practical expedient when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under Topic 606, Revenue from Contracts with Customers. The practical expedient assumes that current conditions as of the balance sheet date do not change for the remaining life of the assets. The guidance is effective for the fiscal years beginning January 1, 2026, with early adoption permitted. We are currently evaluating the effect of adopting the ASU on our consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, Intangibles - Goodwill and Other Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software, which modernizes the accounting guidance for costs to develop software for internal use. It removes the previous development stage model and introduces a more judgment-based approach. The guidance is effective for the fiscal years beginning January 1, 2028, with early adoption permitted. We are currently evaluating the effect of adopting the ASU on our consolidated financial statements.

In December 2025, the FASB issued ASU 2025-10, Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities. The update provides recognition, measurement, presentation, and disclosure requirements for government grants, including guidance for grants related to an asset and grants related to income. The guidance is effective for the fiscal years beginning January 1, 2029, with early adoption permitted. We are currently evaluating the effect of adopting the ASU on our consolidated financial statements.

Results of Operations

The following table sets forth our selected consolidated statements of income for the years ended December 31, 2025 and 2024, expressed as a percentage of total revenues (totals may not add up due to rounding).

	2025	2024
Revenue:		
Cloud	76.0 %	72.5 %
Services	19.0 %	21.8 %
Product	5.0 %	5.7 %
	100.0 %	100.0 %
Cost of revenue:		
Cloud	26.2 %	25.6 %
Services	6.6 %	6.7 %
Product	0.8 %	0.9 %
	33.6 %	33.2 %
Gross profit	66.4 %	66.8 %
Operating expenses:		
Research and development, net	12.2 %	13.2 %
Selling and marketing	22.5 %	23.5 %
General and administrative	9.8 %	10.1 %
Total operating expenses	44.5 %	46.8 %
Operating income	21.9 %	20.0 %
Financial income and other, net	2.0 %	2.2 %
Income before taxes	23.9 %	22.2 %
Taxes on income	3.1 %	5.9 %
Net income	20.8 %	16.3 %

Comparison of Years Ended December 31, 2025 and 2024

For a comparison of our results for the years ended December 31, 2024 and 2023, please refer to Item 5 in our annual report on Form 20-F for the year ended December 31, 2024, filed with the SEC on March 19, 2025.

Our revenues increased by approximately

	Years Ended December 31, (In millions)		Percentage Change
	2025	2024	2024-2025
Cloud revenue	$ 2,238.4	$ 1,984.2	12.8 %
Service revenue	560.0	596.0	(6.0)%
Product revenue	147.0	155.1	(5.2)%
Total revenue	$ 2,945.4	$ 2,735.3	7.7 %

Our revenues increased by approximately $210.1 million, or 7.7%, from $2,735.3 million in the year ended December 31, 2024 to $2,945.4 million in the year ended December 31, 2025. The increase consisted of

a $178.2 million increase in Customer Engagement revenue and a $31.9 million increase in Financial Crime and Compliance revenue.

The revenue growth of our Customer Engagement business segment in 2025 is primarily attributed to the continued increase in demand for our cloud platform CXone from new customers and ongoing expansion within our installed customer base, driven by further penetration into the large enterprise market globally.

The revenue increase in our Financial Crime and Compliance business segment in 2025 is primarily attributed to an increase in cloud revenue due to increased adoption of our cloud platforms X-Sight and Xceed, as well as an increase in revenues from our premise-based business.

Our cloud revenue in 2025 increased by 12.8%, or $254.2 million, to $2,238.4 million compared to $1,984.2 million in 2024, mainly due to an increase in the Customer Engagement segment from growing demand for our CXone cloud platform and our CX AI solutions, including further adoption at the high end of the market and increasing international cloud adoption, resulting from both new customers and expansion from existing customers. In addition, the increase in overall cloud revenue is partially attributed to the growing adoption of our cloud solutions in the Financial Crime and Compliance segment. Revenue derived from our cloud platforms accounted for 76.0% of our total revenue in 2025, as part of our strategy of increasing cloud revenue as a percentage of our total revenue.

Our service revenue in 2025 decreased by 6.0%, or $36.0 million, to $560.0 million compared to $596.0 million in 2024, mainly due to a decrease in maintenance revenue, as a growing number of our existing on-premises customers transitioned to our cloud-based solutions.

Our product revenue in 2025 decreased by 5.2%, or $8.1 million, to $147.0 million compared to $155.1 million in 2024, as customers are increasingly shifting towards cloud-based solutions.

Revenue by Region

	Years Ended December 31, (In millions)		Percentage Change
	2025	2024	2024-2025
United States, Canada and Central and South America (“Americas”)	$ 2,465.6	$ 2,321.5	6.2 %
Europe, the Middle East and Africa (“EMEA”)	325.1	278.1	16.9 %
Asia-Pacific (“APAC”)	154.7	135.7	14.0 %
Total revenues	$ 2,945.4	$ 2,735.3	7.7 %

Revenue in Americas increased in 2025 by 6.2%, or $144.1 million, to $2,465.6 million compared to $2,321.5 million in 2024, due to an increase in cloud revenue for our cloud platforms.

Revenue in EMEA increased in 2025 by 16.9%, or $47.0 million, to $325.1 million compared to $278.1 million in 2024, primarily attributed to the increase in cloud revenue for our cloud platforms in both of our business segments.

Revenue in APAC increased in 2025 by 14.0%, or $19.0 million, to $154.7 million compared to $135.7 million in 2024. The increase in revenue in 2025 is attributed to the increase in cloud revenue in both of our business segments.

Cost of Revenue

	Years Ended December 31, (In millions)		Percentage Change
	2025	2024	2024-2025
Cost of cloud revenue	$ 770.5	$ 699.7	10.1 %
Cost of service revenue	193.9	184.4	5.2 %
Cost of product revenue	24.8	25.4	(2.2)%
Total cost of revenue	$ 989.3	$ 909.5	8.8 %

Our cost of cloud revenue in 2025 increased by $70.8 million, or 10.1% compared to 2024, and slightly increased as a percentage of cloud revenue. The increase in the cost of cloud revenue is primarily due to an increase in our public cloud costs associated with an increase in our cloud sales as well as additional infrastructure investments to support sovereign cloud deployments for international expansion.

Our cost of service revenue in 2025 increased by $9.5 million, or 5.2%, compared to 2024 and increased as a percentage of service revenue compared to 2024.

Our cost of product revenue in 2025 decreased by $0.6 million, or 2.2%, compared to 2024 and remained stable as a percentage of product revenue compared to 2024.

Gross Profit

	Years Ended December 31, (In millions)		Percentage Change
	2025	2024	2024-2025
Gross profit on cloud revenue	$ 1,467.9	$ 1,284.4	14.3 %
as a percentage of cloud revenue	65.6 %	64.7 %	
Gross profit on service revenue	366.1	411.6	(11.1)%
as a percentage of service revenue	65.4 %	69.1 %	
Gross profit on product revenue	122.1	129.7	(5.8)%
as a percentage of product revenue	83.1 %	83.6 %	
Total gross profit	$ 1,956.1	$ 1,825.7	7.1 %
as a percentage of total revenue	66.4 %	66.7 %	

Our cloud gross profit was $1,467.9 million in 2025 compared to $1,284.4 in 2024, representing an increase of $183.5 million, or 14.3%. Our cloud gross profit as a percentage of cloud revenue increased to 65.6% in 2025 compared to 64.7% in 2024. The increase in cloud gross profit and margin is mainly attributed to an increase in our cloud business.

Our services gross profit was $366.1 in 2025 compared to $411.6 in 2024, representing a decrease of $45.5 million, or 11.1%, which is mainly attributed to a decrease in maintenance revenue, as a growing number of our existing on-premises customers migrate to our cloud-based solutions. As a percentage of service revenue, our services gross profit was 65.4% in 2025 compared to 69.1% in 2024.

Our product gross profit was $122.1 in 2025 compared to $129.7 in 2024, representing a decrease of $7.6 million, or 5.8%, which is primarily attributable to an ongoing shift in customer demand toward cloud-based solutions, including the continued migration of existing customers from on-premises products to our cloud offering. Our product gross margin decreased to 83.1% in 2025 compared to 83.6% in 2024.

Operating Expenses

	Years Ended December 31, (In millions)		Percentage Change
	2025	2024	2024-2025
Research and development, net	$ 360.5	$ 360.6	— %
Selling and marketing	661.1	642.3	2.9 %
General and administrative	288.8	276.9	4.3 %
Total operating expenses	$ 1,310.4	$ 1,279.7	2.4 %

Research and Development, Net. Net research and development expenses decreased by $0.1 million to $360.5 million in 2025 compared to $360.6 million in 2024, and represented 12.2% and 13.2% of revenues in 2025 and 2024, respectively. Research and development expenses increased on a gross basis while the decrease is attributed primarily to an increase in capitalization of software development costs.

Selling and Marketing Expenses. Selling and marketing expenses increased by $18.8 million to $661.1 million in 2025 compared to $642.3 million in 2024, which represented 22.5% and 23.5% of total revenues in 2025 and 2024, respectively. The increase in selling and marketing expenses is attributed primarily to salary expenses due to an increase in headcount and intangible assets amortization.

General and Administrative Expenses. General and administrative expenses in 2025 were $288.8 million compared to $276.9 million in 2024, which represented 9.8% of total revenues in 2025, as compared to 10.1% of total revenues in 2024. The increase in general and administrative expenses is attributed primarily to increase in sub-contractors spend.

Financial Expenses and Other, net

	Years Ended December 31, (In millions)		Percentage Change
	2025	2024	2024-2025
Financial income and other, net	58.3	58.9	(1.0)%

Financial Expense income and Other, net. Financial income and other, net, decreased by $0.6 million to income of $58.3 million in 2025 compared to $58.9 million in 2024. The slight decrease in financial income and other, net is attributable primarily to lower average short-term investment balances due to realization of marketable securities utilized to source funding for acquisitions, which reduced interest income, partially offset by a favorable impact from exchange rate movements year over year.

Taxes on Income. Total tax expenses were $91.9 million in 2025 and $162.2 million in 2024. Our effective tax rate was 13.1% in 2025 and 26.8% in 2024. The decrease in 2025 of $70.3 million in tax expenses is mainly due to a favorable outcome of a tax audit settlement in 2025.

The majority of our income in Israel continues to benefit from reduced tax rates, pursuant to our Special Preferred Technological Enterprise and Preferred Technology Enterprise programs, as discussed in Note 13 of our Consolidated Financial Statements included elsewhere in this annual report under the caption “Taxes on Income”.

Net Income. Net income increased by $169.5 million to $612.1 million in 2025 compared to $442.6 million in 2024. The increase in 2025 resulted primarily from an increase in our revenue, partially offset by higher cost of revenue and operating expenses.

Liquidity and Capital Resources

To date, we have financed our operations, acquisitions and the repurchase of our equity, primarily through cash generated from our operating activities.

As of December 31, 2025, we had $417.4 million of cash equivalents and in short-term investments, which included $379.4 million in cash and cash equivalents, and $38.0 million in short-term investments. We believe our existing cash and cash equivalents will be sufficient to meet our working capital and capital expenditure needs for the next 12 months and beyond.

We plan to continue to finance our operations in the future primarily through sales of our solutions, most notably our cloud platforms. Our future capital requirements will depend on many factors, including our growth rate, continuing market acceptance of our solutions, client retention, our ability to gain new clients, the timing and extent of spending to support research and development efforts, the expansion of sales and marketing activities and personnel, the introduction of new and enhanced offerings, and the impact of changes to the global economy, among other factors. We may also acquire or invest in complementary businesses, technologies and intellectual property rights, which may increase our use of cash and future capital requirements, both to pay acquisition costs and to support our combined operations.

We continually evaluate our capital needs and may decide to raise additional capital to fund the growth of our business and future acquisitions and investments, through public or private equity offerings or through debt financing. Access to additional capital may not be available or on favorable terms.

Cash Flows

Generally, we invest our excess cash in highly liquid investment grade securities. As of December 31, 2025, we had $417.4 million of cash and cash equivalents and short-term investments, as compared to $1,621.7 million at December 31, 2024.

Net cash provided by operating activities primarily resulting from our revenue cash collection. Our primary uses of cash from operating activities have been research and development expenses, selling and marketing expenses, personnel and related overhead costs and other costs related to the provision of our business. We expect cash inflows from operating activities to be affected by revenue collection and interest rate. We expect cash outflows from operating activities to be affected by increases in research and development, selling and marketing and increases in personnel costs as we grow our business.

Net cash provided by operating activities was $716.5 million and $832.6 million in 2025 and 2024, respectively. Net cash provided by operating activities in 2025 consisted primarily of net income of $612.1 million, adjusted for non-cash activities such as depreciation and amortization of $199.0 million, stock-based compensation of $146.0 million, an increase in deferred taxes of $10.5 million as well as working capital changes derived from a decrease in prepaid expenses and other current assets of $40.7 million, partially offset by a decrease in accrued expenses and other liabilities of $175.1 million, an increase in trade receivables of $75.8 million, an increase in deferred revenue of $22.8 and a decrease in operating lease liabilities of $16.3. Net cash from operations in 2024 consisted primarily of net income of $442.6 million, adjusted for non-cash activities such as depreciation and amortization of $205.0 million, stock-based compensation of $182.1 million, an increase in deferred taxes of $40.3 million as well as working capital changes derived from an increase in trade payables of $44.0 million, an increase in accrued expenses and other liabilities of $42.0 million and a decrease in prepaid expenses and other current assets of $25.0 million, partially offset by an increase in trade receivables of $61.0 million.

Net cash provided by (used) in investing activities was $160.0 million and $(397.4) million in 2025 and 2024, respectively. In 2025, net cash provided by investing activities consisted primarily of net marketable securities of $908.8 million offset by payment for acquisitions in the aggregate amount of $856.1 million, purchase of property and equipment of $18.9 million and capitalization of internal use software costs of $74.8 million. In 2024, net cash used in investing activities consisted primarily of net investments in marketable securities and short-term bank deposits of $232.8 million, payment for acquisitions in the aggregate amount of $64.8 million, purchase of property and equipment of $35.0 million and capitalization of internal use software costs of $64.8 million.

Net cash used in financing activities was $984.3 million and $456.6 million in 2025 and 2024, respectively.

In 2025, net cash used in financing activities was attributed primarily to repurchase of our ordinary shares of $488.9 million and repayment of long-term debt in the amount of $460.0 million. In 2024, net cash used in financing

activities was attributed primarily to repurchase of our ordinary shares of $369.2 million and repayment of long-term debt in the amount of $192.1 million.

Contractual and Other Obligations

Set forth below are our material contractual obligations and other commercial commitments as of December 31, 2025 (in thousands).

	Payments Due by Period				
Contractual Obligations	**Total**	**Less than 1 year**	**1- 3 years**	**3-5 years**	**More than 5 years**
Operating Leases	$ 105,404	16,329	28,830	26,102	34,143
Unconditional Purchase Obligations	$ 342,548	$ 155,629	$ 185,830	$ 1,089	$ —
Severance Pay*	$ 23,821				
Total Contractual Cash Obligations	$ 471,773	$ 171,958	$ 214,660	$ 27,191	$ 34,143
Uncertain Income Tax Positions **	$ 70,541				

* Severance pay relates to accrued obligations to employees as required under applicable labor laws. These obligations are payable only upon termination, retirement or death of the respective employees.

** Uncertain income tax positions under ASC 740 are due upon settlement and we are unable to reasonably estimate the ultimate amount or timing of settlement. See Note 13(i) of our consolidated financial statements included elsewhere in this annual report for further information regarding our liability under ASC 740.

		Amount of Commitment Expiration Per Period			
Other Commercial Commitments	**Total Amounts Committed**	**Less than 1 year**	**1- 3 years**	**3- 5 years**	**More than 5 years**
Guarantees*	$ 2,595	$ 85	$ 2,172		$ 338

* Primarily in connection with office lease agreements.

Research and Development and Intellectual Property

For information on our research and development policies and intellectual property, please see “Research and Development” and “Intellectual Property” under Item 4, “Information on the Company” in this annual report.

Trend Information

For additional information on trends in our industry, please see Item 4, “Information on the Company—Business Overview—Industry and Technology Trends” in this annual report.

For additional information on trends, uncertainties, demands, commitments or events that may have a material effect on revenue, please see Item 3, “Key Information—Risk Factors” in this annual report.

Item 6. **Directors, Senior Management and Employees.**

Item 6A. **Directors and Senior Management.**

The following tables set forth, as of February 18, 2026, the name, age and position of each of our directors and executive officers and, in regard to our directors, any of the committees of our Board of Directors on which they serve and whether any such director is an external director:

Members of the Board of Directors

Name	Age	Position	Audit Committee Member	Compensation Committee Member	Internal Audit and ESG Committee Member	Mergers and Acquisitions Committee Member	Nominating Committee Member	External Director*
David Kostman	61	Chairman of the Board of Directors				**X**	**X**	
Rimon Ben-Shaoul	81	Director	**X**			**X**		
Dan Falk	81	Director	**X**	**X**	**X**	**X**	**X**	**X**
Yocheved Dvir	73	Director	**X**	**X**	**X**			**X**
Leo Apotheker	72	Director		**X**		**X**		
Joe Cowan	77	Director	**X**			**X**		
Zehava Simon	67	Director	**X**	**X**	**X**			**X**
Caroline Tsay	44	Director						

* See Item 6, "Directors, Senior Management and Employees—Board Practices— External Directors."

Members of Management

Name	Age	Position
Scott Russell	52	Chief Executive Officer
Beth Gaspich	60	Chief Financial Officer
Jeff Comstock	56	President, Product & Technology
Arun Chandra	64	Chief Operating Officer
Craig Costigan	65	Chief Executive Officer, NiCE Actimize
Dan Belanger	61	President, CX Americas
Darren Rushworth	58	President, CX International
Awan Roy	55	Vice President, Head of NiCE India
Shiri Neder	50	Executive Vice President, Human Resources
Alon Levy	52	Vice President, General Counsel and Corporate Secretary
Udi Dayan	44	Vice President, Corporate Finance

David Kostman has served as one of our directors since 2001 (with the exception of the period between June 2007 and July 2008), and as our Chairman of the Board since February 2013. Mr. Kostman is currently CEO and board member of publicly traded Teads Holding Co. Mr. Kostman previously served as a board member of publicly traded Unity Inc, Retalix Ltd. (acquired by NCR) and several privately held companies. Mr. Kostman was formerly a Managing Director of Lehman Brothers, Chief Operating Officer and Chief Executive Officer of Delta Galil USA, a subsidiary of the publicly traded Delta Galil Industries Ltd. and President of the International Division and Chief Operating Officer of publicly traded VerticalNet Inc. Mr. Kostman worked in the Investment Banking Division of Lehman Brothers and also NM Rothschild & Sons focusing on the technology and internet sectors. Mr. Kostman holds a LLB in Law from Tel Aviv University and M.B.A. in Business Administration from INSEAD.

Rimon Ben-Shaoul has served as one of our directors since September 2001. Between 2001 and 2005, Mr. Ben-Shaoul served as Co-Chairman, President, and Chief Executive Officer of Koonras Technologies Ltd., a technology investment company controlled by LEADER Ltd., an Israeli holding company. Since 2002 Mr. Ben-Shaoul has served as Chairman of Grand AutoMotive LLP, a private company. Mr. Ben-Shaoul also served as a director of MIND C.T.I. Ltd., BVR Systems Ltd. and several private companies. In addition, he served as the President and Chief Executive Officer of Polar Communications Ltd., which manages media and communications investments. Mr. Ben-Shaoul also served as the Chairman of T.A.T Technologies Ltd., a public company listed on Nasdaq and TASE. Between 1997 and 2001, Mr. Ben-Shaoul was the President and Chief Executive Officer of Clal Industries and Investments Ltd., one of the largest holding companies in Israel with substantial holdings in the high-tech industry. During that time, Mr. Ben-Shaoul also served as Chairman of the Board of Directors of Clal Electronics Industries Ltd., Scitex Corporation Ltd., and various other companies within the Clal Group. Mr. Ben-Shaoul also served as a director of ECI Telecom Ltd., Fundtech Ltd., Creo Products, Inc. and Nova Measuring Instruments Ltd. From 1985 to 1997, Mr. Ben-Shaoul was President and Chief Executive Officer of Clal Insurance Company Ltd. and a director of the company and its various subsidiaries. Mr. Ben-Shaoul holds a Bachelor's degree in Economics and Statistics and a Master's degree in Business Administration, both from Tel-Aviv University.

Dan Falk has served as one of our external directors since 2001. Mr. Falk is currently a board member and the Chair of the audit committee of each of Innoviz Technologies Ltd. and Evogene Ltd. Mr. Falk also served on the board of directors of each of Attunity Ltd. and Orbotech Ltd. and until recently also served on the board of directors of Ormat Technologies Inc. From 1999 to 2000, Mr. Falk was President and Chief Operating Officer of Sapiens International Corporation N.V. From 1985 to 1999, Mr. Falk served in various positions in Orbotech Ltd., the last of which was Chief Financial Officer and Executive Vice President. From 1973 to 1985, he served in several executive positions in the Israel Discount Bank. Mr. Falk holds a Bachelor's degree in Economics and Political Science and a Master's degree in Business Administration, both from the Hebrew University of Jerusalem.

Yocheved Dvir has served as one of our external directors since January 2008. Since 2000, Ms. Dvir has served as a strategic advisor in business development affairs to multiple companies and initiatives. Ms. Dvir also serves on the board of directors of Harel Insurance. She previously served on the board of directors of Menorah Insurance Company, Xenia Venture Capital, Endey Med, Alrov Real Estate, Visa Cal, Trendline Business Information & Communications Ltd., Israel Corporation Ltd., ECI Telecom Ltd., Strauss Industries Ltd., Phoenix Holding and Phoenix Insurance Co. Between 1990 and 2000, Ms. Dvir served as a Senior Vice President of the Migdal Group. Ms. Dvir joined the Migdal Group in 1981 and, until late 2000, held a number of senior financial and managerial positions, including Head of the Group's Economics Department (1986-1988), Head of the Group's Corporate Office from 1989 to 1992, Head of the Group's General Insurance Division and Corporate Office from 1993 to 1997, Group CFO from 1997 to 1999, and Head of the Group's Strategic Development Division and Marketing Array and Risk Manager in 2000. Ms. Dvir holds a Bachelor's degree in Economics and Statistics from the University of Haifa and completed studies towards a second degree in Statistics from the Hebrew University of Jerusalem.

Leo Apotheker has served as one of our directors since August 2013. Mr. Apotheker is currently chairman of the board of privately held BSI AG, Syncron AB, Harvest and Eudonet. Mr. Apotheker was a member of the board of Schneider SE and the Co-Chief Executive Officer of Burgundy Technology Acquisition Corp until recently and the Managing Partner and co-founder of Efficiency Capital SAS, a growth capital advisory firm from 2012 to 2014. From 2010 to 2011, Mr. Apotheker served as Chief Executive Officer of Hewlett Packard. From 2008 to 2010, he served as Chief Executive Officer of SAP AG. Mr. Apotheker also previously served as the chairman of the board of Unit4, a leading Dutch software company and a member of the board of Taulia Inc. Mr. Apotheker holds a Bachelor's degree in Economics and International Relations from the Hebrew University of Jerusalem.

Joe Cowan has served as one of our directors since August 2013. Mr. Cowan is currently a director of Auburn University Foundation, StartProto and MachineMetrics, both private entities. Until recently, Mr. Cowan served as a director of Drishti Technologies Inc, ChannelAdvisor, Inc., and SAI Global. From 2013 until 2017, Mr. Cowan was the CEO and director of Epicor. During 2013, Mr. Cowan also served as President of DataDirect Networks, Inc. He also served as a director of DataDirect Networks, Inc. between 2011 and 2013. From 2010 until 2013, Mr. Cowan served as the Chief Executive Officer and President of Online Resources Corp. During 2009, he served as an Operating Executive and Consultant at Vector Capital. From 2007 to 2009, Mr. Cowan served as the Chief Executive Officer of Interwoven Inc. From 2004 to 2006, Mr. Cowan served as the President and Chief Executive Officer of Manugistics Inc. and Manugistics Group Inc. Prior to that, Mr. Cowan served in various senior executive positions, including as the Chief Operating Officer of Baan Co. NV and Avantis GOB NV. Mr. Cowan has also served on the board of directors of Blackboard Inc., as well as several private companies. Mr. Cowan holds an M.S. degree in Electrical Engineering from Arizona State University and holds a B.S. degree in Electrical Engineering from Auburn University.

Zehava Simon has served as one of our external directors since July 2015. Ms. Simon served as a Vice President of BMC Software Inc. from 2000 until 2013, most recently as Vice President of Corporate Development. From 2002 to 2011, Ms. Simon also served as Vice President and General Manager of BMC Software in Israel. Prior to that, Ms. Simon held various positions at Intel Israel, which she joined in 1982, including acting as leader of Finance and Operations and Business Development for Intel in Israel. Ms. Simon is currently a board member of Audiocodes Ltd. and Nova Ltd., both public companies traded on Nasdaq and TASE. Ms. Simon is a former member of the board of directors of Insightec Ltd., M-Systems Ltd. (acquired by SanDisk Corp.), Tower Semiconductor Ltd. and Amiad Water Systems, a public company traded on the London Stock Exchange. Ms. Simon holds a B.A. in Social Sciences from the Hebrew University, Jerusalem, a law degree (LL.B.) from the Interdisciplinary Center in Herzliya and an M.A. in Business and Management from Boston University.

Caroline Tsay has served as one of our directors since September 2025. Ms. Tsay has been a director of Semrush Holdings, Inc. (NYSE: SEMR) since May 2025, a director of The Coca-Cola Company (NYSE: KO) since April 2018 and a director of Morningstar, Inc. (NASDAQ: MORN) since May 2017. She served as Chief Executive Officer and as a director of Compute Software, Inc., a Mountain View, California-based cloud optimization software company that she co-founded, from January 2017 to November 2022. Ms. Tsay previously served as a director of Rosetta Stone Inc. from December 2014 to July 2018, and as a director of Travelzoo Inc. (NASDAQ: TZOO) from August 2015 to May 2017. Ms. Tsay served as Vice President and General Manager of Software at Hewlett Packard Enterprise Company (NYSE: HPE). Prior to HPE, Ms. Tsay held six years of product leadership roles across the consumer search, e-commerce, and advertising businesses at Yahoo! Inc. Prior to joining Yahoo! in 2007, she spent three years at IBM Global Services as a senior consultant in supply chain and customer relationship management. Ms. Tsay remains active in the technology industry as an investor in venture capital funds and serves as an advisor to venture capital backed companies. Ms. Tsay earned a B.S. in computer science and an M.S. in management science and engineering, both from Stanford University.

Scott Russell has served as our Chief Executive Officer since January 1, 2025. Mr. Russell has more than two decades of global enterprise technology leadership roles. Mr. Russell spent 14 years at SAP, where he held a series of senior leadership roles spanning regional, commercial, and executive responsibilities, including in the areas of customer relationships and AI-centric platforms and operating models. Most recently, he served on SAP's Executive Board as Global Chief Revenue Officer, overseeing the company's worldwide sales organization, partner ecosystem, and customer engagement strategy. Earlier in his tenure, he led SAP's Asia Pacific Japan region and later served as Chairman of SAP North America, managing operations across diverse international and mature markets. Mr. Russell has also served as Chairman of Taulia following its acquisition by SAP and previously served on the Board of Directors of Qualtrics. Throughout his career, he has been recognized for driving sustainable growth, operational discipline, and customer centric transformation at scale. Mr. Russell holds a Bachelor of Computer and Information Science from Federation University Australia and a postgraduate degree in business from Deakin University, Geelong Campus, Australia.

Beth Gaspich has served as our Chief Financial Officer since October 2016. Ms. Gaspich joined NiCE as CFO of the Financial Crime and Compliance division NiCE Actimize in September 2011, where she was responsible for finance, legal and business operations. Prior to joining NiCE, she was Chief Financial Officer for Archive Systems, Inc., a privately held document management software provider. She also served as Vice President of Finance at RiskMetrics Group, Inc., a cloud-based risk management software company. Ms. Gaspich was one of the founding members of RiskMetrics Group and assisted in taking the company through a successful public offering on the NYSE in January 2008. Prior to that, Ms. Gaspich held several other senior positions throughout her career at large global financial institutions, including JP Morgan and Price Waterhouse. Ms. Gaspich holds a B.A. in Accounting from the University of Missouri.

Jeff Comstock has served as our President, Product & Technology since October 2025. He has more than two decades of experience in product leadership, launching and scaling innovative products for enterprise customers. Before joining NiCE, Mr. Comstock spent 25 years at Microsoft where he most recently served as Corporate Vice President responsible for Customer Experience applications within Microsoft Dynamics 365. In this role, he oversaw a multi-billion-dollar global product portfolio spanning Sales, Marketing, Customer Service, and Contact Center. Mr. Comstock holds an MBA with High Honors from the University of Chicago Booth School of Business.

Arun Chandra has served as our COO since December 2025. Prior to joining NiCE, Mr. Chandra served as SVP of Customer Experience at Disney where he led the modernization of the global customer experience function. Previously, Mr. Chandra served as Vice President of Scaled Operations at Meta where he built a companywide shared service leveraging a range of operational, analytical, and technology functions. Prior to that, Mr. Chandra served as SVP of Global Operations at Hewlett Packard Enterprise (HPE) where he led customer, partner, and supply chain operations and also established HPE's

joint venture in China, serving as its Executive Chairman. Mr. Chandra has also served as CEO for multiple public and private technology companies, including SumTotal Systems, NorthPlains Systems, and iPolicy Networks. Mr. Chandra holds a Bachelor's and Master's degree in Computer Science from the Indian Institute of Technology and The Ohio State University respectively and an MBA from Santa Clara University.

Craig Costigan has served as NiCE Actimize CEO since November 2018. From 2016 to 2018, he served as President of Capital Markets & Credit at Fidelity National Information Services Inc. (FIS), where he managed a team of approximately 4,000 staff worldwide, overseeing risk, compliance, credit, securities finance, securities processing and market data solutions and services for over 2,000 banks, broker dealers, investment firms, hedge funds, insurance companies and clients in the financial market. Prior to that, Mr. Costigan served as President of the Risk, Compliance and Global Securities Business at SunGard. Mr. Costigan holds a BS in Economics from Northeastern University.

Dan Belanger has served as our President, NiCE Americas since July 1, 2024. Prior to his current position, Mr. Belanger served as Sales Director and General Manager for Telecom, Media & Entertainment, Sports and Games industry accounts at Amazon Web Services (AWS) for North America (Amazon Global Sales). Prior to joining AWS in 2020, Mr. Belanger served as Senior Vice President and Managing Director for Hewlett Packard Enterprise, North America leading sales, pre-sales engineering, services, operations and field channel teams. Mr. Belanger graduated Cum Laude from Assumption College, Worcester Massachusetts.

Darren Rushworth has been with NiCE since 2017 and serves as our President, CX International since April 2022. Previously he served as President of NiCE APAC. Mr. Rushworth’s career spans over 30 years in the IT industry of which the past 21 years have been in the Asia Pacific Region. Prior to joining NiCE, Mr. Rushworth held the role of Managing Director of Singapore for SAP Asia Pacific and he also led SAP’s Philippine and Emerging Market operations. Prior to that, Mr. Rushworth held multiple leadership roles at Oracle including VP Applications Sales APAC, VP Channels and VP Oracle Direct APAC.

Awan Roy has served as our Vice President, Head of NiCE India GTC since March 2021. From 2007 to 2020 Mr. Roy served as Sr Director, R&D and India Site Head at Varian Medical Systems where he established the India center, growing it into a global Center of Excellence for Infrastructure and Informatics software. Prior to that, Mr. Roy served as Sr Manager at Siemens Healthineers where he led the development of several medical software products and platforms. Mr. Roy holds a Bachelor's degree in Computer Science from the University of Delhi and a Masters' degree in Computer Science from Devi Ahilya Vishwavidyalaya.

Shiri Neder has served as our Executive Vice President, Human Resources since February 2018. Prior to joining NiCE, Ms. Neder was the Corporate Vice President, Head of Human Resources at Nova Measuring Instruments. Prior to that, Ms. Neder worked at Amdocs as Vice President, Human Resources for the Product and Delivery organizations and served as head of Amdocs’ Talent Development organization. In addition, Ms. Neder has held positions at Microsoft where she established the Human Resources function for the Telecom division as well as served as Regional Senior Human Resources Manager for the EMEA region. Ms. Neder holds a B.A. in Social Science and an M.A. in Law from Bar Ilan University.

Alon Levy has served as our Vice President, General Counsel and Corporate Secretary since June 2025. From 2015 to 2025, he served in various legal leadership roles at Hewlett Packard Enterprise (NYSE: HPE), an enterprise technology company, including as Director and Associate General Counsel for Latin America and Southern Europe. Between 2006 and 2014, Mr. Levy worked at Gilat Satellite Networks Ltd. (Nasdaq: GILT), a satellite communications company, including as Gilat’s Vice President, General Counsel and Corporate Secretary between 2012 and 2014. He holds an LL.B from The Hebrew University of Jerusalem and is admitted to practice law in Israel.

Udi Dayan has served as our Vice President, Corporate Finance since August 2025. Between 2022 and August 2025, Mr. Dayan served as Vice President of Accounting and Finance Operations for NiCE, where he led global teams in corporate accounting, revenues, M&A, tax accounting and finance operations. Between 2011 and 2021, Mr. Dayan held several positions at Teva Pharmaceuticals Ltd, most recently as VP Finance & Controller, Europe, where he led all accounting departments and Teva's financial shared service centers in Europe. In addition, Mr. Dayan held positions at KPMG in Israel, as a Senior Associate. Mr. Dayan is a Certified Public Accountant (CPA) and holds an MBA in Finance and BA in Accounting from the College of Management.

We are not party to, and are not aware of, any arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which any individual was selected as a director or member of senior management, as the case may be. In addition, there are no family relationships between any of the directors or members of senior management named above.

Item 6B. Compensation.

(a) Aggregate Executive Compensation

The aggregate compensation paid to our directors and members of senior management as a group of 25 persons for 2025 (including the following individuals who departed from the Company during 2025: Mr. Barak Eilam, former CEO, Mr. Yehoshua Ehrlich, former director; Mr. Barry Cooper, former President, CX; Yaron Hertz, former President, NiCE Americas; Ms. Tali Mirsky, former Corporate VP, General Counsel and Corporate Secretary and Mr. Gil Vassoly, former VP, Corporate Finance), including compensation accrued for such year, consisted of approximately $11.7 million in salary, fees, bonus, commissions and directors' fees and approximately $1.1 million in amounts set aside or accrued to provide pension, garden leave, severance, retirement or similar benefits or expenses, but excluding amounts expended for business travel, relocation, professional and business association dues and expenses reimbursed to our directors and executive officers.

Our compensation policy for office holders, pursuant to Israeli Companies Law, 5759-1999 (the "Israeli Companies Law") , including for certain members of our senior management, as approved by our shareholders, following the recommendation of our compensation committee and approval by our Board of Directors (as amended, the "Compensation Policy"), is required to be reviewed and approved by our compensation committee, Board of Directors and shareholders once every three years, in line with requirement of the Israeli Companies Law. Any bonus payment made under the Compensation Policy is approved by the Board of Directors in accordance with the Israeli Companies Law.

We have a performance-based bonus plan for our executive management team. The plan is based on our overall performance, the particular unit performance and individual performance. The measurements can change from year to year, based on a combination of financial parameters, including revenues, booking and operating income as well as other non-financial parameters, such as customer satisfaction. The plan is reviewed and approved by our compensation committee and Board of Directors annually, as is any bonus payment under the plan.

During 2025, our directors and members of senior management received, in the aggregate, (i) options to purchase 78,106 ordinary shares, which include 46,730 options with an exercise price equal to the par value of the ordinary shares (the "par value options"), and (ii) 235,736 restricted share units, under our equity-based compensation plans. The options (other than the par value options) have a weighted average price of $144.90, and all options will expire six years after the date of grant.The restricted shares units are granted with an exercise price equal to the par value of the ordinary shares, or with no exercise price.

Pursuant to the requirements of the Israeli Companies Law, remuneration of our directors requires shareholder approval. Compensation and reimbursement for external directors (as described below) is statutorily determined pursuant to the Israeli Companies Law. Effective as of July 1, 2015, our shareholders approved the payment to each of our non-executive directors, including external directors, of an annual fee of $40,000 and a meeting attendance fee of $1,500 for each Board meeting attended (whether in person or through media), and $1,000 for each Board committee meeting attended (whether in person or through media) (in each case paid in U.S. dollars or in NIS based on the exchange rate on July 1, 2015), subject to additional value added tax, as applicable. Furthermore, effective as of 2015, each non-executive director is entitled to an annual equity-based award, as previously approved by our shareholders and pursuant to the terms of the Compensation Policy.

In addition, our shareholders approved a special annual cash fee for the Chairman of the Board in the amount of NIS 450,000 (equivalent to approximately $123,000). The special annual fee is subject to adjustment for changes in the Israeli consumer price index after September 2012. At the Company's 2024 annual general meeting, following the recommendation of our compensation committee and approval by our Board of Directors, our shareholders approved updates to our Compensation Policy, as further discussed below in Item 10, "Additional Information. – Approval of Office Holder Compensation" in this annual report.

(b) Individual Compensation of Covered Executives

The following describes the compensation of our five most highly compensated office holders in 2025, based on the total of salary costs, bonus cost and equity costs for equity granted and expensed by the Company in 2025 ("Covered

Executives").

The compensation specified below is broken down into the following components (all amounts specified below are in terms of cost to the Company, as recorded in our financial statements, and U.S. dollar amounts indicated for Salary, Bonus Costs and Equity Costs are in thousands of dollars):

(1) Salary Costs. Salary Costs include gross salary, one-time signing bonuses, benefits and perquisites, including those mandated by applicable law which may include, to the extent applicable to each Covered Executive, payments, contributions and/or allocations for pension, garden leave, severance, vacation, travel and accommodation, car or car allowance, medical insurances and risk insurances (e.g., life, disability, accidents), phone, convalescence pay, relocation, payments for social security, and other benefits consistent with the Company's guidelines.

(2) Bonus Costs. Bonus Costs represent bonuses granted to the Covered Executive with respect to the year ended December 31, 2025, paid in accordance with the Company's performance-based bonus plan or as detailed below.

(3) Equity Costs. Represents the expense recorded in our financial statements for the year ended December 31, 2025, with respect to equity granted in 2025 and in previous years (if applicable). For assumptions and key variables used in the calculation of such amounts, see Note 14b of our audited consolidated financial statements.

i. Scott Russell – CEO. Salary Costs - $924; Bonus Costs - $1,236; Equity Costs - $10,492 expense recorded in 2025 for equity granted in 2025.

ii. Darren Rushworth – President, CX International. Salary Costs - $1,034; Bonus Costs - $496; Equity Costs - $1,596 expense recorded in 2025 for equity granted in 2025 and $2,318 expense recorded in 2025 for equity granted in previous years.

iii. Dan Belanger – President, CX Americas. Salary Costs - $559; Bonus Costs - $572; Equity Costs - $1,993 expense recorded in 2025 for equity granted in 2025 and $2,344 expense recorded in 2025 for equity granted in previous years.

iv. Beth Gaspich – CFO. Salary Costs - $595; Bonus Costs $447; Equity Costs - $1,595 expense recorded in 2025 for equity granted in 2025 and $3,690 expense recorded in 2025 for equity granted in previous years.

v. Craig Costigan – CEO, NICE Actimize. Salary Costs - $528; Bonus Costs - $513; Equity Costs - $1,556 expense recorded in 2025 for equity granted in 2025 and $3,390 expense recorded in 2025 for equity granted in previous years.

(c) CEO Compensation

Mr. Scott Russell was appointed as our Chief Executive Officer, or CEO, effective as of January 1, 2025. Under the Israeli Companies Law, the terms of office and employment of a CEO are governed by the Company's statutory Compensation Policy, which is approved in advance by its shareholders. Generally, such terms must also be approved by the Compensation Committee, Board of Directors, and shareholders, unless the Compensation Committee determines that seeking shareholders' approval could frustrate the engagement of a new CEO candidate, such as in the case of the appointment Mr. Russell. Thus, Mr. Russell's terms of office and employment for the year ended December 31, 2025, were approved by our Compensation Committee and the Board. The terms of Mr. Russell's current compensation are as follows:

Base Salary: As of January 1, 2025 Mr. Russell is entitled to an annual base salary of USD 900,000.

Benefits: Mr. Russell is entitled to the entire range of benefits available through the Company's employee benefits programs, subject to amendment from time to time, as well as other benefits consistent with our Compensation Policy.

Annual Cash Bonus (performance-based): Mr. Russell is entitled to an annual cash bonus (the "CEO MBO Payment"), based on the achievement of certain performance targets, at an annual target amount of 120% of his annual base salary (the "Target Bonus").

The targets for our 2025 CEO MBO plan were pre-determined by our Compensation Committee and Board of Directors and are comprised of 80% financial measurable company targets, measured against our actual annual financial results, and 20%

additional performance criteria relating to strategic achievements for the Company. The CEO MBO Payment may increase or decrease to account for over- or under-achievement and is capped at 200% of the CEO's Target Bonus.

Equity Based Compensation: Mr. Russell received an initial equity award, designed to create an initial equity stake as our incoming CEO and create a significant retention incentive, comprised of the following: (i) 55,000 time-based RSUs (the "TRSUs"), which will vest over a four-year period, with 40% vesting one year after his start date, and the remaining 60% vesting in 12 equal quarterly installments thereafter; (ii) 27,500 Performance-Vested RSUs tied to the Company's financial performance objectives for 2025, which also include a four-year time based vesting schedule identical to the TRSUs (the "PSUs"); and (iii) 27,500 Relative TSR Performance-Vested RSUs ("rTSR PSUs"), which will vest in a single cliff after three years from the grant date, with the number of shares to be earned based on the Company's relative Total Shareholder Return performance and capped at 150% of the base number of the rTSR PSUs.

Corporate Transaction: Upon a Corporate Transaction or a Change of Control (as such terms are defined in the Company's 2016 Share Incentive Plan), Mr. Russell will be entitled to acceleration of vesting of the TRSUs and PSUs in accordance with the double trigger mechanism set forth in Section 7.4 of the 2016 Plan, subject to the amendment and modification provisions of the 2016 Plan. The rTSR PSUs become converted to time-vested RSUs upon a change of control in a pro-rated amount based on the portion of the performance period completed. The resulting time-vested RSUs (converted from rTSR PSUs) vest on their original pre-scheduled date, provided that they will also be subject to acceleration of vesting in accordance with the double trigger mechanism set forth in Section 7.4 of the 2016 Plan, subject to the amendment and modification provisions of the 2016 Plan.

Insurance and Indemnification: Similar to all our directors and officers, Mr. Russell is also a party to our directors and officers indemnification agreement and is covered under the Company's directors and officers insurance, all in accordance with and subject to the Israeli Companies Law and the Company's articles of association.

Termination of Employment: each of the Company and Mr. Russell is required to provide written notice of six (6) months (the "Notice Period") prior to termination of employment. During the Notice Period, Mr. Russell will be required to continue to perform the duties and responsibilities of his position, unless the Company decides otherwise, in which case, the Company will continue to compensate Mr. Russell in accordance with his terms of office and employment. In addition, in exchange for the execution and non-revocation of release of claims and rights, Mr. Russell will be eligible for an "Adjustment Period" of an additional six (6) months following the end of the Notice Period.

Future equity grants to Mr. Russell during the term of his employment as CEO shall be subject to approval by our Compensation Committee, Board of Directors, and our shareholders, in accordance with the Israeli Companies Law.

Additional disclosure regarding the compensation of our CEO will be disclosed in our proxy statement.

Item 6.C. Board Practices

Corporate Governance Practices

We are incorporated in Israel and therefore are subject to various corporate governance practices under the Israeli Companies Law, relating to such matters as external directors, the internal audit committee, the internal auditor and approvals of interested party transactions. These matters are in addition to the ongoing listing conditions of the Nasdaq and other relevant provisions of U.S. securities laws. Under applicable Nasdaq rules, a foreign private issuer may generally follow its home country rules of corporate governance in lieu of comparable Nasdaq requirements, except for certain matters such as composition and responsibilities of the audit committee and the independence of its members. For further information, see Item 16G, "Corporate Governance" of this annual report.

General Board Practices

Our articles of association provide that the number of directors serving on the Board shall be not less than three but shall not exceed 13. Our directors, other than external directors, are elected at the annual shareholders meeting to serve until the next annual meeting or until their earlier resignation, death, bankruptcy, incapacity or removal by a resolution of the general shareholders meeting. Directors may be re-elected at each annual shareholders' meeting. The Board may appoint additional directors to fill a vacancy however occurring (including a vacancy resulting from the number of directors serving being less than the maximum number stated in article 32(a) of our articles of association), to serve until the next annual shareholders meeting, provided, however, that the Board shall have no obligation to fill any vacancy unless the number of directors is less than three.

The Board may, subject to the provisions of the Israeli Companies Law, appoint a committee of the Board and delegate to such committee all or any of the powers of the Board, as it deems appropriate. Notwithstanding the foregoing and subject to the provisions of the Israeli Companies law, the Board may, at any time, amend, restate or cancel the delegation of any of its powers to any of its committees. The Board has appointed an internal audit and ESG committee under the Israeli

Companies Law that has three members, an audit committee that has five members, a compensation committee that has four members, a nominating committee that has two members and a mergers and acquisitions committee that has five members. In addition, from time to time the Board may appoint an ad hoc committee for certain purposes, such as the review, negotiation and recommendation of approval of M&A transactions. We do not have, nor do our subsidiaries have, any service contracts granting to the directors any benefits upon termination of their service as Board members.

External Directors

Except as discussed below, under the Israeli Companies Law companies incorporated under the laws of Israel whose shares have been offered to the public in or outside of Israel are required to appoint at least two "external" directors. Pursuant to regulations under the Israeli Companies Law that took effect in April 2016, a Nasdaq-listed company that does not have a controlling shareholder is entitled to opt out of the provisions of the Israeli Companies Law requiring at least two external directors and certain related requirements, so long as the company complies with the SEC regulations and Nasdaq listing rules regarding independent directors and the composition of the audit and compensation committees. The Israeli Companies Law provides that a "controlling shareholder" generally means a shareholder that has the ability to direct the activities of the company, other than by virtue of being an office holder. In addition, with respect to certain matters under the Israeli Companies Law, a shareholder that holds 25% or more of the voting rights in a public company may be deemed a controlling shareholder if no other shareholder holds more than 50% of the voting rights in the company. In December 2016, our shareholders approved amendments to our articles of association, pursuant to which our Board of Directors may elect to opt out of such requirements for appointment of external directors (together the "2016 Relief Amendments"). At this time, our Board of Directors has not made an election to opt out of such requirements.

External directors are required to possess professional qualifications as set out in regulations promulgated under the Israeli Companies Law, and at least one of the external directors is required to have financial and accounting expertise. A director with accounting and financial expertise is a director who, due to his or her education, experience and skills, possesses a high degree of proficiency in, and an understanding of, business accounting matters and financial statements, such that he or she is able to understand the financial statements of the company in depth and initiate a discussion about the manner in which financial data is presented. A director is deemed to have "professional expertise" if he or she holds an academic degree in certain fields or has at least five years of experience in certain senior positions. The Israeli Companies Law provides that a person may not be appointed as an external director if (i) such person or person's relative or affiliate has, at the date of appointment, or had at any time during the two years preceding such date, any affiliation with the company, a controlling shareholder thereof or their respective affiliates; or (ii) in a company that does not have a 25% shareholder, such person has an affiliation with any person who, at the time of appointment, is the chairman, the chief executive officer, the chief financial officer or a 5% shareholder of the company. In general, the term "affiliation" includes: an employment relationship; a business or professional relationship maintained on a regular basis; control; and service as an office holder.

No person may serve as an external director if the person's position or other activities create or may create a conflict of interest with the person's responsibilities as an external director or may otherwise interfere with the person's ability to serve as an external director. Until the lapse of two years from termination of office, a company or its controlling shareholder may not give any direct or indirect benefit to the former external director.

External directors are to be elected by a majority vote at a shareholders' meeting, provided that either:

- the majority of shares voted at the meeting shall include at least a majority of the shares of non-controlling shareholders and shares of shareholders who do not have a personal interest (as such term is defined by the Israeli Companies Law) in the approval of such item, present at the meeting and voting on the matter (without taking into account the votes of the abstaining shareholders); or
- the total number of shares of non-controlling shareholders voted against the election of the external directors does not exceed two percent of the aggregate voting rights in the company.

The initial term of an external director is three years and may be extended for up to two additional three-year terms. Thereafter, he or she may be reelected by our shareholders for additional periods of up to three years each only if the internal audit committee and the Board of Directors confirm that, in light of the external director's expertise and special contribution to the work of the Board of Directors and its committees, the reelection for such additional period is beneficial to the company. Prior to the approval of the reelection of an external director at a general meeting of shareholders, the shareholders must be informed of the term previously served by him or her and of the reasons why the internal audit committee and the Board of Directors recommended the extension of his or her term. Reelection of an external director may be effected through

one of the following mechanisms: (1) the Board of Directors proposed the reelection of the nominee and the election was approved by the shareholders in the same manner required to appoint external directors for their initial term; or (2) one or more shareholders holding the applicable percentage of a company's voting rights, as required by the Israeli Companies Law, that entitles such shareholder to request the Board of Directors include a certain item on the agenda of a General Meeting, and the reelection is approved in the same manner required to appoint external directors for their initial term. An external director may be removed only in a general meeting, by the same percentage of shareholders as is required for electing an external director, or by a court, and in both cases only if the external director ceases to meet the statutory qualifications for appointment or if he or she has violated the duty of loyalty to us. Unless we actually adopt the applicable relief provided under the 2016 Relief Amendments, each committee of the Company's Board of Directors which is empowered to exercise any of the Board's powers is required to include at least one external director, provided that each of the internal audit committee and compensation committee must include all of the external directors. At this time, our Board of Directors has not made an election to opt out of such requirements.

An external director is entitled to compensation as provided in regulations adopted under the Israeli Companies Law and is otherwise prohibited from receiving any other compensation, directly or indirectly, from the company. In accordance with such regulations, our shareholders approved that our external directors are to receive compensation equal to that paid to the other members of the Board of Directors. For further information, please see Item 6, "Directors, Senior Management and Employees—Compensation" in this annual report.

Financial and Accounting Expertise

Pursuant to the Israeli Companies Law, our Board of Directors has determined that at least one member of our Board of Directors must be an "accounting and financial expert." The Israeli Companies Law requires that all external directors must be "professionally qualified." Under applicable Nasdaq rules, each member of our audit committee must be financially literate and at least one of the members must have experience or background that results in such member's financial sophistication. Our Board of Directors has determined that each of Dan Falk and Yocheved Dvir is an "accounting and financial expert" for purposes of the Israeli Companies Law and is financially sophisticated for purposes of applicable Nasdaq rules. See also Item 16A, "Audit Committee Financial Expert" in this annual report.

Independent Directors

Under the rules of the Nasdaq, a majority of our directors are required to be "independent" as defined in applicable Nasdaq rules. All of our directors satisfy the respective independence requirements of Nasdaq.

In addition, our articles of association provide that, if we do not have a shareholder that holds 25% or more of our issued and outstanding share capital, a majority of the directors must be "independent" as defined in the Israeli Companies Law and the regulations promulgated thereunder. If we have a shareholder that holds 25% or more of our issued and outstanding share capital, then at least one third of the directors must be "independent." All of our directors satisfy the respective independence requirements of the Israeli Companies Law. The qualifications for independent directors under the Israeli Companies Law are similar to those for external directors, as described above under "External Directors", including the nine-year term limit and the ability to extend such term beyond nine years upon the approval of our internal audit committee and Board of Directors.

Internal Audit Committee

The Israeli Companies Law requires public companies to appoint an internal audit committee. The role of the internal audit committee under the Israeli Companies Law is to examine flaws in the management of the company's business in consultation with the internal auditors and the independent accountants, and to propose remedial measures to the Board. The internal audit committee also reviews interested party transactions for approval as required by law, including approval of the remuneration of a director in any capacity, which also requires Board, compensation committee and shareholder approval. The internal audit committee also assesses our internal audit system and the performance of our internal auditor and oversees the implementation and enforcement of our compliance program. In addition, the internal audit committee is responsible for establishing procedures for the handling of employees' complaints as to deficiencies in the management of the Company's business and the protection to be provided to such employees, and where the Board approves the working plan of the internal auditor, the internal audit committee examines such working plan before its submission to the Board and proposes amendments thereto.

Under the Israeli Companies Law, an internal audit committee must consist of at least three directors, including all of the external directors. The members of the internal audit committee must satisfy certain independence standards under the Israeli Companies Law, and the chairman of the internal audit committee must be an external director. The following may not serve as members of the internal audit committee: the chairman of the Board of Directors, any director employed by the company or by its controlling shareholder or by an entity controlled by the controlling shareholder, a director who regularly provides services to the company or to its controlling shareholder, any director who derives most of its income from the controlling shareholder and a controlling shareholder or any relative of a controlling shareholder. Pursuant to the 2016 Relief Amendments, the Company may elect to opt out of the composition and attendance rules set with respect to the internal audit committee under the Israeli Companies Law, so long as the Company complies with the SEC regulations and Nasdaq listing rules regarding the composition and attendance rules in that respect. At this time, our Board of Directors has not made an election to opt out of such requirements.

All of the current members of our Internal Audit and ESG Committee (presently comprised of Yocheved Dvir (Chair), Dan Falk and Zehava Simon) meet these qualifications.

Internal Auditor

Under the Israeli Companies Law, the Board of Directors must appoint an internal auditor, proposed by the internal audit committee. The role of the internal auditor is to examine, among other matters, whether the company's activities comply with the law and orderly business procedures. Under the Israeli Companies Law, the internal auditor may be an employee of the company but may not be an interested party or office holder, or a relative of any interested party or office holder and may not be a member of the company's independent accounting firm or its representative. We have appointed an internal auditor in accordance with the requirements of the Israeli Companies Law.

Audit Committee

The Nasdaq rules require that the audit committee of a listed company be composed of at least three directors, each of whom is (i) independent; (ii) does not receive any compensation (except for Board fees) from the company; (iii) is not an affiliated person of the company or any subsidiary; and (iv) has not participated in the preparation of the company's (or a current subsidiary's) financial statements during the past three years. All of the current members of our audit committee (presently comprised of Zehava Simon (Chair), Rimon Ben-Shaoul, Dan Falk, Yocheved Dvir and Joe Cowan) meet the Nasdaq standards described above.

Our audit committee has adopted a charter specifying the committee's purpose and outlining its duties and responsibilities which include, among other things, (i) appointing, retaining and compensating the company's independent auditor, subject to Board of Directors and shareholder approval, (ii) pre-approving all services of the independent auditor, (iii) reviewing the annual audited financial statements and quarterly financial statements and the content of our earnings press releases, and (iv) overseeing our accounting and financial reporting processes and the audits of our financial statements. Our audit committee is also authorized to act as our "qualified legal compliance committee." As such, our audit committee will be responsible for investigating reports made by attorneys appearing and practicing before the SEC in representing us, of perceived material violations of U.S. federal or state securities laws, breaches of fiduciary duty or similar material violations of U.S. law by us or any of our agents.

We believe we currently meet the applicable Nasdaq requirements with respect to our Audit Committee and we intend to continue to take all actions as may be necessary for us to maintain our compliance with applicable Nasdaq requirements with respect to our Audit Committee.

Compensation Committee

As required by Nasdaq rules, our compensation committee approves the compensation of our executive officers. The compensation committee is also authorized to approve the grant of stock options and other securities to eligible grantees under our benefit plans pursuant to guidelines adopted by our Board of Directors. However, grants of stock options and other securities to our executive officers also require approval of our Board of Directors. Under the Israeli Companies Law, the Board of Directors of a public company must establish a compensation committee. Pursuant to the 2016 Relief Amendments, the Company may elect to opt out of the relevant composition and attendance rules set under the Israeli Companies Law, and to comply with the SEC regulations and Nasdaq listing rules that apply to the composition and attendance rules of a compensation committee. At this time, our Board of Directors has not made an election to opt out of such requirements and

we have continued to comply with the Israeli Companies Law with respect to the composition and attendance rules of a compensation committee, as our compensation committee consists of at least three directors who satisfy the independence qualifications detailed above in "External Directors", and the chairman of the compensation committee is an external director.

Under the Israeli Companies Law, the compensation committee must (i) approve, for subsequent approval by the Board of Directors and then by the shareholders (by a special majority), a policy governing the compensation of office holders based on specified criteria, (ii) review modifications to the Compensation Policy from time to time, and its implementation and (iii) to approve the actual compensation terms of office holders prior to the approval thereof by the Board of Directors and to the extent required also the approval of Company's shareholders. Under the Israeli Companies Law, the Board of Directors may resolve to adopt the Compensation Policy even if it is not approved by the shareholders, provided that after the shareholders oppose the approval of such policy, the compensation committee and the Board of Directors each determine, after having reconsidered the matter, to approve it, based on detailed arguments.

Pursuant to the Nasdaq rules, our compensation committee is required to consist of at least two members, with all members of the compensation committee required to be independent, unless we elect to take advantage of the exemption provided to foreign private issuers to comply with home country practice instead of the listing rules of exchanges such as Nasdaq. At this time, our Board of Directors has not made an election to opt out of such requirements. The determination of whether a director is independent takes into account all factors relevant to whether a director has a relationship with the Company which would be material to such director's ability to be independent from management in connection with carrying out the duties of a compensation committee member. Factors required for consideration in making this determination specifically include (i) the source of compensation of such director (including any consulting, advisory or other compensatory fee paid to such director) and (ii) whether such director is affiliated with the Company or one of its affiliates or subsidiaries. Pursuant to the Nasdaq rules, we are also required to have a compensation committee charter, which, among other things, must set forth the scope of the compensation committee's responsibilities and how they will be carried out, as well as grant the compensation committee the power to retain compensation advisers following consideration of certain factors that may be indicative of a conflict of interest by the compensation adviser in rendering compensation advice.

Our Board of Directors adopted a compensation committee charter that includes the requirements of the Nasdaq rules. However, the charter provides that if there is any conflict between the responsibilities and requirements set forth therein and either the Israeli Companies Law or the Compensation Policy, the latter will govern. For information regarding the Compensation Policy, see Item 10, "Additional Information – Memorandum and Articles of Association – Approval of Office Holder Compensation" in this annual report.

We do not believe that there are any existing conflicts between the compensation committee charter and either of the Israeli Companies Law or the Compensation Policy. However, if any such conflict should develop such that we are no longer in compliance with the requirements of the Nasdaq rules, we intend to utilize the foreign private issuer exemption described above with respect to such requirement, and in accordance with the Nasdaq rules we will disclose the practice that we follow in lieu of the applicable Nasdaq requirement in our future annual reports.

All of the current members of the compensation committee (presently comprised of Dan Falk (Chairman), Yocheved Dvir, Leo Apotheker and Zehava Simon) satisfy the respective independence requirements of both the Nasdaq rules and the Israeli Companies Law.

Compensation Policy

Under the Israeli Companies Law, the Compensation Policy must serve as the basis for decisions concerning the financial terms of employment or engagement of office holders, including exculpation, insurance, indemnification or any monetary payment or obligation of payment in respect of employment or engagement. The Compensation Policy must relate to certain factors, including advancement of the Company's objectives, the Company's business and its long-term strategy, and creation of appropriate incentives for office holders. It must also consider, among other things, the company's risk management, size and the nature of its operations. The Compensation Policy must furthermore consider the following additional factors: the education, skills, expertise and accomplishments of the relevant officer holder; the officer holder's roles and responsibilities and prior compensation agreements with him or her; the relationship between the cost of the terms of service of an office holder and the average median compensation of the other employees of the Company (including those employed through manpower companies), in particular the ratio between such cost to the average and median salary of such employees of the Company including the impact of disparities in salary upon work relationships in the Company; if the terms of employment include variable components the possibility of reducing variable compensation at the discretion of the Board

of Directors; the possibility of setting a limit on the exercise value of non-cash variable compensation; and as to severance compensation, the period of service of the office holder, the terms of his or her compensation during such service period, the Company's performance during that period of service, the person's contribution towards the Company's achievement of its goals and the maximization of its profits, and the circumstances under which the person is leaving the Company.

The Compensation Policy must also include the following principles, with the exception of office holders who report to the chief executive officer: a means of determining the variable components on the basis of long-term performance and measurable criteria; provided that the Company may determine that an immaterial part of the variable components of the compensation package of an office holder shall be awarded based on non-measurable criteria, or if such amount is not higher than three months' salary per annum, taking into account such office holder's contribution to the Company; the relationship between variable and fixed compensation, and the ceiling for the value of variable compensation at the time of payment, or in the case of equity-based compensation, at the time of grant; the conditions under which an officer holder would be required to repay compensation paid to him or her if it was later shown that the data upon which such compensation was based was inaccurate and such data was restated in the Company's financial statements; the minimum holding or vesting period for variable, equity-based compensation to be set in the terms of office or employment, as applicable, while taking into consideration long-term incentives; and maximum limits for severance compensation. The Compensation Policy must also consider appropriate incentives from a long-term perspective.

Our Compensation Policy is designed to promote our long-term goals, work plan and policy, and retain, motivate and incentivize our directors and executive officers, while considering the risks that our activities involve, our size, the nature and scope of our activities and the contribution of an officer to the achievement of our goals and maximization of profits, and align the interests of our directors and executive officers with our long-term performance. To that end, a portion of an executive officer compensation package is targeted to reflect our short and long-term goals, as well as the executive officer's individual performance. On the other hand, our Compensation Policy includes measures designed to reduce our officer's incentives to take excessive risks that may harm us in the long term, such as limits on the value of cash bonuses and equity-based compensation, limitations on the ratio between the variable and the total compensation of an executive officer and minimum vesting periods for equity-based compensation.

Our Compensation Policy also addresses our executive officer's individual characteristics (such as his or her respective education, skills, expertise, professional experience, and contribution to the attainment of our goals) as the basis for compensation variation among our executive officers, and considers the internal ratios between compensation of our executive officers and directors and other employees. Pursuant to our Compensation Policy, the compensation that may be granted to an executive officer may include: base salary, annual bonuses, equity-based compensation, benefits and retirement and termination of service arrangements. All cash bonuses are limited to maximum amounts linked to the executive officer's base salary.

An annual cash bonus may be awarded to executive officers upon the attainment of pre-set periodic objectives and individual targets. According to the terms of our Compensation Policy, at least 80% of the annual cash bonus that may be granted to executive officers (other than our Chief Executive Officer) shall be based on measurable objective targets as approved by our Compensation Committee and Board of Directors on an annual basis, while a limited portion may be based on non-measurable criteria as may be determined by our Chief Executive Officer with the approval of our Compensation Committee and Board of Directors. However, the Compensation Policy if and to the extent permissible under law, allows our Compensation Committee and Board of Directors to increase the portion of targets that are based on non-measurable criteria above the rate of 20%, but not to more than 50%.

The equity-based compensation under our Compensation Policy for our executive officers (including members of our Board of Directors) is designed in a manner consistent with the underlying objectives in determining the base salary and the annual cash bonus, with its main objectives being to enhance the alignment between the executive officers' interests with our long-term interests and those of our shareholders and to strengthen the retention and the motivation of executive officers in the long term. Our Compensation Policy provides for executive officer compensation in the form of share options, restricted share units, and restricted shares, in accordance with our share incentive plan then in place. Share options granted to executive officers shall be subject to vesting periods in order to promote long-term retention of the awarded executive officers. The equity-based compensation shall be granted from time to time and be individually determined and awarded according to the performance, educational background, skills, expertise, and professional experience of the executive officer.

In addition, our Compensation Policy contains compensation recovery provisions which allow us under certain conditions to recover bonuses paid in excess, enables our Chief Executive Officer to determine that non-material changes will

be made to the benefit terms of our executive officers (provided that the changes of the terms of employment are in accordance with our compensation policy) and allows us to indemnify and insure our executive officers and directors subject to certain limitations set forth thereto.

Our Compensation Policy also provides for compensation to the members of our Board of Directors either: (i) in accordance with the amounts provided in the Companies Regulations (Rules Regarding the Compensation and Expenses of an External Director) of 2000, as amended by the Companies Regulations (Relief for Public Companies Traded in Stock Exchange Outside of Israel) of 2000, as such regulations may be amended from time to time; or (ii) in accordance with the amounts determined in our Compensation Policy.

In accordance with the Companies Law, our Compensation Policy will remain in effect for a period of three years commencing on its readoption on July 17, 2023, until July 17, 2026, unless amended or restated prior thereto. Our Compensation Policy was amended on July 3, 2024, as approved by the shareholders of the Company at the 2024 Annual General Meeting, with the rest of the terms of the Compensation Policy remaining in effect and with its original three year period remaining unchanged.

Nominating Committee

As required by Nasdaq rules, our nominating committee recommends candidates for election to our Board of Directors pursuant to a written charter. Both of the current members of this committee (David Kostman and Dan Falk) are independent directors.

Mergers and Acquisitions Committee

Our Board of Directors has delegated powers with respect to the review and recommendation of mergers and acquisitions and related investments and transactions, which are then subject to approval by the Board of Directors. The committee also has limited authority to approve mergers and acquisitions for consideration up to a certain amount. All of the current members of this committee (presently comprised of David Kostman (Chairman), Dan Falk, Rimon Ben Shaoul, Leo Apotheker and Joe Cowan) are independent directors.

Item 6.D. Employees.

As of December 31, 2025, we had 9,626 employees worldwide, which represented an increase of approximately 10.3% from December 31, 2024, resulting from both organic and non-organic growth.

The following table sets forth the number of our full-time employees at the end of each of the last three fiscal years as well as the main category of activity and geographic location of such employees:

	At December 31,		
Category of Activity	**2025**	**2024**	**2023**
Customer Support	3,207	2,994	3,012
Sales and Marketing	1,948	1,808	1,746
Research and Development	3,521	3,070	2,780
General and Administrative	950	854	846
Total	9,626	8,726	8,384
Geographic Location			
Americas	3,860	3,723	3,674
EMEA	1,769	1,546	1,526
APAC	3,997	3,457	3,184
Total	9,626	8,726	8,384

We also utilize temporary employees in various activities. On average, we employed 84 temporary employees and obtained services from 2,174 consultants (not included in the numbers set forth above) during 2025.

Our future success will depend in part upon our ability to attract and retain highly skilled and qualified personnel. Although competition for such personnel is generally intense, we believe that adequate personnel resources are currently available to meet our requirements.

We are not a party to any collective bargaining agreement with our employees or with any labor organization in substantially all jurisdictions where we operate. However, we are subject to certain labor related statutes and certain provisions of collective bargaining agreements between the Histadrut (General Federation of Labor in Israel) and the Coordinating Bureau of Economic Organizations (including the Industrialists' Association of Israel) that apply to our Israeli employees by order of the Israeli Ministry of Labor and Welfare. These statutes and provisions principally deal with the length of the work day and the work week, minimum wages, insurance coverage of work-related accidents, determination of severance pay and the provisions of other employment matters. Israeli law generally requires the payment of severance pay by employers upon certain circumstances, including, an employee's death, retirement or termination of employment by the employer without due cause. We currently fund our ongoing severance payment obligations in Israel by making monthly payments to approved severance funds or insurance policies. For more information please see Note 2p of our consolidated financial statements. In addition, according to the National Insurance Law, Israeli employers and employees are required to pay predetermined sums to the National Insurance Institute, an organization similar to the U.S. Social Security Administration. These contributions entitle the employees to benefits in periods of unemployment, work injury, maternity leave, disability, reserve military service and bankruptcy or winding-up of the employer and also include payments for national health insurance. The payments to the National Insurance Institute varies between 8.19%-19.7% of an employee's salary (up to a certain cap as determined from time to time by the law), of which the employee contributes approximately 4.27%-12.16% and the employer contributes approximately 4.51%-7.6%.

In addition, we pay severance benefits to our employees located elsewhere in accordance with local laws and practices of the countries in which they are employed, including our U.S. based employees pursuant to the U.S. Federal Department labor legislation and requirements and local state regulations.

Employment Agreements

We have employment agreements with our officers. Pursuant to these employment agreements, each party may terminate the employment without cause by giving a 30, 60 or 90 day prior written notice (six to twelve months in case of certain senior officers). In addition, we may terminate such agreement for cause with no prior notice subject to applicable

laws in the applicable jurisdictions. The agreements generally include non-competition and non-disclosure provisions, although the enforceability of non-competition provisions in employment agreements may be limited under applicable law.

Item 6.E. Share Ownership.

As of February 18, 2026, our directors and executive officers then-serving beneficially owned an aggregate of 407,795 ordinary shares, including options and restricted share units to purchase ordinary shares that were vested on such date or that are scheduled to vest within 60 days thereafter, or approximately 0.7% of our outstanding ordinary shares. The options and restricted share units have an average exercise price of $86.15 per share and the options will expire between 2026 and 2032. No individual director or executive officer beneficially owns 1% or more of our outstanding ordinary shares.

The following is a description of each of our equity plans under which awards were outstanding as of February 18, 2026.

Employee Share Purchase Plan ("ESPP" or the "Plan")

On September 30, 2025, our ESPP, was approved by our shareholders at the Annual General Meeting. The Plan is designed to provide eligible employees of the Company and certain of its subsidiaries and affiliates with an opportunity to acquire an equity interest in the Company through payroll deductions used to purchase of the Company's shares on favorable terms. The percentage of compensation designated by an Eligible Employee may not be less than 1% and may not be more than the maximum percentage specified by the Administrator of the Plan (the "Administrator") in each applicable offering document (which maximum percentage shall be 15% in the absence of any such designation).

Subject to the provisions of the Plan, the aggregate number of Shares that may be issued or transferred pursuant to rights granted under the Plan shall be 1,000,000 Shares (the "ESPP Share Pool"). To the extent required, future increases to the ESPP Share Pool shall be brought for approval of our Shareholders.

As determined by the Board, the Administrator shall be the Compensation Committee of the Board (or any other committee or subcommittee of the Board to which the Board delegates administration of the Plan).

Eligible employees become participants in the ESPP by enrolling and authorizing payroll deductions by the deadline established by the Administrator prior to the relevant enrollment date. The applicable purchase price under the Plan shall not be less than eighty-five percent (85%) of the fair market value of a Share on the applicable enrollment date or on the purchase date, whichever is lower.

The Administrator may amend, suspend or terminate the Plan at any time and from time to time; provided, however, that approval of the Company's shareholders shall be required to amend the Plan to increase the aggregate number, or change the type, of shares that may be sold pursuant to rights under the Plan or as may otherwise be required under Section 423 of the U.S. Internal Revenue Code of 1986 with respect to Section 423 Offerings or as may otherwise be required by applicable stock exchange requirements or applicable law.

As of February 18, 2026, 1,000,000 Shares were available for purchase under the ESPP.

2016 Share Incentive Plan

In February 2016 the Company adopted the 2016 Share Incentive Plan (the "2016 Plan"). The Company adopted the 2016 Plan to provide incentives to employees, directors, consultants and/or contractors by rewarding performance and encouraging behavior that will improve the Company's profitability. In February 2026, the Company's Board of Directors adopted an extension of the 2016 Plan for 10 years. Additionally, the Company's Board of Directors made certain amendments, mainly clarifying definitions set forth in the plan to reflect up to date standards, and align to current applicable laws, rules and practices.

Under the 2016 Plan, the Company's employees, directors, consultants and/or contractors may be granted any equity-related award, including: any type of an option to acquire the Company ordinary shares; share appreciation right; share and/or restricted share award ("RSA"); restricted share unit ("RSU") and/or other share unit; and/or other share-based award

and/or other right or benefit under the 2016 Plan, including any such equity-related award that is a performance-based award (each an "Award").

Generally, under the terms of the 2016 Plan, unless determined otherwise by the administrator of the 2016 Plan, 25% of an Award granted becomes exercisable on the first anniversary of the date of grant and 6.25% becomes exercisable once every quarter during the subsequent three years. Specifically with respect to RSUs and options granted with an exercise price equal to the nominal value of an ordinary share ("par value options"), unless determined otherwise by the Board of Directors, 25% of the RSUs and the par value options granted become vested on each of the four consecutive annual anniversaries following the date of grant. Certain executive officers are entitled to acceleration of vesting of Awards in the event of a change of control, subject to certain conditions reflected in the 2016 Plan, as amended. Different terms related to vesting of Awards may apply with respect to Awards granted in relation to equity grants assumed pursuant to acquisition transactions. Awards with a vesting period expire six years after the date of grant. The maximum number of shares that may be subject to Awards granted under the 2016 Plan is calculated each calendar year as 3% of the Company's issued and outstanding share capital as of December 31 of the preceding calendar year. Such amount is reset for each calendar year. Awards are non-transferable except by will or the laws of descent and distribution.

Generally, options granted under the 2016 Plan are granted at an exercise price equal to the average of the closing prices of one ADR as quoted on the Nasdaq market during the 30 consecutive calendar days preceding the date of grant, unless determined otherwise by the administrator of the 2016 Plan (including par value options in some cases).

The Company's Board of Directors also adopted an addendum to the 2016 Plan for Awards granted to residents of Israel (the "2016 Addendum") and resolved to elect the "Capital Gains Route" (as defined in Section 102(b)(2)) of the Israeli Income Tax Ordinance-5721-1961 ("Tax Ordinance") for the grant of Awards to Israeli grantees. There is also a U.S. addendum under the 2016 Plan that applies to non-qualified stock options for purposes of U.S. tax laws.

The 2016 Plan is generally administered by our Board of Directors and compensation committee, which determine the grantees under the 2016 Plan and the number of Awards to be granted. As of February 18, 2026, options and restricted share units to purchase 2,687,152 ordinary shares were outstanding under the 2016 Plan at a weighted average exercise price of $12.31.

Guardian Analytics, Inc. 2006 Stock Plan

In 2006, Guardian Analytics, Inc. ("Guardian Analytics") adopted the Guardian Analytics, Inc. 2006 Stock Plan (the "Guardian Plan"), to attract and retain Guardian Analytics' employees and consultants (which includes its directors and advisors), and to align the interests of such recipients with the interests of Guardian Analytics' shareholders.

Pursuant to the terms of the Guardian Analytics' acquisition agreement, we assumed and converted Guardian Analytics' stock options originally granted under the Guardian Plan into stock options of NiCE.

As of February 18, 2026, assumed Guardian Analytics' stock options to purchase 2,729 shares of NiCE were outstanding under the Guardian Plan, at a weighted average exercise price of $31.71. We have registered, through the filing of a registration statement on Form S-8 with the SEC under the Securities Act, 5,823 ordinary shares for issuance under the Guardian Plan.

Item 6.F. Disclosure of a registrant's action to recover erroneously awarded compensation.

Not applicable.

Item 7. Major Shareholders and Related Party Transactions

Item 7.A. Major Shareholders

The following table sets forth certain information with respect to the beneficial ownership of our ordinary shares, with respect to each person known to us to be the beneficial owner of 5% or more of our outstanding ordinary shares, reported as of February 18, 2026. None of our shareholders has any different voting rights than any other shareholder.

Name and Address	Number of Shares	Percent of Shares Beneficially Owned [1]
Harel Insurance Investments & Financial Services Ltd.	3,160,790 (2)	5.3%
Principal Global Investors, LLC ("PGI" doing business as Principal Asset Management)	4,694,996 (3)	7.9%

(1) Based upon 59,403,580 ordinary shares issued and outstanding as of February 18, 2026.

(2) The information is based upon Schedule 13G filed with the SEC by Harel Insurance Investments & Financial Services Ltd. ("Harel Insurance") on February 4, 2026. The address of Harel Insurance is 3 Aba Hillel Street, Ramat Gan 52118, Israel. Pursuant to the Schedule 13G, Harel Insurance has shared voting power over 3,095,994 ordinary shares and shared dispositive power over 3,160,790 ordinary shares. Of the 3,160,790 ordinary shares beneficially owned by Harel Insurance, (i) 3,095,994 ordinary shares are held for members of the public through, among others, provident funds and/or mutual funds and/or pension funds and/or insurance policies and/or exchange traded funds, which are managed by subsidiaries of Harel Insurance, each of which subsidiaries operates under independent management and makes independent voting and investment decisions, and (ii) 64,796 ordinary shares are held by third-party client accounts managed by a subsidiary of Harel Insurance as portfolio managers, which subsidiary operates under independent management and makes independent investment decisions and has no voting power in the securities held in such client accounts.

(3) The information is based upon a letter provided by PGI to the Company, dated February 16, 2026. According to the letter, the shares reported are owned by accounts under the investment management of PGI, which is acting on behalf of various clients. Some of these clients, pursuant to advisory contracts, provide the power to PGI to vote their shares at its own discretion (i.e. without specific written instructions).

As of February 18, 2026, we had 41 registered ADS holders of record in the United States, with our ADS holders holding in total approximately 76% of our outstanding ordinary shares, as reported by JPMorgan Chase Bank, N.A., the depositary for our ADSs.

To our knowledge, we are not directly or indirectly owned or controlled by another corporation or by any foreign government and there are no arrangements that might result in a change in control of our company.

Item 7.B. Related Party Transactions

Other than transactions related to compensation of our executive officers and directors as described under "Item 6. Directors, Senior Management and Employees", since January 1, 2023, we have not entered into any related party transactions, other than as set forth below.

On January 16, 2025, the Company acquired an additional 29.9% in the 2020 Subsidiary for a total consideration of $36,466. Upon consummation of the acquisition, the 2020 Subsidiary became a wholly-owned subsidiary of the Company.

Item 8. Financial Information.

A. Consolidated Statements and Other Financial Information

See Item 18, “Financial Statements” in this annual report.

Legal Proceedings

From time to time, we or our subsidiaries may be involved in legal proceedings and/or litigation arising in the ordinary course of our business. While the outcome of these matters cannot be predicted with certainty, we do not believe they, individually or in the aggregate, will have a material effect on our business, consolidated financial position, results of operations, or cash flows.

Dividends

We do not have any plans at this time to make any future dividend payments. Payment of future dividends, if any, will be at the discretion of our Board of Directors and will depend on various factors, such as our statutory profits, financial condition, operating results and current and anticipated cash needs. In the event cash dividends are declared by us, we may decide to pay such dividends in Israeli currency. Under current Israeli regulations, any cash dividend in Israeli currency paid in respect of ordinary shares purchased by non-residents of Israel with non-Israeli currency may be freely repatriated in such non-Israeli currency, at the rate of exchange prevailing at the time of conversion. For more information regarding the taxation implications of the dividend plan, see Item 10, "Additional Information - Taxation” of this annual report.

B. Significant Changes

There are no significant changes that occurred since December 31, 2025, except as otherwise disclosed in this annual report and in the annual consolidated financial statements included in this annual report.

Item 9. The Offer and Listing.

Trading in the ADSs

Our ADSs have been quoted on the Nasdaq Stock Market under the symbol “NICEV” from our initial public offering in January 1996 until April 7, 1999, and thereafter under the symbol “NICE.” Prior to that time, there was no public market for our ordinary shares in the United States. Each ADS represents one ordinary share.

JPMorgan Chase Bank, N.A. is the depositary for our ADSs. Its address is 4 New York Plaza, Floor 12, New York, New York 10004.

Trading in the Ordinary Shares

Our ordinary shares have been listed on the Tel-Aviv Stock Exchange, or TASE, since 1991 under the symbol “NICE.TA.” Our ordinary shares are not listed on any other stock exchange and have not been publicly traded outside Israel (other than through ADSs, as noted above).

Item 10. Additional Information.

Memorandum and Articles of Association

Organization and Register

We are a company limited by shares organized in the State of Israel under the Israeli Companies Law. We are registered with the Registrar of Companies of the State of Israel and have the company number 52-0036872.

Objectives and Purposes

Our objectives and purposes include a wide variety of business purposes, including all kinds of research, development, distribution, service and maintenance of products in all fields of technology and engineering and to engage in any other kind of business or commercial activity. Our objectives and purposes are set forth in detail in Section 2 of our memorandum of association.

Directors

Our articles of association provide that the number of directors serving on the Board shall be not less than three but shall not exceed thirteen. As discussed above in Item 6, "Directors, Senior Management and Employees – Board Practices – External Directors," in December 2016, our shareholders approved amendments to our articles of association, pursuant to which our Board of Directors may elect to opt out of such requirements and we would not be required to have external directors serve on our Board of Directors. At this time, our Board of Directors has not made an election to opt out of such requirements. Our directors, other than external directors, are elected at the annual shareholders meeting to serve until the next annual meeting or until their earlier death, resignation, bankruptcy, incapacity or removal by resolution of the general shareholders meeting. Directors may be re-elected at each annual shareholders' meeting. The Board may appoint additional directors to fill a vacancy however occurring (including a vacancy resulting from the number of directors serving being less than the maximum number stated in articles 32(a) of our articles of association), to serve until the next annual shareholders meeting, provided, however, that the Board shall have no obligation to fill any vacancy unless the number of directors is less than three. Our officers serve at the discretion of the Board.

The Board of Directors may meet and adjourn its meetings according to the Company's needs but must meet at least once every three months. A meeting of the Board may be called at the request of any two directors. The quorum required for a meeting of the Board consists of a majority of directors who are lawfully entitled to participate in the meeting and vote thereon. The adoption of a resolution by the Board requires approval by a simple majority of the directors present at a meeting in which such resolution is proposed. In lieu of a Board meeting, a resolution may be adopted if all of the directors lawfully entitled to vote thereon consent not to convene a meeting.

Subject to the Israeli Companies law, the Board may appoint a committee of the Board and delegate to such committee all or any of the powers of the Board, as it deems appropriate. Under the Israeli Companies Law, the Board of Directors must appoint an internal audit committee comprised of at least three directors. The function of the internal audit committee is to review irregularities in the management of the Company's business and recommend remedial measures. The committee is also required, under the Israeli Companies Law, to approve certain related party transactions and to assess our internal audit system and the performance of our internal auditor. Notwithstanding the foregoing, the Board may, at any time, amend, restate or cancel the delegation of any of its powers to any of its committees. The Board has appointed an internal audit and ESG committee which has three members, an audit committee which has five members, a compensation committee which has four members, a nominating committee which has two members and a mergers and acquisitions committee which has five members. For more information on the Company's committees, please see Item 6, "Directors, Senior Management and Employees—Board Practices" in this annual report.

Fiduciary Duties of Officers

The Israeli Companies Law codifies the fiduciary duties that "office holders," including directors and executive officers, owe to a company. An office holder's fiduciary duties consist of a duty of care and a duty of loyalty. The duty of loyalty includes avoiding any conflict of interest between the office holder's position in the company and his personal affairs, avoiding any competition with the company, avoiding exploiting any business opportunity of the company in order to receive personal advantage for himself or others, and revealing to the company any information or documents relating to the company's affairs which the office holder has received due to his position as an office holder.

Approval of Certain Transactions

The Israeli Companies Law requires that an office holder of a company promptly disclose any personal interest that he or she may have and all related material information known to him or her, in connection with any existing or proposed transaction by the company. In addition, if the transaction is an extraordinary transaction as defined under Israeli law, the office holder must also disclose any personal interest held by the office holder's spouse, siblings, parents, grandparents, descendants, spouse's descendants and the spouses of any of the foregoing. In addition, the office holder must also disclose

any interest held by any corporation in which the office holder is a 5% or greater shareholder, director or general manager or in which he or she has the right to appoint at least one director or the general manager. An extraordinary transaction is defined as a transaction not in the ordinary course of business, not on market terms, or that is likely to have a material impact on the company's profitability, assets or liabilities.

In the case of a transaction which is not an extraordinary transaction, after the office holder complies with the above disclosure requirement, only Board approval is required unless the articles of association of the company provide otherwise. The transaction must not be adverse to the company's interest. Furthermore, if the transaction is an extraordinary transaction, then, in addition to any approval stipulated by the articles of association, it also must be approved by the company's internal audit committee and then by the Board of Directors, and, under certain circumstances, by a meeting of the shareholders of the company. An office holder who has a personal interest in a transaction that is considered at a meeting of the Board of Directors or the internal audit committee generally may not be present at the deliberations or vote on this matter, unless the chairman of the Board or chairman of the internal audit committee, as the case may be, determined that the presence of such person is necessary to present the transaction to the meeting. If a majority of the directors have a personal interest in an extraordinary transaction with the company, shareholder approval of the transaction is required.

It is the responsibility of the audit committee to determine whether or not a transaction should be deemed an extraordinary transaction. In addition, the audit committee must also establish (i) procedures for the consideration of any transaction with a controlling shareholder, even if it is not extraordinary, such as a competitive process with third parties or negotiation by independent directors, and (ii) approval requirements for controlling shareholder transactions that are not negligible.

The Israeli Companies Law applies the same disclosure requirements to a controlling shareholder of a public company, which includes a shareholder that holds 25% or more of the voting rights if no other shareholder owns more than 50% of the voting rights in the company. Extraordinary transactions with a controlling shareholder or in which a controlling shareholder has a personal interest, and the terms of management fees of a controlling shareholder or compensation of a controlling shareholder who is an office holder, require the approval of the audit committee, the Board of Directors and the shareholders of the company by simple majority; provided that either such majority vote must include at least a simple majority of the shareholders who have no personal interest in the transaction and are present at the meeting (without taking into account the votes of the abstaining shareholders), or that the total shareholdings of those who have no personal interest in the transaction who vote against the transaction represent no more than two percent of the voting rights in the company. Any such extraordinary transaction whose term is longer than three years requires further shareholder approval every three years, unless (with respect to transactions not involving management fees or employment terms) the internal audit committee approves that a longer term is reasonable under the circumstances.

In addition, under the Israeli Companies Law, a private placement of securities requires approval by the Board of Directors and the shareholders of the company if it will cause a person to become a controlling shareholder or if:

- the securities issued amount to 20% or more of the company's outstanding voting rights before the issuance;
- some or all of the consideration is other than cash or listed securities or the transaction is not on market terms; and
- the transaction will increase the relative holdings of a shareholder that holds 5% or more of the company's outstanding share capital or voting rights or that will cause any person to become, as a result of the issuance, a holder of more than 5% of the company's outstanding share capital or voting rights.

According to the Company's articles of association, certain resolutions, such as resolutions regarding mergers and windings up, require approval of the holders of 75% of the shares represented at the meeting and voting thereon.

Approval of Office Holder Compensation

Under the Israeli Companies Law, we are required to adopt a compensation policy, recommended by the compensation committee, and approved by the Board of Directors and the shareholders, in that order, at least once every three years. The shareholder approval requires a majority of the votes cast by shareholders, excluding any controlling shareholder and those who have a personal interest in the matter (similar to the threshold described above). Our current Compensation

Policy was approved by our shareholders at our 2023 annual general meeting. At our 2024 annual general meeting, our shareholders approved updates to our current Compensation Policy with respect to Executive Equity Award Caps and Performance Mix. In general, all office holders' terms of compensation – including fixed remuneration, bonuses, equity compensation, retirement or termination payments, indemnification, liability insurance and the grant of an exemption from liability - must comply with the Company's Compensation Policy, subject to certain exemptions under the Companies Law. Although Nasdaq rules generally require shareholder approval when an equity-based compensation plan is established or materially amended, as a foreign private issuer we follow the aforementioned requirements of the Israeli Companies Law.

In addition, the compensation terms of directors, the chief executive officer, and any employee or service provider who is considered a controlling shareholder generally must be approved separately by the compensation committee, the Board of Directors and the shareholders of the company, in that order. The shareholder approval of the compensation of the chief executive officer requires a majority of the votes cast by shareholders, excluding any controlling shareholder and those who have a personal interest in the matter.

Notwithstanding the foregoing, in certain limited circumstances, prescribed by the Companies Law, a company's compensation committee and board of directors are permitted to approve the compensation policy or the compensation terms of the chief executive officer, without shareholders' approval.

The compensation terms of other officer holders require the approval of the compensation committee and the Board of Directors. An amendment of existing compensation terms of an office holder who is not a director, if the compensation committee determines that the amendment is not material, requires the approval of the compensation committee only. Pursuant to regulations promulgated under the Israeli Companies Law, an amendment of the existing compensation terms of office holders who are subordinate to the chief executive officer, if the amendment is not material and the changes are in line with the existing Compensation Policy, requires only the chief executive officer's approval. Under our Compensation Policy, our Chief Executive Officer is authorized to approve non-material changes to the compensation terms of office holders subordinated to him, without seeking the approval of the compensation committee.

The Compensation Policy sets forth the guidelines for the compensation of our office holders. It is tailored to ensure a compensation which balances performance targets and time horizons through rewarding business results and long-term performance. The Compensation Policy requires that compensation of our office holders include a mix of fixed amounts (such as annual based salaries), variable performance-based components (such as performance-based cash incentive compensation), and long term incentive components (such as long-term equity-based compensation, including performance-based equity). Pursuant to the Compensation Policy, performance-based compensation granted may be based on our overall performance, the particular unit performance, individual performance and the results of the customer satisfaction survey conducted annually. Our Compensation Policy includes applicable clawback provisions and references the Company's compensation recovery policy adopted pursuant to the Nasdaq listing rules in response to Exchange Act Rule 10D-1.

Duties of Shareholders

Under the Israeli Companies Law, a shareholder has a duty to act in good faith towards the company and other shareholders and to refrain from abusing his or her power in the company including, among other things, voting in a general meeting of shareholders on the following matters:

- any amendment to the articles of association;
- an increase of the company's authorized share capital;
- a merger; or
- approval of interested party transactions which require shareholder approval.

In addition, any controlling shareholder, any shareholder who knows that it possesses power to determine the outcome of a shareholder vote and any shareholder who, pursuant to the provisions of a company's articles of association, has the power to appoint or prevent the appointment of an office holder in the company, is under a duty to act with fairness towards the company. The Israeli Companies Law does not describe the substance of this duty but provides that a breach of his duty is tantamount to a breach of fiduciary duty of an officer of the company.

Exemption, Insurance and Indemnification of Directors and Officers

Exemption of Office Holders

Under the Israeli Companies Law, an Israeli company may not exempt an office holder from liability for breach of his duty of loyalty but may exempt in advance an office holder from liability to the company, in whole or in part, for a breach of his duty of care (except in connection with distributions), provided the articles of association of the company allow it to do so. Our articles of association do not allow us to do so.

Office Holder Insurance

Our articles of association provide that, subject to the provisions of the Israeli Companies Law, including the receipt of all approvals as required therein or under any applicable law, we may enter into an agreement to insure an office holder for any responsibility or liability that may be imposed on such office holder in connection with an act performed by such office holder in such office holder's capacity as an office holder of us with respect to each of the following:

- a violation of his duty of care to us or to another person;
- a breach of his duty of loyalty to us, provided that the office holder acted in good faith and had reasonable grounds to assume that his act would not prejudice our interests;
- a financial obligation imposed upon him for the benefit of another person;
- a payment which the office holder is obligated to make to an injured party as set forth in Section 52(54)(a)(1)(a) of the Israeli Securities Law, 5728-1968, as amended (the "Securities Law") and Litigation Expenses (as defined below) that the office holder incurred in connection with a proceeding under Chapters H'3, H'4 or I'1 of the Securities Law; and
- any other event, occurrence or circumstance in respect of which we may lawfully insure an office holder.

Indemnification of Office Holders

Our articles of association provide that, subject to the provisions of the Israeli Companies Law, including the receipt of all approvals as required therein or under any applicable law we may indemnify an office holder with respect to any liability or expense for which indemnification may be provided under the Israeli Companies Law, including the following liabilities and expenses, provided that such liabilities or expenses were imposed upon or incurred by such office holder in such office holder's capacity as an office holder of us:

- a monetary liability imposed on or incurred by an office holder pursuant to a judgment in favor of another person, including a judgment imposed on such office holder in a settlement or in an arbitration decision that was approved by a court of law;
- reasonable Litigation Expenses, expended by the office holder as a result of an investigation or proceeding instituted against him by a competent authority, provided that such investigation or proceeding concluded without the filing of an indictment against him and either (A) concluded without the imposition of any financial liability in lieu of criminal proceedings or (B) concluded with the imposition of a financial liability in lieu of criminal proceedings but relates to a criminal offense that does not require proof of criminal intent (*mens rea*) or in connection with a financial sanction;
- "conclusion of a proceeding without filing an indictment" in a matter in which a criminal investigation has been instigated and "financial liability in lieu of a criminal proceeding," have the meaning ascribed to them under the Israeli Companies Law. The term "Litigation Expenses" shall include, without limitation, attorneys' fees and all other costs, expenses and obligations paid or incurred by an office holder in connection with investigating, defending, being a witness or participating in (including on appeal), or preparing to defend, be a witness or participate in any claim or proceeding relating to any matter for which indemnification may be provided;

- reasonable Litigation Expenses, which the office holder incurred or with which the office holder was charged by a court of law, in a proceeding brought against the office holder, by the Company, on its behalf or by another person, or in a criminal prosecution in which the office holder was acquitted, or in a criminal prosecution in which the office holder was convicted of an offense that does not require proof of criminal intent (*mens rea*);

- a payment which the office holder is obligated to make to an injured party as set forth in Section 52(54)(a)(1)(a) of the Securities Law, and Litigation Expenses that the office holder incurred in connection with a proceeding under Chapters H'3, H'4 or I'1 of the Securities Law; and

- any other event, occurrence or circumstance in respect of which we may lawfully indemnify an office holder.

The foregoing indemnification may be procured by us (a) retroactively and (b) as a commitment in advance to indemnify an office holder, provided that, in respect of the first bullet above, such commitment shall be limited to (A) such events that in the opinion of the Board of Directors are foreseeable in light of our actual operations at the time the undertaking to indemnify is provided, and (B) to the amounts or criterion that the Board of Directors deems reasonable under the circumstances; and further provided that such events and amounts or criterion are set forth in the undertaking to indemnify, and which shall in no event exceed, in the aggregate, the greater of: (i) 25% of our shareholder's equity at the time of the indemnification or (ii) 25% of our shareholder's equity at the end of fiscal year of 2010.

We have undertaken to indemnify our directors and officers pursuant to applicable law and we have obtained directors' and officers' liability insurance for the benefit of our directors and officers.

Limitations on Exemption, Insurance and Indemnification

The Israeli Companies Law provides that a company may not exempt or indemnify an office holder, or enter into an insurance contract, which would provide coverage for any monetary liability incurred as a result of any of the following:

- a breach by the office holder of his duty of loyalty unless, with respect to insurance coverage or indemnification, the office holder acted in good faith and had a reasonable basis to believe that the act would not prejudice the company;

- a breach by the office holder of his duty of care if the breach was done intentionally or recklessly (other than if solely done in negligence);

- any act or omission done with the intent to derive an illegal personal benefit; or

- a fine, civil fine or ransom levied on an office holder, or a financial sanction imposed upon an office holder under Israeli Law.

Required Approvals

In addition, under the Israeli Companies Law, any exemption of, indemnification of, or procurement of insurance coverage for, our office holders must be approved by our compensation committee and our Board of Directors and, if the beneficiary is the chief executive officer or a director, by our shareholders. We have obtained such approvals for the procurement of liability insurance covering our officers and directors and for the grant of indemnification letters to our officers and directors.

Rights of Ordinary Shares

Our ordinary shares confer upon our shareholders the right to receive notices of, and to attend, shareholder meetings, the right to one vote per ordinary share at all shareholders' meetings for all purposes, and to share equally, on a per share basis, in such dividends as may be declared by our Board of Directors; and upon liquidation or dissolution, the right to participate in the distribution of any surplus assets of the Company legally available for distribution to shareholders after payment of all debts and other liabilities of the Company. All ordinary shares rank *pari passu* in all respects with each other. Our Board of Directors may, from time to time, make such calls as it may think fit upon a shareholder in respect of any sum

unpaid in respect of shares held by such shareholder which is not payable at a fixed time, and each shareholder shall pay the amount of every call so made upon him (and of each installment thereof if the same is payable in installments).

Meetings of Shareholders

An annual general meeting of our shareholders shall be held once in every calendar year (and no later than 15 months after the preceding annual meeting) at such time and at such place either within or without the State of Israel as may be determined by our Board of Directors.

Our Board of Directors may, whenever it thinks fit, convene a special general meeting at such time and place, within or without the State of Israel, as may be determined by the Board of Directors. In addition, the Israeli Companies Law provides that our Board of Directors is required to convene a special meeting upon the written request of (i) any two of our directors or one-quarter of the members of our Board of Directors or (ii) as a company listed on an exchange in the U.S., one or more shareholders holding, in the aggregate, either (a) 10% or more of our outstanding issued shares and 1% or more of our outstanding voting power or (b) 10% or more of our outstanding voting power.

Under the Israeli Companies Law, one or more shareholders holding at least 1% of the voting rights at the general meeting may request that the board of directors include a matter in the agenda of a general meeting to be convened in the future, provided that it is appropriate to discuss such a matter at the general meeting. Notwithstanding the foregoing, as a company listed on an exchange outside of Israel, a matter relating to the appointment or removal of a director may only be requested by one or more shareholders holding at least 5% of the voting rights at the general meeting of the shareholders.

The quorum required for a meeting of shareholders consists of at least two shareholders present in person or by proxy who hold or represent between them at least 25% of the outstanding voting shares, unless otherwise required by applicable rules. Although Nasdaq generally requires a quorum of 33-1/3%, subject to an exemption under the Nasdaq rules we follow the generally accepted business practice for companies in Israel, which have a quorum requirement of 25%. A meeting adjourned for lack of a quorum generally is adjourned to the same day in the following week at the same time and place or any time and place as the chairman may designate with the consent of a majority of the voting power represented at the meeting and voting on the matter adjourned. At such reconvened meeting, the required quorum consists of any two members present in person or by proxy.

Mergers and Acquisitions

A merger of the Company shall require the approval of the holders of 75% of the voting power represented at the annual or special general meeting in person or by proxy or by written ballot, as shall be permitted, and voting thereon in accordance with the provisions of the Israeli Companies Law. Upon the request of a creditor of either party of the proposed merger, the court may delay or prevent the merger if it concludes that there exists a reasonable concern that as a result of the merger, the surviving company will be unable to satisfy the obligations of any of the parties to the merger. In addition, a merger may not be completed unless at least (i) 50 days have passed from the time that the requisite proposal for the merger has been filed by each party with the Israeli Registrar of Companies and (ii) 30 days have passed since the merger was approved by the shareholders of each party.

The Israeli Companies Law also provides that an acquisition of shares of a public company must be made by means of a tender offer if, as a result of the acquisition, the purchaser would become a 25% or greater shareholder of the company and there is no existing 25% or greater shareholder in the company. An acquisition of shares of a public company must be made by means of a tender offer if, as a result of the acquisition, the purchaser would hold more than 45% of the company and there is no existing shareholder of more than 45% in the company. These requirements do not apply if the acquisition (i) occurs in the context of a private placement by the company that received shareholder approval for the purpose of reaching such threshold, (ii) was from a 25% shareholder of the company and resulted in the acquirer becoming a 25% shareholder of the company or (iii) was from a greater than 45% shareholder of the company and resulted in the acquirer becoming a greater than 45% shareholder of the company. The tender offer must be extended to all shareholders, but the offeror is not required to purchase more than 5% of the company's outstanding shares, regardless of how many shares are tendered by shareholders. The tender offer may be consummated only if (i) at least 5% of the company's outstanding shares will be acquired by the offeror and (ii) the number of shares tendered in the offer exceeds the number of shares whose holders objected to the offer.

If as a result of an acquisition of shares the acquirer will hold more than 90% of a company's outstanding shares, the acquisition must be made by means of a tender offer for all of the outstanding shares. If as a result of a full tender offer the

acquirer would own more than 95% of the outstanding shares, then all the shares that the acquirer offered to purchase will be transferred to it. The law provides for appraisal rights if any shareholder files a request in court within six months following the consummation of a full tender offer, but the acquirer is entitled to stipulate that tendering shareholders forfeit their appraisal rights. If as a result of a full tender offer the acquirer would own 95% or less of the outstanding shares, then the acquirer may not acquire shares that will cause his shareholding to exceed 90% of the outstanding shares.

Material Contracts

Notes and Indenture

2020 Notes and Indenture

On August 27, 2020, we issued $400 million aggregate principal amount of 0% exchangeable senior notes due 2025 (the "2020 Notes") and on September 4, 2020, we issued an additional $60 million of the 2020 Notes pursuant to the exercise of the initial purchasers' option. The 2020 Notes are general unsecured obligations of the Company. The sale of the 2020 Notes generated net proceeds of approximately $451 million. The 2020 Notes were issued pursuant to an indenture (the "2020 Indenture" and collectively with the 2017 Indenture, the "Indentures") between us and U. S. Bank National Association, as trustee (the "Trustee").

The 2020 Notes did not bear regular interest, and the principal amount of the 2020 Notes did not accrete. However, the remaining debt discount was amortized as additional non-cash interest expense using an effective annual interest rate.

On December 31, 2021, the Company irrevocably elected that all conversions occurring on or after December 31, 2021 would be settled pursuant to Combination Settlement (as defined in the 2020 Indenture) with a Specified Dollar Amount (as defined in the 2020 Indenture) no less than $1,000 per $1,000 principal amount of 2020 Notes. Generally, under this settlement method, the conversion value corresponding to the principal amount will be converted in cash, and the conversion value over the principal amount will be settled, at the Company's election, in cash or shares or a combination thereof.

The 2020 Notes fully matured on September 15, 2025 and were settled in cash in the amount of $460 million. There was no conversion value over the principal amount.

Credit Agreement

On February 18, 2026, we and NICE Systems entered into a secured Credit Agreement with the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent. The Company completed the closing of the Credit Agreement on February 20, 2026. The Credit Agreement provides for a senior secured revolving facility in an aggregate amount of $300 million USD. The obligations under the Credit Agreement are guaranteed by most of our U.S. material subsidiaries and secured by substantially all of the assets of the Company and the guarantors, subject to certain customary exceptions. Unless terminated earlier, the commitments under the revolving credit facility will expire on February 20, 2029.

We have the right to prepay borrowings under the Credit Agreement and to reduce the unutilized portion of the revolving credit facility, in each case, at any time without premium or penalty (except for customary breakage fees, if any). The interest rates under the Credit Agreement are variable based on SOFR or an alternative base rate ("Base Rate") at the time of borrowing plus an applicable margin. The applicable margin depends on the Company's credit rating status. In the case of SOFR rate loans, the applicable margin is 1.50% per annum; provided that, solely during the period (i) starting on the third business day following the date on which NiCE's corporate credit rating is rated by any two of S&P, Moody's and Fitch BBB-, Baa3 and/or BBB- (or higher) and (ii) ending on the third business day following the date on which the NiCE's corporate credit rating is not rated by at least two of S&P, Moody's and Fitch BBB-, Baa3 and/or BBB- (or higher) (an "IG Rating Period"), such margin shall equal 1.25%. In the case of Base Rate loans, the applicable margin is 0.50% per annum; provided that solely during an IG Rating Period, such margin shall equal 0.25%. A commitment fee will accrue on the average daily unused portion of the revolving facility at a rate of 0.25% per annum, provided that solely during an IG Rating Period, such rate shall equal 0.20%.

The Credit Agreement contains customary covenants, which include, among others, limitations or restrictions on the incurrence of indebtedness, the incurrence of liens, and entry into sales and leaseback transactions, investments, acquisitions, mergers, transfers, leases, licenses, sublicenses or dispositions of assets, including any Equity Interest (as defined in the Credit Agreement) owned by us or any of our subsidiaries, transactions with affiliates and certain transactions limiting the ability of subsidiaries to pay dividends, in each case, subject to certain exceptions. The Credit Agreement also includes a requirement that we maintain a leverage ratio, to be tested quarterly, measured by the ratio of consolidated total net

indebtedness to consolidated EBITDA, net of any unrestricted cash and cash equivalents of the Company and its restricted subsidiaries ("Total Net Leverage Ratio"), that does not exceed 3.00 to 1.00; provided that after any acquisition or series of related acquisitions consummated within a six-month period by any loan party with aggregate consideration of at least $250 million, we shall have the option to increase the maximum Total Net Leverage Ratio for each of the four consecutive fiscal quarters ending thereafter (commencing with the fiscal quarter during which such acquisition is consummated) by 0.50:1.00. For these ratios, consolidated EBITDA and consolidated total net indebtedness are calculated in a manner defined in the Credit Agreement. The Credit Agreement also includes customary events of defaults.

As of February 26, 2026, the Company has not drawn any amounts under the Credit Agreement, and the full committed amount remained available.

Exchange Controls

Holders of ADSs are able to convert dividends and liquidation distributions into freely repatriable non-Israeli currencies at the rate of exchange prevailing at the time of repatriation, pursuant to regulations issued under the Currency Control Law, 5738–1978, provided that Israeli income tax has been withheld by us with respect to amounts that are being repatriated to the extent applicable or an exemption has been obtained.

Our ADSs may be freely held and traded pursuant to the General Permit and the Currency Control Law. The ownership or voting of ADSs by non-residents of Israel are not restricted in any way by our memorandum of association or articles of association or by the laws of the State of Israel, except subjects of a country deemed an "enemy country" under Israeli legislation or persons or individuals on weapon of mass destruction or terror sanctions lists.

Taxation

The following is a discussion of Israeli and United States tax consequences material to our shareholders. The discussion is not intended, and should not be construed, as legal or professional tax advice and does not exhaust all possible tax considerations.

Holders of our ADSs should consult their own tax advisors as to the United States, Israeli or other tax consequences of the purchase, ownership and disposition of our ADSs, including, in particular, the effect of any foreign, state or local taxes.

Israeli Tax Considerations

The following is a summary of both the general corporate tax laws applicable to companies in Israel, with special reference to their effect on us, and a discussion of the material tax consequences to holders of our ordinary shares or ADSs related to our domicile in Israel. This summary does not discuss all the aspects of Israeli tax law that may be relevant to a particular holder in light of his or her personal circumstances or to some types of holders subject to special treatment under Israeli law. To the extent that the discussion is based on new tax legislation which has not been subject to judicial or administrative interpretation, we cannot assure that the views expressed in the discussion will be accepted by the appropriate tax authorities or the courts. The discussion below is subject to change, including due to amendments to Israeli law or changes to the applicable judicial or administrative interpretations of Israeli law, which change could affect the tax consequences described below. The discussion is not intended, and should not be construed, as a legal or professional tax advice and is not exhaustive of all possible tax considerations. You are urged to consult your own tax advisors as to the Israeli or other tax consequences of the purchase, ownership, and disposition of our ordinary shares or ADSs, including, in particular, the effect of any foreign, state or local taxes.

General Corporate Taxation in Israel

Generally, Israeli-resident companies are subject to corporate tax on their taxable income, including capital gains, at the rate of 23% for 2024 and 2025. However, the effective tax rate payable by a company that is eligible for tax benefits under the Israeli Law for the Encouragement of Capital Investments-1959 (the "Investments Law"), and in particular the 6% tax rate in 2025 and in 2024 under the Special Preferred Technology Enterprise and Preferred Technology Enterprise regime (as discussed below), may be considerably less.

Foreign Exchange Regulations

We are permitted to measure our Israeli taxable income in U.S. dollars pursuant to regulations published by the Israeli Minister of Finance, which provide the conditions for doing so. We believe that we meet, and will continue to meet,

the necessary conditions and as such, we measure our results for tax purposes based on the U.S. dollar/NIS exchange rate on December 31 of the relevant tax year.

Tax Benefits under the Israeli Law for the Encouragement of Capital Investments, 1959, as amended.

Pursuant to the Investments Law and its various amendments, our Company and its Israeli subsidiary have been granted "Approved Enterprise" status, allowing us to benefit from significant tax benefits through our "Approved, Beneficiary, Preferred Enterprise" programs up to 2016 tax year. From 2017 onwards, the Company has been eligible to tax benefits as a "Preferred Technological Enterprise", and as a "Special Preferred Technological Enterprise" from 2024 onwards. Continued eligibility for these benefits requires compliance with specific conditions; non-compliance may result in revocation of benefits and interest and inflation adjustments. As of December 31, 2025, we believe that we comply with all the conditions required by the Investments Law.

The New Technological Enterprise Incentives Regime - the "2017 Amendment"

The 2017 Amendment was enacted as part of the Economic Efficiency Law that was published on December 29, 2016, and became effective January 1, 2017. The 2017 Amendment provides new tax benefits for two types of "Technology Enterprise", as described below, applicable to both the Company and its Israeli subsidiary from the 2017 tax year. The 2017 Amendment is in addition to the other existing tax beneficial programs under the Investments Law.

Benefits under the "Preferred Technology Enterprise" and "Special Preferred Enterprises" regimes include:

- A reduced corporate tax rate of 12% (or 7.5% in Development Area A) on income that qualifies as Preferred Technology Income(as defined in the Investments Law), subject to conditions, including a minimal amount or ratio of annual R&D expenditures and R&D employees, and having at least 25% of annual income derived from export. A technology company satisfying certain conditions (among others, group consolidated revenues of at least NIS 10 billion) will qualify as a Special Preferred Technological Enterprises and will thereby enjoy a reduced corporate tax rate of 6% on such Preferred Technology Income, regardless of the company's geographic location within Israel;

- A reduced 12% capital gains tax rate on the sale of certain Preferred Intangible Assets (as defined in the Investments Law) by Preferred Technology Enterprise to a foreign related enterprise, provided that the asset was initially purchased from a foreign resident (as defined in the Investment Law) at an amount of NIS 200 million or more and the sale receives prior approval from the IIA. In addition, Special Preferred Technological Enterprises are subject to a reduced corporate tax rate of 6% on capital gains tax derived from the sale of certain "Benefitted Intangible Assets" to a related foreign company if the Benefitted Intangible Assets were either developed by the Special Preferred Technological Enterprise or acquired from a foreign company on or after January 1, 2017, and the sale received prior approval from the Israel Innovation Authority. A Special Preferred Technology Enterprise that acquires Benefitted Intangible Assets from a foreign company for more than NIS 500 million will be eligible for these benefits for at least ten years, subject to certain approvals as specified in the Investment Law; and

- Dividends distributed to Israeli shareholders by a Preferred Technology Enterprise or a Special Preferred Technology Enterprise, paid out of Preferred Technology Income , are generally subject to withholding tax at source at the rate of 20% (in the case of non-Israeli shareholders – subject to the receipt in advance of a valid certificate from the Israel Tax Authority allowing for a reduced tax rate, 20% or such lower rate as may be provided in an applicable tax treaty). However, if such dividends are paid to an Israeli company, no tax is required to be withheld (although, if such dividends are subsequently distributed to individuals or a non-Israeli company, the aforesaid will apply). Such rate may be reduced to 4% on dividends paid to a foreign resident company that holds solely or together with other foreign companies 90% or more in the Israeli company and other conditions are met (or a lower rate under a tax treaty, if applicable, subject to the receipt in advance of a valid certificate from the Israel Tax Authority, allowing for a reduced tax rate).

The effective tax rate applying to our Special Preferred Technological Enterprises and Preferred Technology Enterprise is calculated based on the Nexus Principles, considering eligible and ineligible R&D expenses incurred by us, as prescribed in the Regulations.

Income from sources other than the Special Preferred Technological Enterprises and Preferred Technology Income are taxable at regular corporate tax rates of 23% for 2024 and 2025.

Full details regarding our Preferred, Preferred Technology Enterprises and Special Preferred Technological Enterprises may be found in Note 13(a)(1) of our consolidated financial statements.

Tax Benefits and Grants for Research and Development

Israeli tax law allows, under specified conditions, a tax deduction for expenditures, including capital expenditures in scientific research, for the year in which they are incurred. These expenses must relate to scientific research and development projects and must be approved by the relevant Israeli government ministry, determined by the field of research, and the research and development must be conducted for the promotion of the company and carried out by or on behalf of the company seeking such deduction. However, the amount of such deductible expenses is reduced by the sum of any funds received through government grants for the financing of such scientific research and development projects. No deduction under these research and development deduction rules is allowed if such deduction is related to an expense invested in an asset depreciable under the general depreciation rules of the Tax Ordinance. Expenditures not so approved, but otherwise qualifying for deduction, are deductible in equal amounts over a three-year period. From time to time we may apply for approval to allow a tax deduction for all or most of research and development expenses during the year incurred.

Tax Benefits under the Law for the Encouragement of Industry (Taxes), 1969

Under the Law for the Encouragement of Industry (Taxes), 1969 (the "Industry Encouragement Law"), Industrial Companies (as defined below) are entitled to the following tax benefits, among others:

- amortization of the cost of purchased patent, rights to use a patent, and know how that were purchased in good faith and are used for the development or advancement of the Industrial Enterprise, over an eight-year period commencing on the year in which such rights were first exercised;

- amortization in equal amounts over a three-year period of expenses involved with the issuance and listing of shares on a stock market, commencing on the year of the offering; and

- the right to elect, under specified conditions, to file a consolidated tax return with other related Israeli Industrial Companies controlled by it.

Eligibility for benefits under the Industry Encouragement Law does not require prior approval from any governmental authority. Under the Industry Encouragement Law, an "Industrial Company" is defined as an Israeli resident company for tax purposes, incorporating in Israel, deriving at least 90% of its income (other than income from certain government loans), in any tax year, from an "Industrial Enterprise" owned by it and located in Israel or in the "Area" in accordance with the definition under section 3A of the Tax Ordinance.

An "Industrial Enterprise" is defined as an enterprise, which is held by an Industrial Company, whose principal activity in a given tax year is industrial production activity. We believe that we currently qualify as an Industrial Company under the Industry Encouragement Law. There can be no assurance that we will continue to qualify as an Industrial Company or that the benefits described above will be available in the future.

Taxation of Holders of Ordinary Shares

The following discussion is a short summary of certain provisions of the tax environment to which holders of our ordinary shares may be subject. However, the same tax treatment would apply to holders of our ADSs.

Capital Gains Tax on Sales of Our Ordinary Shares

Israeli law generally imposes a capital gains tax on the disposition of any capital assets by residents of Israel, as defined for Israeli tax purposes, and on the disposition of assets (i) located in Israel, (ii) shares or a right to shares in Israeli companies, or (iii) represent, directly or indirectly, rights to assets located in Israel, by both residents and non-residents of Israel, unless a specific exemption is available or unless an applicable tax treaty between Israel and the shareholder's country of residence provides otherwise. The Tax Ordinance distinguishes between "Real Capital Gain" and "Inflationary Surplus". The Inflationary Surplus is a portion of the total capital gain equivalent to the increase of the relevant asset's purchase price attributable to an increase in the Israeli consumer price index, or, under certain circumstances, a foreign currency exchange rate, between the date of purchase and the date of sale. The Real Capital Gain is the excess of the total capital gain over the inflationary surplus.

Taxation of Israeli Residents

Israeli individuals are generally subject to a tax rate of 25% on capital gains derived from the sale of shares, whether listed on a stock market or not unless such shareholder claims a deduction for financing expenses in connection with such shares, in which case the gain is generally taxed at a rate of 30%. In addition, if such shareholder is considered a "Substantial Shareholder" (i.e., a shareholder that directly or indirectly, including jointly with such shareholder's "Relative" or another person who collaborates with such shareholder with respect to the material matters of the corporation on a permanent basis pursuant to an agreement, holds at least 10% of any "Means of Control" in the company), at any time during the 12-month period preceding such sale, the tax rate will be 30%. "Means of Control" generally include the right to vote, receive profits, nominate a director or an executive officer, receive assets upon liquidation, or direct someone who holds any of such rights on how to exercise these rights, regardless of the source of such right. Individual holders dealing in securities in Israel for whom the income from the sale of securities is considered "business income" as defined in Section 2(1) of the Tax Ordinance are subject to tax at the marginal tax rates applicable to business income (up to 47% in 2025). Certain Israeli institutions that are exempt from tax under Section 9(2) or Section 129C(a)(1) of the Tax Ordinance (such as exempt trust funds and pension funds) may be exempt from capital gains tax on the sale of the shares.

Israeli companies are subject to the corporate tax rate (23 % in 2025) on capital gains derived from the sale of listed shares.

Different tax rates may apply to dealers in securities and shareholders who acquired their shares prior to an initial public offering.

Taxation of Non-Israeli Residents

Non-Israeli residents, both individuals and corporations, are generally exempt from Israeli capital gains tax on gains from the sale of shares publicly traded on the TASE, provided, among others, that such gains were not attributed to a fixed enterprise that the non-resident maintains in Israel. Non-Israeli residents are also exempt from capital gains tax on shares of Israeli companies traded on recognized foreign markets, as long as the shares were not acquired before the issuer's initial public offering and the gains are not attributed to a fixed enterprise that the non-resident maintains in Israel. However, non-Israeli corporations will not be entitled to the foregoing exemption if Israeli residents (i) hold, whether directly or indirectly, over 25% of the Means of Control, as such term is defined above, in such non-Israeli corporation or (ii) are the beneficiaries of, or are entitled to, 25% or more of its revenues or profits of such non-Israeli corporation, whether directly or indirectly. In addition, such exemption is not applicable to a person whose gains from selling or otherwise disposing of the shares are deemed to be business income.

Additionally, a sale of securities by a non-Israeli resident may be exempt from Israeli capital gains tax under the provisions of an applicable tax treaty. For example under the Convention Between the Government of the United States of America and the Government of the State of Israel with respect to Taxes on Income, as amended (the "United States-Israel Tax Treaty"), a shareholder who is a United States resident (for purposes of the treaty) holding the shares as a capital asset and is entitled to claim the benefits afforded to such a resident by the United States-Israel Tax Treaty (a "U.S. Resident") is generally exempt from Israeli capital gains tax for sale, exchange or disposition of our ordinary shares under the U.S.-Israel

Tax Treaty unless: (i) (i) the capital gain arising from such sale, exchange or disposition is attributed to real estate located in Israel; (ii) the capital gain arising from such sale, exchange or disposition is attributed to royalties; (iii) the capital gain arising from the such sale, exchange or disposition is attributed to a permanent establishment in Israel, under certain terms; (iv) such U.S. Resident directly or indirectly, holds 10% or more of our voting power during any part of the 12 months period preceding the disposition, subject to certain conditions; or (v) such U.S. Resident is an individual and was present in Israel for 183 days or more in the aggregate during the relevant year. In any such case, the sale, exchange or disposition of such shares would be subject to Israeli tax, to the extent applicable. However, under the under the United States-Israel Tax Treaty, a U.S. Resident may be permitted to claim a credit for the Israeli tax against the U.S. federal income tax imposed with respect to the sale, exchange or disposition of the shares, subject to the limitations under U.S. laws applicable to foreign tax credits. The United States-Israel Tax Treaty does not provide such credit against any U.S. state or local taxes.

Shareholders potentially liable for Israeli tax may face withholding at source and must demonstrate their exemption status. Shareholders may be required to demonstrate that they are exempt from tax on their capital gains in order to avoid withholding at source at the time of sale (i.e., resident certificate or other documentation). Specifically, in transactions involving the sale of all shares of an Israeli resident company, the Israel Tax Authority may require non-Israeli shareholders to sign a declaration in forms specified by this authority or obtain a specific exemption and, in the absence of such declarations or exemptions, may require the purchaser of the shares to withhold taxes at source.

A tax return, including a computation of the tax due, must be filed and an advance payment must be paid by January 31 and July 31 for sales of securities traded on a stock exchange made in the last six months of the preceding year or the first six months of the current year. However, if all tax due was withheld at source according to applicable provisions of the Tax Ordinance and the regulations promulgated thereunder, the return does not need to be filed if (i) such income was not generated from business in Israel by the taxpayer, (ii) the taxpayer has no other taxable sources of income in Israel with respect to which a tax return is required to be filed and an advance payment does not need to be made, and (iii) the taxpayer is not obligated to pay surtax (as detailed below). Capital gains must also be reported on the annual income tax return.

Taxation of Dividends Paid on our Ordinary Shares

Taxation of Israeli Residents

Israeli resident individuals are generally subject to Israeli income tax on dividends received on our ordinary shares. The general applicable tax on dividends is 25% or 30% for a Substantial Shareholder at any time within the 12-month preceding such distribution. Dividends from profits sourced from ordinary income are subject to a 25% withholding tax rate if the shares are registered with a nominee company (whether the recipient is a Substantial Shareholder or not). Dividends from Approved and Beneficiary Enterprises are taxed at 15%, while those from our Preferred Enterprise and Preferred Technology Enterprise are taxed at 20%. If the recipient of the dividend is an Israeli resident corporation, such dividend income is exempt from tax, provided the dividend was derived from income accrued within Israel and received from another corporation subject to Israeli corporate tax. Certain tax exempt Israeli institutions, such as exempt trust funds and pension funds (under Section 9(2) or Section 129C(a)(1) of the Tax Ordinance) may also be exempt from tax on dividends. We cannot guarantee that we will designate the profits that are being distributed in a way that will reduce shareholders' tax liability.

Dividend distributions to Israeli resident corporations are generally not subject to a withholding tax.

Taxation of Non-Israeli Residents

Non-residents of Israel, both individuals and companies, are generally subject to Israeli income tax on dividends paid on our ordinary shares at the rate of 25%, with tax withheld at source, unless an applicable treaty between Israel and the shareholder's country of residence specifies otherwise. With respect to a person who is a "Substantial Shareholder" (as defined above) at the time of receiving the dividend or on any time during the preceding 12 months, the applicable tax rate is 30%. Such dividends are generally subject to Israeli withholding tax at a rate of 25% if the shares are registered with a nominee company (whether the recipient is a substantial shareholder or not), 15% if the dividend is distributed from income attributed to an Approved Enterprise or Beneficiary Enterprise, 20% if the dividend is distributed from income attributed to a Preferred Enterprise or a Technological Enterprise, and 4% if the dividend is distributed from income attributed to a Technological Enterprise to a foreign company that holds solely or together with other foreign companies 90% or more in the Israeli company and other conditions are met, (please note that the reduced withholding tax rate of 4% will apply only on profits generated after the Preferred Technological Enterprise was acquired by a foreign company), unless a reduced rate is provided under an applicable tax treaty (the reduced rates stated in this paragraph are subject to the receipt in advance of a valid certificate from the Israel Tax Authority allowing for such reduced tax rate).

For example, under the U.S.-Israel Treaty, the maximum withholding tax on dividend paid by us to a U.S. Resident is 25%. However, the maximum rate of withholding tax on dividends, not generated by an Approved Enterprise, Beneficiary Enterprise, Preferred Enterprise or a Preferred Technological Enterprise, that are paid to a United States corporation holding 10% or more of the outstanding voting capital throughout the tax year in which the dividend is distributed as well as during the previous tax year. is 12.5%, provided that not more than 25% of the gross income for such preceding year consists of certain types of dividends and interest. Notwithstanding the foregoing, dividends distributed from income attributed to an Approved Enterprise, Beneficiary Enterprise, Preferred Enterprise or a Preferred Technological Enterprise are not entitled to such reduced rate under the tax treaty but are subject to a withholding tax rate of 15% for a shareholder that is a U.S. corporation, provided that the condition related to our gross income for the previous year (as set forth in the previous sentence) is met.

U.S. residents typically have withholding tax deducted at source in Israel and may claim a credit for U.S. federal income tax purposes subject to detailed rules contained in United States tax statutes, rules and regulations. If dividends are attributable to a combination of income derived from income that was subject to tax under the Investments Law and to other sources of income mixed income sources, a blended withholding rate will apply. We cannot guarantee that we will designate distributed profits to reduce shareholders' tax liability.

Non-resident individuals or corporations receiving dividend income from an Israeli company, from which the full tax was withheld, are generally exempt from the obligation to file tax returns in Israel with respect to such income, provided that (i) such income was not derived from a business conducted in Israel, by the taxpayer, (ii) the taxpayer has no other taxable sources of income in Israel with respect to which a tax return is required to be filed, and (iii) the taxpayer is not subject to income surtax (as further explained below).

Surtax

Subject to applicable tax treaties, individuals who are subject to tax in Israel (whether any such individual is an Israeli resident or non-Israeli resident) are also subject to a surtax at the rate of 3% on annual income (including, but not limited to, dividends, interest and capital gain) exceeding NIS 721,560 for each of the years 2025 - 2027 which amount is generally linked to the annual change in the Israeli consumer price index (with the exception that based on Israeli new legislation such amount, and certain other statutory amounts will not be linked to the Israeli consumer price index for the years 2025-2027). Additionally, as of January 1, 2025, an additional 2% will be imposed on "Capital Sourced income" (defined as income from any source other than employment income, business income or income from "personal effort"), to the extent that the Individual's Capital Sourced Income exceeds the specified threshold of NIS 721,560 (and regardless of the employment/business income amount of such individual). This new surtax will apply, among other things, to income from capital gains, dividends, interest, rental income, or the sale of real property.

U.S. Federal Income Tax Considerations

The following is a summary of certain material U.S. federal income tax consequences that generally apply to U.S. holders (defined below) who hold ADSs as capital assets for tax purposes. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "Code"), existing final, temporary and proposed U.S. Treasury regulations thereunder, judicial decisions and published positions of the Internal Revenue Service (the "IRS") and the U.S.-Israel income tax treaty, in each case as in effect as of the date of this annual report, all of which are subject to change at any time (including changes in interpretation), possibly with retroactive effect, in a manner that could adversely affect a U.S. holder.

This summary does not address all U.S. federal income tax matters that may be relevant to a particular prospective holder or all tax considerations that may be relevant with respect to an investment in ADSs, including the U.S. federal estate or gift tax, the Medicare tax on net investment income, or any state, local or non-U.S. tax consequences, of the acquisition, ownership and disposition of ADSs.

This summary does not address tax considerations applicable to a holder of an ADS that may be subject to special tax rules including, without limitation, the following:

- dealers or traders in securities, currencies or notional principal contracts;
- financial institutions, banks and financial services entities;

- insurance companies;
- real estate investment trusts;
- persons subject to special tax accounting rules under Section 451(b) of the Code;
- investors subject to any alternative minimum tax;
- tax-exempt organizations;
- regulated investment companies;
- investors that actually or constructively own 10% or more of our shares and/or other equity by vote or value;
- investors that will hold the ADSs as part of a hedging or conversion transaction or as a position in a straddle or a part of a synthetic security or other integrated transaction for U.S. federal income tax purposes;
- investors that are treated as partnerships or other pass-through entities for U.S. federal income tax purposes and persons who hold the ADSs through partnerships or other pass-through entities;
- investors that acquired the ADSs in a compensatory transaction;
- individual retirement accounts and other tax-deferred accounts;
- traders that elect to use a mark-to-market method of accounting;
- investors whose functional currency is not the U.S. dollar; and
- expatriates or former long-term residents of the United States.

You are urged to consult your own tax advisor regarding the foreign and U.S. federal, state and local and other tax consequences of an investment in ADSs.

For purposes of this summary, a "U.S. holder" is a beneficial owner of ADSs that is, for U.S. federal income tax purposes:

- an individual who is a citizen or a resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any political subdivision thereof;
- an estate whose income is subject to U.S. federal income tax regardless of its source; or
- a trust if:

  (a) the trust has validly elected to be treated as a U.S. person for U.S. federal income tax purposes; or

  (b) (i) a court within the United States is able to exercise primary supervision over the administration of the trust; and (ii) one or more United States persons as described in the Code Section 7701(a)(30) have the authority to control all substantial decisions of the trust.

If an entity or arrangement that is treated as a partnership for U.S. federal income tax purposes holds ADSs, the U.S. federal income tax treatment of its partners will generally depend upon the status of the partners and the activities of the partnership. Entities that are treated as partnerships for U.S. federal income tax purposes and persons holding ADSs through such entities should consult their own tax advisors.

In general, if you hold ADSs, you will be treated as the holder of the underlying shares represented by those ADSs for U.S. federal income tax purposes. Accordingly, no gain or loss will be recognized if you exchange ADSs for the underlying shares represented by those ADSs.

U.S. holders should consult their own tax advisors regarding the U.S. federal income tax consequences to them with respect to the acquisition, ownership and disposition of ADSs in light of their particular circumstances.

U.S. Taxation of ADSs

Distributions

Subject to the discussion under "Passive Foreign Investment Companies" below, any distribution received by a U.S. holder of ADSs, including Israeli taxes withheld (see "Israeli Tax Considerations"), will be taxable as a dividend to the extent of our current and accumulated earnings and profits under U.S. federal tax principles. Distributions exceeding earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. holder's adjusted tax basis in the ADSs and thereafter taxable as capital gains. We do not maintain calculations of our earnings and profits under U.S. federal tax principles. Therefore, U.S. holders should expect to treat a distribution as a dividend even if that distribution would otherwise be treated as a non-taxable return of capital or as a capital gain under the rules described above. The dividends will not be eligible for the dividends received deduction available to U.S. holders that are corporations in respect of dividends received from other United States corporations.

Under the Code, certain dividends received by non-corporate U.S. holders may be "qualified dividend income," taxed at a lower capital gains rate. This reduced rate only applies to dividends from a "qualified foreign corporation" that is not a "passive foreign investment company" and only for shares held by a qualified U.S. holder (i.e., a non-corporate holder) for a minimum period (generally 61 days during the 121-day period beginning 60 days before the ex-dividend date). A non-U.S. corporation (other than a corporation that is a PFIC for the taxable year in which the dividend is paid or the preceding taxable year) will generally be considered a qualified foreign corporation if (i) it is eligible for the benefits of a comprehensive tax treaty with the U.S., which includes an exchange of information program or (ii) with respect to dividends it pays on shares that are readily tradable on an established securities market in the U.S. In this regard, shares are generally considered to be readily tradable on an established securities market in the U.S. if they are listed on The Nasdaq Stock Market, as our ADSs are.

Distributions in currency other than U.S. dollars (a "foreign currency") will be included in gross income of a U.S. holder based on the U.S. dollar value at the exchange rate on the date of receipt. If the payment is converted to U.S. dollars on that date, no foreign currency gain or loss is recognized. If the payment is not converted, the U.S. holder will have a basis in the foreign currency equal to its U.S. dollar value on the receipt date, with any subsequent gain or loss treated as ordinary income or loss.

Generally, dividends received by a U.S. holder with respect to ADSs will be treated as foreign source income for calculating the foreign tax credit limitation. Subject to certain conditions and limitations, any Israeli taxes withheld on dividends at the rate provided by the U.S.-Israel tax treaty may be deducted from taxable income or credited against a U.S. holder's federal income tax liability. Pursuant to applicable U.S. Treasury regulations (subject to temporary relief potentially available under applicable IRS Notices until further IRS guidance), however, if a U.S. holder is not eligible for the benefits of an applicable income tax treaty or does not elect to apply such tax treaty, then such holder may not be able to claim a foreign tax credit arising from any foreign tax imposed on a distribution on ADSs, depending on the nature of such foreign tax.
The limitation on foreign taxes eligible for the U.S. foreign tax credit is calculated separately with respect to various categories of income, including "passive" income and "general" income. The rules relating to foreign tax credits and the timing thereof are complex. U.S. holders should consult their own tax advisors regarding the availability of a foreign tax credit under their particular situation and the potential impact of the applicable U.S. Treasury regulations and IRS Notices.

Sale or Other Disposition of ADSs

If a U.S. holder sells or disposes of ADSs, gain or loss will be recognized for U.S. federal income tax purposes as the difference, if any, between the amount realized and the holder's adjusted tax basis in the ADSs. If any Israeli tax is imposed on the sale or other disposition of the ADSs, a U.S. holder's amount realized will include the gross amount of the proceeds before the deduction of the Israeli tax. Subject to the discussion below under the heading "Passive Foreign Investment Companies," generally, this gain or loss will be a capital in nature, and if the ADSs were held for more than one year, it will be classified as long-term capital gain or loss. Long-term capital gains for individual U.S. holders are generally

subject to a lower deferral income tax rate (currently up to 20%) than ordinary income. The deductibility of capital losses is subject to limitations. Any such gain or loss generally will be treated as United States source income or loss for purposes of the foreign tax credit. Because gain for the sale or other disposition of the ADSs will be treated as United States source income, and U.S. holders may use foreign tax credits against only the portion of United States federal income tax liability that is attributed to foreign source income in the same category, U.S. holders' ability to utilize a foreign tax credit with respect to the Israeli tax imposed on any such sale or other disposition, if any, may be significantly limited. In addition, if a U.S. holder is eligible for the benefit of the income tax convention between the United States and the State of Israel and pays Israeli tax in excess of the amount applicable to the U.S. holder under such convention or if the Israeli tax paid is refundable, the U.S. holder will not be able to claim any foreign tax credit or deduction with respect to such excess portion of the Israeli tax paid or the amount of the Israeli tax refunded. In addition, pursuant to applicable U.S. Treasury regulations (subject to temporary relief potentially available under applicable IRS Notices until further IRS guidance), if a U.S. holder is not eligible for the benefits of an applicable income tax treaty or does not elect to apply such tax treaty, then such holder may not be able to claim a foreign tax credit arising from any foreign tax imposed on the disposition of the ADSs, depending on the nature of such foreign tax. The rules governing the treatment of foreign taxes imposed on a U.S. holder and foreign tax credits are complex, and U.S. holders should consult their tax advisors as to whether the Israeli tax on gains may be creditable or deductible in light of their particular circumstances, including their eligibility for benefits under an applicable treaty and the potential impact of applicable U.S. Treasury regulations and IRS Notices.

If a U.S. holder receives foreign currency upon a sale or exchange of ADSs, gain or loss, if any, recognized on the subsequent sale, conversion or disposition of such foreign currency will be ordinary income or loss, and will generally be income or loss from sources within the United States for foreign tax credit limitation purposes. However, if such foreign currency is converted into U.S. dollars on the date received by the U.S. holder, a cash basis or electing accrual basis U.S. holder generally should not be required to recognize any gain or loss on such conversion.

U.S. holders using an Israeli stockbroker or intermediary may be subject to Israeli withholding tax on capital gains unless they obtain an exemption from the Israeli Tax Authorities or claim any allowable refunds or reductions (see "Israeli Tax Considerations"). U.S. holders are advised that any Israeli tax paid under circumstances in which an exemption from (or a refund of or a reduction in) such tax was available will not give rise to a deduction or credit for foreign taxes paid for U.S. federal income tax purposes. If applicable, U.S. holders are advised to consult their Israeli stockbroker or intermediary regarding the procedures for obtaining an exemption or reduction.

Passive Foreign Investment Companies

For U.S. federal income tax purposes, we will be considered a passive foreign investment company ("PFIC") for any taxable year in which, after the application of certain look-through rules, either (i) 75% or more of our gross income is "*passive* income", as defined in the relevant provisions of the Code; or (ii) 50% or more of our assets (generally determined on a quarterly basis) produce or are held for the production of passive income. For this purpose, passive income generally includes, among other things, dividends, interest, royalties, rents, annuity income and the excess of gains over losses from the disposition of assets which produce passive income. If we were determined to be a PFIC for U.S. federal income tax purposes, highly complex rules would apply to U.S. holders owning ADSs.

Based on our market capitalization, the composition of our gross income and our gross assets and the nature of our business, we do not believe that we were classified as a PFIC for the taxable year ended December 31, 2025. Our status in any taxable year will depend on the composition of our assets and activities in each year and because this is a factual determination made annually at the end of each taxable year, there can be no assurance that we will not be considered a PFIC for any taxable year. Moreover, the value of our assets (including intangible assets such as unbooked goodwill) for purposes of the PFIC determination generally will be determined by reference to the trading price of our ordinary shares and ADSs, which could fluctuate significantly. In addition, it is possible that the IRS may take a contrary position with respect to our determination in any particular year. If we were treated as a PFIC in any year during which a U.S. holder owns ADSs, such U.S. holder may be subject to materially adverse tax consequences, including additional U.S. federal income tax liability and tax filing obligations.

You are urged to consult your own tax advisor regarding the possibility of us being classified as a PFIC and the potential tax consequences arising from the ownership and disposition (directly or indirectly) of an interest in a PFIC.

Backup Withholding and Information Reporting

Payments of dividends with respect to ADSs and the proceeds from the sale, retirement, or other disposition of ADSs made by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. holder as may be required under applicable U.S. Treasury regulations. Any paying agent may be required to withhold tax (backup withholding), currently at the rate of 24%, if a non-corporate U.S. holder that is not otherwise exempt fails to provide an accurate taxpayer identification number and comply with other IRS requirements concerning information reporting. Certain U.S. holders (including, among others, corporations and tax-exempt organizations) are not subject to backup withholding. Any amount of backup withholding withheld may be used as a credit or refundable against your U.S. federal income tax liability provided that all the required information is timely furnished to the IRS. U.S. holders should consult their tax advisors as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

Foreign Asset Reporting

Certain U.S. holders who are specified individuals or specified domestic entities are required to report information relating to an interest in our ADSs on IRS Form 8938 (Statement of Specified Foreign Financial Assets) if the aggregate value of certain foreign financial assets exceeds certain threshold amounts, subject to certain exceptions (including an exception for shares held in accounts maintained by financial institutions). U.S. holders are encouraged to consult their tax advisors regarding their information reporting obligations, if any, with respect to their ownership and disposition of our ADSs.

Documents on Display

We are subject to certain of the information reporting requirements of the Exchange Act. As a foreign private issuer, we are exempt from the rules and regulations under the Exchange Act prescribing the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the "short-swing" profit recovery provisions contained in Section 16 of the Exchange Act, with respect to their purchase and sale of our shares; however, following recent amendment to Section 16(a) of the Exchange Act, our directors and certain of our officers will become subject to the reporting provisions set forth therein, effective March 18, 2026. In addition, we are not required to file reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. Nasdaq rules generally require that companies send an annual report to shareholders prior to the annual general meeting, however we rely upon an exception under the Nasdaq rules and follow the generally accepted business practice for companies in Israel. Specifically, we file annual reports on Form 20-F, which contain financial statements audited by an independent accounting firm, electronically with the SEC and post a copy on our website. We also furnish to the SEC quarterly reports on Form 6-K containing unaudited financial information after the end of each of the first three quarters.

The SEC maintains a website that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC, and our SEC reports can be viewed or downloaded there. The address of this web site is http://www.sec.gov. In addition, information that we furnish or file with the SEC, including annual reports on Form 20-F, reports on Form 6-K, proxy and information statements and any amendments to, or exhibits included in, those reports are available to be viewed or download, free of charge, on our website at http://www.nice.com/company/investors as soon as reasonably practicable after such materials are filed or furnished with the SEC. Information contained, or that can be accessed through, our website does not constitute a part of this annual report and is not incorporated by reference herein, and we have included our website address in this annual report solely for informational purposes.

Item 11. Quantitative and Qualitative Disclosures About Market Risk.

General

Market risks relating to our operations result primarily from weak economic conditions in the markets in which we sell our products and changes in interest and exchange rates. To manage the volatility related to the latter exposure, we may enter into various derivative transactions. Our objective is to reduce, where it is deemed appropriate to do so, fluctuations in earnings and cash flows associated with changes in currency exchange rates. It is our policy and practice to use derivative financial instruments only to manage such exposures. We do not use financial instruments for trading purposes and we are not a party to any leveraged derivative.

Foreign Currency Exchange Risk

We conduct our business primarily in U.S. dollars but also in the currencies of Israel, the U.K., the E.U., India and Philippines, as well as other currencies. Thus, we are exposed to foreign exchange fluctuations, primarily in NIS, GBP, EUR, INR and PHP. We monitor foreign currency exposure and from time to time we may use various instruments to preserve the value of sale transactions and commitments, however, this cannot assure us protection against risks of currency fluctuations. For more information regarding foreign currency related risks, please refer to Item 3, "Key Information - Risk Factors - General Risks Factors" of this annual report. We use currency forward contracts and option contracts in order to protect against the increase in value of forecasted non-dollar currency cash flows and to hedge future anticipated payments.

As of December 31, 2025, we had outstanding currency forward contracts to hedge payroll, facilities expenses and lease obligations, denominated in NIS, INR, PHP and ,COP in the total amount of approximately $218.50 million. The fair value adjustment of those contracts was approximately $6.8 million. These transactions were for a period of up to one year.

The following table details the balance sheet exposure (i.e., the difference between assets and liabilities) in our main foreign currencies, as of December 31, 2025, against the relevant functional currency.

	Functional currencies					
	(In U.S. dollars in millions)					
	USD	GBP	CAD	MXN	AUD	SGD
Foreign currencies						
USD		$ 40	$ 51	$ 4	$ (4)	$ 11
GBP	$ 25		$ —	$ —	$ —	$ —
EUR	$ (12)	$ 6	$ —	$ —	$ (1)	$ —
CAD	$ 49	$ (1)		$ —	$ —	$ —
AUD	$ 11	$ (1)	$ —	$ —	$ 16	$ —
MXN	$ 7	$ —	$ —		$ —	$ —
CHF	$ —	$ —	$ —	$ —	$ —	$ —
JPY	$ 2	$ —	$ —	$ —	$ —	$ —
INR	$ 8	$ —	$ —	$ —	$ —	$ —
SGD	$ 2	$ —	$ —	$ —	$ —	
HKD	$ (4)	$ —	$ —	$ —	$ —	$ —
NIS	$ (12)	$ —	$ —	$ —	$ —	$ —
PHP	$ —	$ —	$ —	$ —	$ —	$ —
BRL	$ —	$ —	$ —	$ —	$ —	$ —
Other currencies	$ (20)	$ 2	$ —	$ —	$ —	$ 4

The table below presents the fair value of firmly committed transactions for lease obligations denominated in currencies other than the U.S. dollar, which is our reporting currency:

	(In U.S. dollars in millions)		
	New Israeli Shekel	Other currencies *	Total
Less than 1 year	$ (5)	$ (5)	$ (10)
1-3 years	$ (9)	$ (9)	$ (18)
3-5 years	$ (8)	$ (6)	$ (14)
Over 5 years	$ (7)	$ (2)	$ (9)
Total	$ (29)	$ (22)	$ (51)

* Other currencies include the following currencies: AUD, EUR, GBP, INR, JPY, PHP, COP and SGD.

Interest Rate Risk

We are subject to interest rate risk on our investments and on our borrowings.

On August 24, 2020, we issued $460 million aggregate principal amount of 0% exchangeable senior notes due 2025.

The 2020 Notes fully matured on Sep 15, 2025 and were settled in cash in the amount of $460 million. There was no conversion value over the principal amount.

Our investments are exposed to market risk due to fluctuations in interest rates, which may affect our interest income and the fair market value of our marketable securities portfolio.

Our short term investment portfolio consists of investment-grade corporate debentures, U.S. Government agencies and U.S. treasuries. As of December 31, 2025, **10.3**% of our portfolio was in such securities and the remainder was in dollar deposits.

We invest in dollar deposits with U.S. banks, European banks, Israeli banks and money market funds. As of December 31, 2025, 5% of our portfolio was in such deposits. Since these investments are for short periods, interest income is sensitive to changes in interest rates.

The weighted average duration of the securities portfolio, as of December 31, 2025, is 0.88 years. The securities in our marketable securities portfolio are rated generally as A+ according to Standard and Poor's rating or A1, according to Moody's rating. Securities representing 8% of the marketable securities portfolio are rated as AAA; securities representing 39% of the marketable securities portfolio are rated as AA; securities representing 50% of the marketable securities portfolio are rated as A; securities representing 3% of the marketable securities portfolio are rated as BBB+

The table below presents the fair value of marketable securities which are subject to risk of changes in interest rate, segregated by maturity dates (in U.S. dollars, in millions):

	Amortized Cost				**Estimated fair value**			
	Up to 1 year	**1-3 years**	**4-7 years**	**Total**	**Up to 1 year**	**1-3 years**	**4-7 years**	**Total**
Corporate debentures	19.0	15.9	—	34.9	19.1	16.0	—	35.0
U.S. treasuries	1.5	1.5	—	3.0	1.5	1.5	—	3.0
U.S. government agencies	—	—	—	—	—	—	—	—
Total	20.5	17.4	—	37.9	20.6	17.5	—	38.0

Other risks and uncertainties that could affect actual results and outcomes are described in Item 3, "Key Information – Risk Factors" in this annual report.

Item 12. Description of Securities Other than Equity Securities.

American Depositary Shares and Receipts

Set forth below is a summary of certain provisions in relation to charges and other payments under the Deposit Agreement, as amended, among NiCE, JPMorgan Chase Bank, N.A. as depositary (the "Depositary"), and the owners and holders from time to time of ADRs issued thereunder (the "Deposit Agreement"). A summary of rights of holders and additional terms contained in the Deposit Agreement has been filed as Exhibit 2.4 to this Annual Report. These summaries are not complete and are qualified in their entirety by the Deposit Agreement, a form of which has been filed as Exhibit 99(a) to the Registration Statement on Form F-6 (Registration No. 333-203623) filed with the SEC on April 24, 2015, as amended by that certain Amendment No. 1 to the Deposit Agreement, a form of which has been filed as Exhibit 99(a)(2) to the Post-Effective Amendment No. 1 to the Form F-6 (Registration No. 333-303623) filed with the SEC on April 29, 2020.

Charges of the Depositary

The Depositary may charge each person to whom ADSs are issued, including, without limitation, issuances against deposits of shares, issuances in respect of share distributions, rights and other distributions, issuances pursuant to a stock dividend or stock split declared by us or issuances pursuant to a merger, exchange of securities or any other transaction or event affecting the ADSs or deposited securities, and each person surrendering ADSs for withdrawal of deposited securities or whose ADSs are cancelled or reduced for any other reason, $0.05 for each ADS issued, delivered, reduced, cancelled or surrendered, as the case may be. The Depositary may sell (by public or private sale) sufficient securities and property received in respect of a share distribution, rights or other distribution prior to such deposit to pay such charge.

The following additional charges shall be incurred by the ADR holders, by any party depositing or withdrawing shares or by any party surrendering ADSs or to whom ADSs are issued (including, without limitation, issuance pursuant to a stock dividend or stock split declared by us or an exchange of stock regarding the ADSs or the deposited securities or a distribution of ADSs), whichever is applicable:

- a fee of $1.50 per ADR for transfers of certificated or direct registration ADRs;
- a fee of up to $0.05 per ADS for any cash distribution made pursuant to the Deposit Agreement;
- a fee of up to $0.05 per ADS per calendar year (or portion thereof) for services performed by the Depositary in administering the ADRs (which fee may be charged on a periodic basis during each calendar year and shall be assessed against holders of ADRs as of the record date or record dates set by the Depositary during each calendar year and shall be payable in the manner described in the next succeeding provision);
- a fee for the reimbursement of such fees, charges and expenses as are incurred by the Depositary or any of its agents (including, without limitation, the custodian and expenses incurred on behalf of holders in connection with compliance with foreign exchange control regulations or any law or regulation relating to foreign investment) in connection with the servicing of the shares or other deposited securities, the sale of securities (including, without limitation, deposited securities), the delivery of deposited securities or otherwise in connection with the Depositary's or its custodian's compliance with applicable law, rule or regulation (which fees and charges shall be assessed on a proportionate basis against holders as of the record date or dates set by the Depositary and shall be payable at the sole discretion of the Depositary by billing such holders or by deducting such charge from one or more cash dividends or other cash distributions);
- stock transfer or other taxes and other governmental charges;
- cable, telex and facsimile transmission and delivery charges incurred at the request of an ADR holder in connection with the deposit or delivery of shares;
- transfer or registration fees for the registration of transfer of deposited securities on any applicable register in connection with the deposit or withdrawal of deposited securities;

- in connection with the conversion of foreign currency into U.S. dollars, the fees, charges and expenses of the Depositary (which are paid out of such foreign currency); and
- fees of any division, branch or affiliate of the Depositary utilized by the Depositary to direct, manage or execute any public or private sale of securities under the deposit agreement.

The Depositary may generally refuse to provide services until it is reimbursed applicable amounts, including stock transfer or other taxes and other governmental charges, and is paid its fees for applicable services.

The fees and charges an ADR holder may be required to pay may vary over time and may be changed by us and by the Depositary. Our ADR holders will receive prior notice of the increase in any such fees and charges.

We will pay all other charges and expenses of the Depositary and any agent of the Depositary (except the custodian) pursuant to agreements from time to time between us and the Depositary. The charges described above may be amended from time to time by agreement between us and the Depositary.

Fees paid by the Depositary

Our Depositary has agreed to reimburse us for certain expenses we incur that are related to establishment and maintenance of the ADR program upon such terms and conditions as we and the Depositary may agree from time to time. The Depositary may make available to us a set amount or a portion of the Depositary fees charged in respect of the ADR program or otherwise upon such terms and conditions as we and the Depositary may agree from time to time.

In respect of 2025, we received a payment in the amount of approximately $0.8 million from the Depositary as reimbursement for expenses we incurred in 2025 in relation to the maintenance and administration of the ADR program.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies.

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds.

None.

Item 15. Controls and Procedures.

Disclosure Controls and Procedures

An evaluation was performed under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of NiCE's disclosure controls and procedures (as defined in Rule 13a-15(e) under Exchange Act) as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer) concluded that NiCE's disclosure controls and procedures were effective as of such date.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over our financial reporting, as such term is defined in Rule 13a-15(f) under the Exchange Act. Our internal control over financial reporting system was designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements and even when determined to be effective can only provide reasonable assurance with respect to financial statements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2025. Our management based its assessment on criteria established in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, our management has concluded that, as of December 31, 2025, our internal control over financial reporting was effective at the reasonable assurance level.

Attestation Report of the Independent Registered Public Accounting Firm

Our independent registered public accounting firm, Kost, Forer, Gabbay & Kasierer, a member of Ernst & Young Global independently assessed the effectiveness of our internal control over financial reporting and has issued an attestation report, which is included under Item 18 on page F-5 of this annual report.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the period covered by this annual report that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

Item 16A. Audit Committee Financial Expert.

Our Board of Directors has determined that each of Dan Falk and Yocheved Dvir meets the definition of an audit committee financial expert, as defined in Item 407 of Regulation S-K and is independent under the applicable regulations.

Item 16B. Code of Ethics.

We have adopted a Code of Ethics and Business Conduct (the "Code of Ethics") that applies to our principal executive and financial officers, and that also applies to all of our employees. If we make any substantive amendments to the Code of Ethics or grant any waiver from a provision of this code to our principal executive officer or principal financial officers, we will disclose the nature of such amendment or waiver on our website.

The Code of Ethics, among other things, summarizes the principles of our Anti-Bribery and Corruption Policy. We have zero tolerance for bribery and corruption and are committed to complying with applicable laws and regulations relating to the fight against bribery and corruption.

The Code of Ethics and our separate Anti-Bribery and Corruption Policy are each available on our website: www.nice.com. Written copies are available upon request without charge.

Item 16C. Principal Accountant Fees and Services.

Fees Paid to Independent Auditors

Fees billed or expected to be billed by Kost, Forer, Gabbay & Kasierer, a member of EY Global, and other members of EY Global for professional services for each of the last two fiscal years were as follows:

Services Rendered	2025 Fees	2024 Fees
Audit (1)	$ 1,244	$ 1,144
Audit-related (2)	$ 384	$ 369
Tax (3)	$ 406	$ 468
All Other Fees	**$ —**	**$ —**
Total	**$ 2,034**	**$ 1,981**

(1) Audit fees refer to audit services for each of the years shown in this table which include fees associated with the annual audit for each of 2024 and 2025 (including an audit in each such year in accordance with section 404 of the Sarbanes-Oxley Act), certain procedures regarding our quarterly financial results submitted on Form 6-K, consultations concerning financial accounting and various accounting issues and performance of local statutory audits.

(2) Audit-related fees relate to assurance and associated services that traditionally are performed by the independent auditor, which include due diligence investigations and audit services related to other statutory or regulatory filings, mainly those related to mergers and acquisitions.

(3) Tax fees refer to professional services rendered by our auditors, which include tax compliance, tax advice on actual or contemplated transactions, tax consulting associated with transfer pricing.

Policies and Procedures

Our audit committee has adopted a policy and procedures for the pre-approval of audit and non-audit services rendered by our external auditors, Kost, Forer, Gabbay & Kasierer, a member of EY Global. The policy, which is designed to ensure that such services do not impair the independence of our auditors, requires pre-approval from the audit committee on an annual basis for the various audit and non-audit services that may be performed by our auditors. If a type of service, that is to be provided by our auditors, has not received such general pre-approval, it will require specific pre-approval by our audit committee. Any proposed services exceeding pre-approved cost levels or budgeted amounts will also require specific pre-approval by our audit committee. The policy prohibits retention of the independent auditors to perform the prohibited non-audit functions defined in Section 201 of the Sarbanes-Oxley Act of 2002 or the rules of the SEC, and also considers whether proposed services are compatible with the independence of the public auditors.

Item 16D. Exemptions from the Listing Standards for Audit Committees.

Not applicable.

Item 16E. Purchases of Equity Securities By the Issuer and Affiliated Purchasers.

During 2025, we repurchased our ordinary shares as described in the table below.

Period	(a) Total number of shares purchased	(b) Average price paid per share	(c) Total number of shares purchased as part of publicly announced plans or programs	(d) Maximum number (or approximate dollar value) of shares that may yet be purchased under the plans or programs
	(In dollars, except share amounts)			
January 1 - January 31	4,464	170	4,464	388,039,099
February 1 - February 28	251,302	155.82	251,302	348,880,719
March 1 - March 31	1,423,313	149.24	1,423,313	136,468,498
April 1 - April 30	—	—	—	136,468,498
May 1 - May 31	28,629	167.12	28,629	131,683,924
June 1 - June 30	154,081	169.10	154,081	105,629,312
July 1 - July 31	3,260	168.91	3,260	105,078,668
August 1 - August 31	105,000	138.31	105,000	90,556,151
September 1 - September 30	176,887	144.03	176,887	65,078,764
October 1 - October 31	22,805	144.78	22,805	61,777,056
November 1 - November 30	296,511	117.12	296,511	27,050,609
December 1 - December 31	1,170,585	108.63	1,170,585	397,949,370
As of December 31, 2025	3,636,837	134.43	3,636,837	397,949,370

On June 7, 2024, our Board authorized a program to repurchase up to $500 million of our issued and outstanding ordinary shares and ADRs, which was fully executed by December 31, 2025. On May 15, 2025, our Board of Directors authorized an additional new $500 million share repurchase program, and on February 18, 2026, our Board of Directors further approved an additional new $600 million share repurchase program. Repurchases may be made from time to time in the open market or in privately negotiated transactions in accordance with applicable securities laws and regulations. The timing and amount of the repurchase transactions will be determined by management and may depend on a variety of factors including market conditions, alternative investment opportunities and other considerations.

These programs do not obligate us to acquire any particular amount of ordinary shares and ADRs and each program may be modified or discontinued at any time without prior notice.

Item 16F. Change in Registrant's Certifying Accountant.

None.

Item 16G. Corporate Governance.

We follow the Israeli Companies Law, the relevant provisions of which are summarized in this annual report, rather than comply with the Nasdaq requirements relating to:

(i) Quorum for shareholder meetings. While the Nasdaq rules require that the quorum for purposes of any meeting of the holders of a listed company's common voting stock, as specified in the company's bylaws, be no less than 33 1/3% of the company's outstanding common voting stock, under Israeli law, a company is entitled to determine in its articles of association the number of shareholders and percentage of holdings required for a quorum at a shareholders meeting. Our articles of association provide that a quorum of two or more shareholders holding at least 25% of the voting rights present in person or by proxy is required for commencement of business at a general meeting. However, the quorum set forth in our amended and restated articles of association with respect to an adjourned meeting consists of any number of shareholders present in person or by proxy (see Item 10, "Additional Information – Memorandum and Articles of Association – Meetings of Shareholders" in this annual report for additional information);

(ii) Shareholder approval with respect to issuance of securities under equity-based compensation plans. Although the Nasdaq rules generally require shareholder approval of equity compensation plans and material amendments thereto, we follow Israeli practice, which is to have such plans and amendments approved only by the Board of Directors, unless such arrangements are for the compensation of the chief executive officer or directors, in which case they also require the approval of the compensation committee and the shareholders. In addition, rather than follow the Nasdaq rules requiring shareholder approval for the issuance of securities in certain circumstances, we follow Israeli law, under which a private placement of securities requires approval by our board of directors and shareholders if it will cause a person to become a controlling shareholder (generally presumed at 25% ownership) or if: (a) the securities issued amount to 20% or more of our outstanding voting rights before the issuance; (b) some or all of the consideration is other than cash or listed securities or the transaction is not on market terms; and (c) transaction will increase the relative holdings of a shareholder that holds 5% or more of our outstanding share capital or voting rights or will cause any person to become, as a result of the issuance, a holder of more than 5% of our outstanding share capital or voting rights (see Item 10, "Additional Information – Memorandum and Articles of Association – Approval of Certain Transactions" and "Approval of Office Holder Compensation" in this annual report for more information);

(iii) Annual reports to shareholders. While Nasdaq rules generally require sending an annual report to shareholders prior to the annual general meeting, we rely on an exemption for Foreign Private Issuers and follow Israeli business practice. Specifically, we file annual reports on Form 20-F (containing audited financial statements) and furnish quarterly reports on Form 6-K (containing unaudited financial information) with the SEC. These reports, along with other information we file or furnish, are available electronically on the SEC's website (http://www.sec.gov) and on our investor relations website (http://www.nice.com/company/investors). Information on our website is for informational purposes only and is not incorporated by reference into this annual report (see Item 10, "Additional Information – Documents on Display" in this annual report for additional information).

Item 16H. Mine Safety Disclosure.

Not Applicable.

Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not Applicable.

Item. 16J. Insider Trading Policies

Our Board of Directors has adopted an insider trading policy (the "Insider Trading Policy"), governing the purchase, sale, and other dispositions of our securities by directors, senior management, and employees that are reasonably designed to promote compliance with applicable insider trading laws, rules and regulations, and Nasdaq listing standards. A copy of the Insider Trading Policy is filed as Exhibit 11.1 to this Annual Report.

Item. 16K. Cybersecurity

Cybersecurity forms an integral part of our risk management processes. We have established and maintain a Cybersecurity Risk Program which has been developed to assess, identify and manage material risks from cybersecurity threats. Our Cybersecurity Risk Program is integrated into our overall risk management program, and shares common methodologies, reporting channels and governance processes that apply to other enterprise risk areas. Our program is inclusive of related information security personnel, as well as tools, policies and procedures designed to protect the confidentiality, integrity, and availability of our systems, products and services as well as the information contained therein. Our internal cybersecurity policies and procedures incorporate industry practices and are assessed annually as part of our Cybersecurity Risk Program review. These policies and procedures include information security policies, incident response procedure, risk assessment procedures and a vendor management policy.

We utilize multiple third-party experts to support our program, to advise and assist us in evaluating and enhancing our cybersecurity processes. These experts include threat monitoring service providers, cyber software and managed service providers, penetration testing firms, forensic investigators, cybersecurity consultants, and legal counsel specializing in the cyber domain.

We conduct cybersecurity risk assessments and audits, both internally and through the engagement of third parties. These processes include scanning of our information systems for vulnerabilities, including by conducting penetration testing, and we maintain tools to detect unusual or unauthorized activities that may affect our systems, products, and services. We also retain the services of a reputable third-party firm for threat monitoring and detection.

We have processes to educate our employees, contractors, partners, and vendors regarding their cybersecurity responsibilities. For example, employees are provided annual cybersecurity training and other on-going cybersecurity awareness exercises.

We maintain a third-party risk management process in order to identify, assess and mitigate the risks associated with our third-party service providers. As part of this process, depending on each provider's operationality criticality and risk profile, we may conduct assessments, monitor performance and seek to impose contractual security obligations where possible.

Our incident response policy provides guidelines for the identification, handling and reporting of cybersecurity incidents to internal stakeholders and external parties, where warranted. Additional guidelines covered under our incident response policy include steps for incident identification, containment, eradication, recovery, and lessons learned activities.

Our Cybersecurity Risk Program is led by our Corporate VP Information Security who is primarily responsible for assessing and managing cybersecurity risks and threats, and reports to our Chief Operating Officer. Our Corporate VP Information Security has significant experience assessing and managing cybersecurity programs and risks and has extensive cybersecurity knowledge. Members of the corporate cybersecurity team are responsible for implementing and maintaining the cybersecurity program and practices for the Company. Other cybersecurity teams and professionals within our Company have the responsibility to implement and maintain cybersecurity processes within their business lines. Such teams and individuals work in coordination with our corporate cybersecurity team and under the guidance of our Corporate VP Information Security. The corporate cybersecurity team works closely with the SOC team, which serves as the central hub for monitoring and responding to security incidents and is trained to support our management in incident related matters.

Our management is committed to maintaining a robust cybersecurity program, which includes supplying the necessary resources to sustain the program, including people, tools, processes, procedures, and education. Cybersecurity risks and controls are evaluated and reviewed by our senior management, including as part of our internal audits that are presented to the Internal Audit and ESG Committee of the Board of Directors. Our Board of Directors has ultimate oversight of cybersecurity risk management as part of its general oversight function. Our Board of Directors receives and reviews updates, reports and presentations, including from our Corporate VP Information Security, related to cybersecurity threats, significant incidents and trends as well as to our cybersecurity program.

Through the date of filing this annual report, we have not identified any risks from known, cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected our business strategy, results of operations, or financial condition. We face ongoing risks form certain cybersecurity threats that, if realized in the future, would materially impact our business, results of operations or financial condition. For information on the market risks

relating to cybersecurity, please see Item 3, "Key Information - Risk Factors - Risks Relating to Information and Product Security and Intellectual Property" in this annual report.

PART III

Item 17. Financial Statements.

Not Applicable.

Item 18. Financial Statements.

See pages F-1 through F-59 of this annual report attached hereto.

Item 19. Exhibits.

Exhibit No.	Description
1.1	Amended and Restated Memorandum of Association, as approved on December 21, 2006 (English translation) (filed as Exhibit 1.1 to NICE Ltd.'s Annual Report on Form 20-F filed with the SEC on June 13, 2007, and incorporated herein by reference).
1.2	Amended and Restated Articles of Association of NICE Ltd., as amended through September 30, 2025 (previously filed as Exhibit A to Exhibit 99.1 to, and incorporated by reference from, NICE's Current Report on Form 6-K filed with the Commission on August 21, 2025).
2.1	Form of Share Certificate (filed as Exhibit 4.1 to Amendment No. 1 to NICE Ltd.'s Registration Statement on Form F-1 (Registration No. 333-99640) filed with the SEC on December 29, 1995, and incorporated herein by reference).
2.2	Form of Deposit Agreement including Form of ADR Certificate (filed as Exhibit 99(a) to NICE Ltd.'s Registration Statement on Form F-6 (Registration No. 333-203623) filed with the SEC on April 24, 2015, and incorporated herein by reference).
2.3	Form of Amendment No. 1 to the Deposit Agreement, including Form ADR Certificate (filed as Exhibit 99(a)(2) to the Post-Effective Amendment No. 1 to the Form F-6 (Registration No. 333-303623) filed with the SEC on April 29, 2020 and incorporated herein by reference.
2.4	Description of Securities (filed as Exhibit 2.4 to NICE Ltd.'s Annual Report on Form 20-F filed with the SEC on March 30, 2023, and incorporated herein by reference).
4.1	NICE Ltd.'s Executives & Directors Compensation Policy (filed as Exhibit A in Exhibit 99.1 of NICE's Report on Form 6-K filed with the SEC on June 8, 2023, and incorporated herein by reference).
4.2	Amendment to Executives & Directors Compensation Policy (filed as Annex A in Exhibit 99.1 of NICE's Report on Form 6-K filed with the SEC on May 24, 2024 and incorporated herein by reference).
4.3	Guardian Analytics, Inc. 2006 Stock Plan (filed as Exhibit 4.4 to NICE Ltd.'s Registration Statement on Form S-8 (Registration No. 333-249186), filed with the SEC on October 1, 2020, and incorporated herein by reference).
4.4	2020 Indenture, dated August 27, 2020 (filed as Exhibit 4.14 to NICE Ltd.'s Annual Report on Form 20-F filed with the SEC on March 23, 2021, and incorporated herein by reference).
4.5	NICE Ltd. 2016 Share Incentive Plan.
4.6	NICE Ltd. Employee Share Purchase Plan (previously filed as Exhibit B to Exhibit 99.1 to, and incorporated by reference from, NICE's Current Report on Form 6-K filed with the Commission on August 21, 2025).
4.7*	Credit Agreement, dated as of February 18, 2026, among NICE Ltd., Nice Systems Inc., the lenders party thereto, and JPMorgan Chase Bank, N.A.
8.1	List of significant subsidiaries.
11.1	NICE Ltd. Policy on Insider Trading.
12.1	Certification by the Chief Executive Officer of NICE Ltd., pursuant to Section 302 of the Sarbanes-Oxley Act 2002.

12.2	Certification by the Chief Financial Officer of NICE Ltd., pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
13.1	Certification by the Chief Executive Officer of NICE Ltd., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
13.2	Certification by the Chief Financial Officer of NICE Ltd., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
15.1	Consent of Kost, Forer, Gabbay & Kasierer, a member of EY Global.
97.1	NICE Ltd. Policy for Recovery of Erroneously Awarded Compensation (filed as Exhibit 97.1 to NICE Ltd.'s Annual Report on Form 20-F, filed with the SEC on March 27, 2024, and incorporated here by reference).
101	The following financial information from NICE Ltd.'s Annual Report on Form 20-F for the year ended December 31, 2025, formatted in Inline XBRL ("iXBRL"): (i) Consolidated Balance Sheets at December 31, 2025 and 2024; (ii) Consolidated Statements of Income for the years ended December 31, 2025, 2024 and 2023; (iii) Statements of Changes in Shareholders' Equity and Comprehensive Income for the years ended December 31, 2025, 2024 and 2023; (iv) Consolidated Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023; and (v) Notes to Consolidated Financial Statements.

* Schedules (or similar attachments) to these exhibits have not been filed since they do not contain information material to an investment or voting decision and that information is not otherwise disclosed in these exhibits or the Form 20-F.

NICE LTD. AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2025

IN U.S. DOLLARS

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Shape the future with confidence

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of

NICE Ltd.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of NICE Ltd. and its subsidiaries (the Company) as of December 31, 2025, and 2024, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025, and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 26, 2026, expressed an unqualified opinion thereon.

Basis for Opinion

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

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

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Critical Audit Matters

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

Revenue Recognition

Description of the Matter

As described in Note 2 to the Consolidated Financial Statements, the Company generates revenues mainly from services, including cloud-based services, and licensing of its software products. The Company enters into contracts with customers that often include promises to transfer multiple products and services, which are accounted for separately if they are distinct performance obligations. In such contracts, the transaction price is then allocated to the distinct performance obligations mainly on a relative standalone selling price basis and revenue is recognized when control of the distinct performance obligation is transferred.

Auditing the Company's recognition of revenue required significant judgment to evaluate (a) the identification and determination of whether products and services are considered distinct performance obligations, (b) management's determination of stand-alone selling prices, particularly for products and services that are not sold separately and (c) the timing of revenue recognition.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's process to identify performance obligations, the determination of stand-alone selling prices for each distinct performance obligation and the timing of revenue recognition.

Our audit procedures also included, among others, reading the executed contract and purchase order to understand the contract, identifying the performance obligation(s), determining the distinct performance obligations, and evaluating the timing of revenue recognition for a sample of individual sales transactions. We evaluated the accuracy of the Company's contract summary documentation, specifically related to the identification and determination of distinct performance obligations and the timing of revenue recognition. We also evaluated the reasonableness of management's estimate of stand-alone selling prices for products and services and tested the mathematical accuracy of management's calculations of revenue.

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Business Combination

Description of the Matter

As described in Note 1 to the consolidated financial statements, during 2025, the Company completed its acquisition of Cognigy GmbH for a total consideration of $887.3 million. The transaction was accounted for as a business combination.

Auditing the Company's accounting for its acquisition of Cognigy GmbH was complex due to the significant estimation uncertainty required by management in determining the fair value of the identified intangible assets, which principally consisted of technology intangible asset in the amount of $390.0 million (hereinafter, “the Intangible Asset"). The Company used the Multi-period Excess Earning method of the income approach to measure the fair value of this Intangible Asset. The significant assumptions used to estimate the fair value of the Intangible Asset included, among others, discount rate, projected revenue growth rates and cost of goods sold. These significant assumptions are forward-looking and could be affected by future economic and market conditions.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the Company's process for accounting of acquisition. This included testing controls over the estimation process supporting the recognition and measurement of the Intangible Asset, including the valuation models and underlying assumptions used to develop such estimates.

To test the estimated fair value of the Intangible Asset, we performed audit procedures that included, among others, evaluating the methods and significant assumptions used by the Company, and evaluating the completeness and accuracy of the underlying data supporting the significant assumptions and estimates. For example, we compared the revenue growth rates, expected costs and profitability to historical financial information, comparable companies and market and economic trends. We involved our valuation specialists to assist in evaluation of the methodology used by the Company and certain assumptions included in the fair value estimates. Our valuation specialists’ procedures included, among others, developing a range of independent estimates for the discount rates used in the valuation models and comparing those to the discount rates selected by management.

/s/ KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global
We have served as the Company's auditor since 1995.
Tel-Aviv, Israel
February 26, 2026

Shape the future with confidence

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of NICE Ltd.

Opinion on Internal Control Over Financial Reporting

We have audited NICE Ltd. and its subsidiaries' internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, NICE Ltd. and its subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and our report dated February 26, 2026, expressed an unqualified opinion thereon.

Basis for Opinion

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

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

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

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Definition and Limitations of Internal Control Over Financial Reporting

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

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

/s/ KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global
Tel-Aviv, Israel
February 26, 2026

CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands (except share and per share data)

	December 31,	
	2025	2024
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 379,388	$ 481,712
Short-term investments	38,010	1,139,996
Trade receivables (net of allowance for credit losses of $17,974 and $13,182 at December 31, 2025 and 2024, respectively)	737,954	643,985
Prepaid expenses and other current assets	223,780	239,080
Total current assets	1,379,132	2,504,773
LONG-TERM ASSETS:		
Prepaid expenses and other long-term assets	233,095	212,512
Property and equipment, net	189,395	185,292
Deferred tax assets	198,213	219,232
Operating lease right-of-use assets	78,064	93,083
Other intangible assets, net	587,599	231,346
Goodwill	2,440,532	1,849,668
Total long-term assets	3,726,898	2,791,133
Total assets	$ 5,106,030	$ 5,295,906

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

CONSOLIDATED BALANCE SHEETS

U.S. dollars in thousands (except share and per share data)

	December 31,	
	2025	2024
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade payables	$ 100,782	$ 110,603
Deferred revenues and advances from customers	303,911	299,367
Current maturities of operating leases liabilities	13,742	12,554
Debt	—	458,791
Accrued expenses and other liabilities	469,192	593,109
Total current liabilities	887,627	1,474,424
LONG-TERM LIABILITIES:		
Deferred revenues and advances from customers	61,392	66,289
Accrued severance pay	23,821	20,291
Deferred tax liabilities	109,993	1,965
Operating leases	75,059	92,258
Other long-term liabilities	71,610	37,516
Total long-term liabilities	341,875	218,319
COMMITMENTS AND CONTINGENT LIABILITIES		
SHAREHOLDERS' EQUITY:		
Share capital-		
Ordinary shares of NIS 1 par value:		
Authorized: 125,000,000 shares at December 31, 2025 and 2024; Issued: 74,774,827 shares at December 31, 2025 and 2024; Outstanding: 60,427,562 and 63,249,843 shares at December 31, 2025 and 2024, respectively	18,961	18,961
Additional paid-in capital	2,381,750	2,278,672
Treasury shares at cost – 14,347,265 and 11,524,984 Ordinary shares at December 31, 2025 and 2024, respectively	(1,802,988)	(1,339,218)
Accumulated other comprehensive loss	(35,693)	(71,070)
Retained earnings	3,314,498	2,702,397
Total attributable to NiCE Ltd.'s shareholders	3,876,528	3,589,742
Non-controlling interests	—	13,421
Total shareholders' equity	3,876,528	3,603,163
Total liabilities and shareholders' equity	$ 5,106,030	$ 5,295,906

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

CONSOLIDATED STATEMENTS OF INCOME

U.S. dollars in thousands (except share and per share data)

	Year ended December 31,		
	2025	2024	2023
Revenue:			
Cloud	$ 2,238,421	$ 1,984,160	$ 1,581,825
Services	559,989	596,031	641,387
Product	146,989	155,081	154,296
Total revenue	2,945,399	2,735,272	2,377,508
Cost of revenue:			
Cloud	770,476	699,713	553,654
Services	193,934	184,410	188,890
Product	24,844	25,401	25,629
Total cost of revenue	989,254	909,524	768,173
Gross profit	1,956,145	1,825,748	1,609,335
Operating expenses:			
Research and development, net	360,450	360,607	322,708
Selling and marketing	661,132	642,251	599,114
General and administrative	288,805	276,936	252,286
Total operating expenses	1,310,387	1,279,794	1,174,108
Operating income	645,758	545,954	435,227
Financial income and other, net	58,259	58,872	22,473
Income before taxes on income	704,017	604,826	457,700
Taxes on income	91,916	162,238	119,399
Net income	612,101	442,588	338,301
Basic earnings per share	$ 9.82	$ 6.97	$ 5.32
Diluted earnings per share	$ 9.67	$ 6.76	$ 5.11
Weighted average number of shares (in thousands) used in computing:			
Basic earnings per share	62,333	63,483	63,590
Diluted earnings per share	63,323	65,506	66,265

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

U.S. dollars in thousands

	Year ended December 31,		
	2025	**2024**	**2023**
Net income	$ 612,101	$ 442,588	$ 338,301
Change in foreign currency translation adjustment	24,903	(13,355)	13,810
Available-for-sale investments:			
Change in net unrealized gains (losses)	(749)	919	18,029
Less - reclassification adjustment for net gains (losses) realized and included in net income	4,467	(423)	12,271
Net change (net of tax effect of $(214), $(342) and $(4,130))	3,718	496	30,300
Cash flow hedges:			
Change in unrealized gains (losses)	16,844	(3,621)	(5,300)
Less - reclassification adjustment for net gains (losses) realized and included in net income	(10,088)	4,520	13,335
Net change (net of tax effect of $(431), $10 and $(1,096))	6,756	899	8,035
Total other comprehensive income (loss)	35,377	(11,960)	52,145
Comprehensive income	$ 647,478	$ 430,628	$ 390,446

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

U.S. dollars in thousands

	Share capital	Additional paid-in capital	Treasury shares	Accumulated other comprehensive loss	Retained earnings	Non-controlling Interest	Total shareholders' equity
Balance as of January 1, 2025	$ 18,961	$ 2,278,672	$(1,339,218)	$ (71,070)	$ 2,702,397	$ 13,421	$ 3,603,163
Stock-based compensation	—	150,155	—	—	—	—	150,155
Issuance of treasury shares under share-based compensation plan (814,556 ordinary shares)	—	(24,032)	25,141	—	—	—	1,109
Treasury shares purchase	—	—	(488,911)	—	—	—	(488,911)
Other comprehensive income	—	—	—	35,377	—	—	35,377
Transactions with non-controlling interests	—	(23,045)	—	—	—	(13,421)	(36,466)
Net income attributable to NiCE Shareholders	—	—	—	—	612,101	—	612,101
Balance as of December 31, 2025	$ 18,961	$ 2,381,750	$(1,802,988)	$ (35,693)	$ 3,314,498	$ —	$ 3,876,528

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

U.S. dollars in thousands

	Share capital	Additional paid-in capital	Treasury shares	Accumulated other comprehensive loss	Retained earnings	Non-controlling Interest	Total shareholders' equity
Balance as of January 1, 2024	$ 18,961	$ 2,123,487	$ (1,005,104)	$ (59,110)	$ 2,262,898	$ 13,368	$ 3,354,500
Stock-based compensation	—	187,101	—	—	—	—	187,101
Issuance of treasury shares under share-based compensation plan (945,979 ordinary shares) and exercise of warrants (1,513,183 ordinary shares)	—	(31,916)	34,979	—	—	—	3,063
Treasury shares purchase	—	—	(369,093)	—	—	—	(369,093)
Other comprehensive loss	—	—	—	(11,960)	—	—	(11,960)
Dividends Paid to non-controlling interest	—	—	—	—	—	(3,036)	(3,036)
Net income attributable to NiCE Shareholders	—	—	—	—	439,499	—	439,499
Net income attributable to non-controlling interests	—	—	—	—	—	3,089	3,089
Balance as of December 31, 2024	$ 18,961	$ 2,278,672	$ (1,339,218)	$ (71,070)	$ 2,702,397	$ 13,421	$ 3,603,163

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

U.S. dollars in thousands

	Share capital	Additional paid-in capital	Treasury shares	Accumulated other comprehensive loss	Retained earnings	Non-controlling Interest	Total shareholders' equity
Balance as of January 1, 2023	$ 18,961	$ 1,951,035	$ (743,054)	$ (111,255)	$ 1,926,398	$ 13,338	$ 3,055,423
Stock-based compensation	—	183,302	—	—	—	—	183,302
Issuance of treasury shares under share-based compensation plan (733,472 ordinary shares)	—	(23,923)	26,496	—	—	—	2,573
Treasury shares purchase	—	—	(288,546)	—	—	—	(288,546)
Other comprehensive income	—	—	—	52,145	—	—	52,145
Equity awards assumed for acquisitions	—	13,073	—	—	—	—	13,073
Dividends Paid to non-controlling interest	—	—	—	—	—	(1,771)	(1,771)
Net income attributable to NiCE Shareholders	—	—		—	336,500	—	336,500
Net income attributable to non-controlling interests	—	—	—	—	—	1,801	1,801
Balance as of Balance as of December 31, 2023	$ 18,961	$ 2,123,487	$ (1,005,104)	$ (59,110)	$ 2,262,898	$ 13,368	$ 3,354,500

The accompanying notes are an integral part of the consolidated financial statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Year ended December 31,		
	2025	2024	2023
Cash flows from operating activities:			
Net income	$ 612,101	$ 442,588	$ 338,301
Adjustments required to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	199,044	205,020	167,360
Share-based compensation	146,046	182,067	176,658
Accrued severance pay, net	(908)	3,050	789
Amortization of premium, discount and accrued interest on marketable securities	1,468	(9,861)	2,480
Deferred taxes, net	10,495	(40,261)	(66,620)
Changes in operating assets and liabilities:			
Trade receivables, net	(75,792)	(61,025)	(34,292)
Prepaid expenses and other current assets	40,744	25,040	73,052
Trade payables	(15,124)	43,965	3,426
Accrued expenses and other current liabilities	(175,149)	41,952	(55,703)
Operating lease right-of-use assets	14,361	12,951	12,518
Deferred revenue	(22,833)	3,049	(45,947)
Realized (gain) loss on marketable securities, net	(4,463)	—	12,271
Operating lease liabilities	(16,309)	(13,291)	(11,100)
Amortization of discount on debt	1,210	1,834	4,615
Loss from extinguishment of debt	—	—	53
Change in fair value of contingent consideration	—	(3,054)	(18,258)
Other	1,658	(1,383)	1,827
Net cash provided by operating activities	716,549	832,641	561,430
Cash flows from investing activities:			
Purchase of property and equipment	(18,920)	(34,962)	(29,205)
Purchase of investments	(93,272)	(938,154)	(230,263)
Proceeds from sales of marketable investments	1,002,100	512,556	68,715
Proceeds from maturities of marketable investments	200,972	192,776	367,329
Payments for business acquisitions, net of cash acquired	(856,092)	(64,816)	(415,185)
Capitalization of internal use software costs	(74,828)	(64,805)	(54,974)
Net cash provided by (used in) investing activities	159,960	(397,405)	(293,583)

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Year ended December 31,		
	2025	2024	2023
Cash flows from financing activities:			
Proceeds from issuance of shares upon exercise of options	1,109	3,063	2,570
Purchase of treasury shares	(488,911)	(369,196)	(288,443)
Dividends paid to non-controlling interest	—	(3,036)	(1,771)
Purchase of subsidiaries shares from non-controlling interest	(36,466)	—	—
Repayment of debt	(460,000)	(192,108)	(2,628)
Proceeds from settlement of debt hedge option	—	104,673	—
Net cash used in financing activities	(984,268)	(456,604)	(290,272)
Effect of exchange rate changes on cash	4,734	(6,914)	2,643
Net change in cash, cash equivalents and restricted cash	(103,025)	(28,282)	(19,782)
Cash, cash equivalents and restricted cash at the beginning of the year	485,032	513,314	533,096
Cash, cash equivalents and restricted cash at the end of the year	$ 382,007	$ 485,032	$ 513,314
Reconciliation of cash, cash equivalents and restricted cash reported in the consolidated balance sheet:			
Cash and cash equivalents	$ 379,388	$ 481,712	$ 511,795
Restricted cash included in other current assets	2,619	3,320	1,519
Total cash, cash equivalents and restricted cash shown in the statement of cash flows	$ 382,007	$ 485,032	$ 513,314
Supplemental disclosure of cash flows activities:			
Cash paid during the year for:			
Federal income taxes paid, net in the US	$ 98,662	$ 53,700	$ 139,200
State income taxes paid, net in the US	23,999	28,542	32,018
Income taxes paid, net in Israel	63,733	8,987	1,912
Income taxes paid, net in other jurisdictions	27,692	18,726	18,891
Interest	224	236	1,221
Non-cash activities:			
Change in fair value of contingent consideration	—	(3,054)	(18,258)
Increase in accrued expenses and other liabilities with respect to purchase of treasury shares	—	—	103

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

NOTE 1:- GENERAL

a. General:

NICE Ltd. (together with its subsidiaries, "NiCE", or the "Company") is a global enterprise software leader, delivering mission-critical AI-powered cloud platforms that serve two main markets: Customer Engagement and Financial Crime and Compliance. The Company's platforms are designed to automate complex, high-volume, and highly regulated workflows where reliability, security, and measurable outcomes are essential. In Customer Engagement, our CXone platform enables enterprises to automate customer service by orchestrating workflows, AI, and human agents, and enterprise knowledge within a single, unified AI platform. In Financial Crime and Compliance, we provide embedded AI solutions that help financial institutions prevent money laundering and fraud, and ensure real-time regulatory compliance across financial markets.

The Company's strategy is based on serving specialized and rapidly expanding, markets that demand feature-rich solutions, delivered through secure, enterprise-grade cloud platforms. AI is foundational to this strategy, driving differentiation, accelerating cloud adoption, and enabling customers to automate increasingly complex workflows at scale. We leverage our proprietary AI models and unique customer engagement data to increase competitive win rates in cloud migrations, expand adoption across digital and automated channels, and introduce new domain-specific use cases that deepen customer relationships and increase long-term platform value.

In the Customer Engagement market, the Company's CXone AI platform enables organizations to automate service at scale, augment their workforce with AI-powered solutions, and unify enterprise knowledge, data and AI models to drive faster resolutions and superior customer experiences. Purpose-built AI ensures every interaction and workflow is intelligently orchestrated across all customer touchpoints, seamlessly blending autonomous Agentic AI and human assisted interactions to deliver best-in-class service that is proactive, knowledge-based, resolution-oriented, and efficient. The Company's Public Safety and Justice business is included in the Company's Customer Engagement segment. In this business, the Company is transforming the criminal justice system by using AI to uncover the truth in digital evidence, facilitating swift justice. The Company's AI-powered workflows help relieve police, prosecutors, public defenders, courts and correctional institutions from the tedious task of managing digital evidence.

In the Financial Crime and Compliance market, the Company protect financial services organizations, with embedded-AI solutions that identify risks to help prevent money laundering and fraud in real-time, as well as help ensure financial markets compliance. With the Company's holistic, data and entity-centric approach, the Company leverage machine learning predictive analytics, behavioral analytics, network analytics, NLP (natural language processing), generative AI and Agentic AI to detect suspicious activity and automate routine tasks, collaborate with analysts and adapt in real time to proactively keep ahead of emerging threats.

The Company is at the forefront of several industry technological disruptions that have greatly accelerated in the last several years: AI-driven automation and Agentic AI solutions are transforming customer service, as organizations seek to optimize both efficiency and customer experience; domain-specific AI is enhancing decision-making and workforce performance; and cloud scalability is enabling enterprises to modernize operations at an unprecedented pace. The Company's AI-powered platforms unify data, workflows AI agents, and automation to drive enterprise-wide transformation. Built on deep domain expertise, the Company's solutions empower customer service, financial crime prevention, and criminal justice organizations to lead with intelligence, efficiency, and confidence.

b. Acquisitions:

1. Acquisitions in 2025:

a. On September 8, 2025, the Company completed an acquisition of Cognigy GmbH, ("Cognigy"), a global market leader in conversational and agentic AI. The Company acquired Cognigy for a total cash consideration of $887,358. This strategic acquisition unites the Company's market-leading

NOTE 1:- GENERAL (Cont.)

CXone platform with Cognigy's leading conversational and agentic AI capabilities, enabling AI-first customer service delivery, orchestrating AI agents seamlessly across the front and back office in a unified CX AI platform powered by purpose-built CX AI models.

In connection with the acquisition of Cognigy, the Company agreed to pay up to $50,000 time-bound holdback ("holdback") to Cognigy's founders, which is comprised of $25,000 in cash and 159,552 American Depositary Shares ("ADSs") of the Company, subject to their continued employment over a two-year period following the acquisition. Because the holdback is contingent upon future service, it is accounted for as post-combination compensation.

Upon consummation of the acquisition, Cognigy became a wholly-owned subsidiary of the Company. The acquisition was accounted for as a business combination. This method requires, among other things, that assets acquired, and liabilities assumed in the business combination be recognized at their fair values as of the acquisition date. The Company used the Multi-period Excess Earning method of the income approach to measure the fair value of its Intangible Assets.

The following table presents details of the identified intangible assets acquired as of the date of the acquisition:

	Fair Value	Estimated useful life (in years)
Net tangible assets and liabilities assumed	$ (5,557)	
Trademarks	15,297	7
Technology	390,049	7
Customer relationships	51,253	3
Goodwill	578,775	
Deferred tax	(142,459)	
Total	887,358	

Goodwill generated from this business combination is attributed to synergies between the Company's and Cognigy's respective products and services. The goodwill is not deductible for income tax purposes.

Pro forma results of operations related to this acquisition have not been prepared because they are not material to the Company's consolidated financial statements.

The preliminary fair value of assets acquired and liabilities assumed from the acquisition, completed during 2025, were based upon preliminary calculations and valuations, and the estimates and assumptions for this acquisition are subject to change as the Company obtains additional information during the respective measurement periods (up to one year from the respective acquisition dates).

b. On January 16, 2025, the Company acquired an additional 29.9% in the 2020 Subsidiary for a total consideration of $36,466. Upon consummation of the acquisition, the 2020 Subsidiary became a wholly-owned subsidiary of the Company.

NOTE 1:- GENERAL (Cont.)

2. Acquisitions in 2024:

During 2024, the Company completed the acquisition of two companies, which were accounted for as business combinations for a total consideration of $68,910. The financial results of those acquired companies are included in the Company's consolidated financial statements from their respective acquisition dates. The results from these acquisitions individually and in the aggregate, were not material to the Company's consolidated financial statements. The Company preliminarily recorded $41,802 of identifiable intangible assets based on their estimated fair values, and $27,091 of residual goodwill, from these acquisitions.

The estimated fair value of assets acquired and liabilities assumed from acquisitions completed during 2024 were based upon preliminary calculations and valuations. These estimates were finalized during 2025 as part of the measurement period. No adjustments were made during 2025.

3. Acquisitions in 2023:

a. In December 2023, the Company completed an acquisition of LiveVox Inc. ("LiveVox"), a leading AI-driven proactive outreach provider. The Company acquired LiveVox for a total consideration of $424,117.

Upon consummation of the acquisition, LiveVox became a wholly-owned subsidiary of the Company. The acquisition was accounted for as a business combination. This method requires, among other things, that assets acquired, and liabilities assumed in the business combination be recognized at their fair values as of the acquisition date.

The following table presents details of the identified intangible assets acquired as of the date of the acquisition:

	Fair Value	Estimated useful life (in years)
Net tangible assets and liabilities assumed	$ 63,575	
Trademarks	4,930	5
Technology	137,462	5
Customer relationships	31,957	5
Goodwill	186,193	
Total	$ 424,117	

Goodwill generated from this business combination is primarily attributable to synergies between the Company's and LiveVox's respective products and services. The goodwill is not deductible for income tax purposes.

Pro forma results of operations related to this acquisition have not been prepared because they are not material to the Company's consolidated financial statements.

The preliminary fair value of assets acquired, and liabilities assumed from the acquisition, completed during 2023, were based upon preliminary calculations and valuations, and the estimates and assumptions for this acquisition are subject to change as the Company obtains additional information during the respective measurement periods (up to one year from the respective acquisition dates).

NOTE 1:- GENERAL (Cont.)

These estimates were finalized during 2024 as part of the measurement period. During 2024, the Company recorded measurement period adjustments to the preliminary allocation of the purchase price to the fair value of the assets acquired and liabilities assumed. See also Note 8 regarding changes made during 2024.

During 2023, the Company acquired certain additional companies, which were accounted for as business combinations for a total consideration of $22,815. The financial results of those acquired companies are included in the Company's consolidated financial statements from their respective acquisition dates. The results from these acquisitions individually and in aggregate, were not material to the Company's consolidated financial statements. The Company preliminarily recorded $13,247 of identifiable intangible assets based on their estimated fair values, and $10,682 of residual goodwill, from these acquisitions.

The estimated fair value of assets acquired and liabilities assumed from acquisitions completed during 2023 were based upon preliminary calculations and valuations. These estimates were finalized during 2024 as part of the measurement period. No adjustments were made during 2024.

4. Acquisitions related costs:

During 2025, 2024 and 2023, acquisition related costs amounted to $9,066, $3,167 and $13,987, respectively, and were included in general and administrative expenses.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements were prepared in accordance with United States Generally Accepted Accounting Principles ("U.S. GAAP").

a. Use of estimates:

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions. The Company's management believes that the estimates, judgments and assumptions used are reasonable based upon information available at the time they are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

b. Financial statements in United States dollars:

The currency of the primary economic environment in which the operations of NiCE and certain subsidiaries are conducted is the U.S. dollar ("dollar"); thus, the dollar is the functional currency of NiCE and certain subsidiaries.

NiCE and certain subsidiaries' transactions and balances denominated in dollars are presented at their original amounts. Non-dollar transactions and balances have been remeasured to dollars in accordance with ASC 830, "Foreign Currency Matters". All transaction gains and losses from remeasurement of monetary balance sheet items denominated in non-dollar currencies are reflected in the statements of income as financial income or expenses, as appropriate.

For those subsidiaries whose functional currency has been determined to be a non-dollar currency, assets and liabilities are translated at year-end exchange rates and statement of income items are translated at average exchange rates prevailing during the year. Such translation adjustments are recorded as a separate component of accumulated other comprehensive income (loss) in shareholders' equity.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

c. Principles of consolidation:

The consolidated financial statements incorporate the financial statements of the Company and all of its subsidiaries. Intercompany transactions and balances have been eliminated upon consolidation.

d. Cash equivalents:

Cash equivalents are short-term unrestricted highly liquid investments that are readily convertible into cash, with original maturities of three months or less at acquisition.

e. Marketable securities:

The Company accounts for investments in debt securities in accordance with ASC 320, "Investments - Debt Securities" and ASC No. 326, "Financial Instruments - Credit Losses". Management determines the appropriate classification of its investments in debt securities at the time of purchase and re-evaluates such determinations at each balance sheet date.

Marketable securities classified as "available-for-sale" ("AFS") are carried at fair value. Unrealized gains and losses are reported in a separate component of shareholders' equity in accumulated other comprehensive income, net of taxes. Gains and losses are recognized when realized, on a specific identification basis, in the Company's consolidated statements of income.

For each reporting period, the Company evaluates whether declines in fair value below the amortized cost are due to expected credit losses, as well as the Company's ability and intention to hold the investment until a forecasted recovery occurs, in accordance with ASC 326. Allowance for credit losses on AFS debt securities are recognized as a charge in financial expenses (income) and other, net, on the consolidated statements of income, and any remaining unrealized losses, net of taxes, are included in accumulated other comprehensive income (loss). As of December 31, 2025 and 2024, no allowance for credit losses have been recorded.

The Company classifies all marketable securities with maturities beyond 12 months as current assets under the caption short term investments on the consolidated balance sheet. These securities are available to support current operations and the company may sell these debt securities prior to their stated maturities.

f. Property and equipment, net:

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, at the following annual periods ranges:

	Years
Computers and peripheral equipment	3 - 5
Internal use software	3
Office furniture and equipment	4 - 14
Leasehold improvements	Over the lease term or the estimated useful life of the improvements, whichever is shorter

g. Internal use software costs:

The Company capitalizes development costs incurred during the application development stage that are related to internal use technology that supports its cloud services. Under ASC 350-40, internal-use software is included in property and equipment, net in the consolidated balance sheets. Capitalization of such costs begins when the preliminary project stage is complete and ceases at the point in which the project is

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

substantially complete and is ready for its intended purpose. Costs incurred in the process of software production are charged to expenses as incurred.

h. Other intangible assets, net:

Other intangible assets are amortized over their estimated useful lives using the straight-line method, at the following annual periods ranges:

	Years
Core technology	3 – 8
Customer relationships	1 – 9
Trademarks	1 – 12
Customer backlog	3

i. Impairment of long-lived assets:

The Company's long-lived assets and identifiable intangibles that are subject to amortization are reviewed for impairment in accordance with ASC 360, "Property, Plant, and Equipment" whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment indicators include any significant changes in the manner of the Company's use of the assets and significant negative industry or economic trends.

Upon determination that the carrying value of a long-lived asset may not be recoverable based upon a comparison of aggregate undiscounted projected future cash flows to the carrying amount of the asset, an impairment charge is recorded for the excess of the carrying amount over fair value. In 2025, 2024 and 2023, no impairment charges were recognized.

j. Goodwill:

Goodwill represents the excess of the purchase price in a business combination over the fair value of the net tangible and intangible assets acquired. Under ASC 350, "Intangible - Goodwill and Other" ("ASC 350"), goodwill is not amortized but rather subject to an annual impairment test, which the Company performs as at the fourth quarter of each year, or if an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying amount. If the Company determines that it is more likely than not that the fair value of a reporting unit is less than its carrying value, then the Company prepares a quantitative analysis to determine whether the carrying value of reporting unit exceeds its estimated fair value. If the carrying value of a reporting unit exceeds its estimated fair value, the Company recognizes an impairment of goodwill for the amount of this excess.
For each of the three years in the periods ended December 31, 2025, 2024 and 2023, no impairment was identified.

k. Exchangeable senior notes:

The Company applies ASC 470, "Debt" and ASC 815 "Derivatives and Hedging" to its senior notes and to all features related to the senior notes. When features meet the definition of a derivative, are not clearly and closely related to the characteristics of the debt host, and do not qualify for any scope exceptions within ASC 815, they are required to be accounted for separately from the debt instrument and recorded as derivative instrument liabilities. The fair value assigned to the embedded derivative instruments is marked to market in each reporting period. The proceeds allocated to the debt host are then accounted for using the effective interest method.

Starting January 1, 2022, the Company adopted ASU 2020-06, which simplifies the guidance on the issuer's accounting for convertible debt instruments by removing the separation models for (1) convertible debt with

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

a cash conversion feature and (2) convertible instruments with a beneficial conversion feature, Following the adoption of ASU 2020-06, the Company does not separately present in equity an embedded conversion feature in such debt. Instead, the Company account for a convertible debt instrument solely as debt unless the debt contains embedded derivatives required to be bifurcated or the debt is issued at a substantial premium.

Additionally, in December 2021, the Company made an irrevocable election to settle the principal amount of the 2020 Notes only in cash. Accordingly, the Company paid the principal amount in cash and there were no excess payments above the principal amount.

l. Revenue recognition:

The Company generates revenues from sales of cloud, services, and software products, which include software license, SaaS, network connectivity, hosting, support and maintenance, implementation, configuration, project management, consulting and training, most of which are considered separate performance obligations. The Company sells its cloud, software products and services directly through its sales-force and indirectly through a global network of distributors, system integrators and strategic partners.

The Company recognizes revenues in accordance with ASC No. 606, "Revenue from Contracts with Customers" ("ASC 606"). Under the standard, the Company recognizes revenue when its customer obtains control of promised goods or services in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services.

Trade Receivables are recorded when the right to consideration becomes unconditional. Trade receivables are recorded net of credit losses allowance for any potential uncollectible amounts. The Company makes estimates of expected credit and collectability trends for the allowance for credit losses based upon its assessment of various factors, including historical collectability experience, the age of the trade receivable balances, credit quality of its customers, current economic conditions, reasonable and supportable forecasts of future economic conditions, and other factors that may affect its ability to collect from customers. The Company writes off receivables when they are deemed uncollectible, having exhausted all collection efforts.

To determine revenue recognition for contracts that are within the scope of the standard, the Company performs the following five steps:

1) Identify the contract(s) with a customer

A contract with a customer exists when (i) there is an enforceable contract with the customer that defines each party’s rights regarding the goods or services to be transferred and identifies the payment terms related to these goods or services; (ii) the contract has commercial substance; and (iii) the Company determines that collection of substantially all consideration for goods or services that are transferred is probable based on the customer’s intent and ability to pay the promised consideration. The Company applies judgment in determining the customer's ability and intent to pay, which is based on a variety of factors, including the customer's historical payment experience.

2) Identify the performance obligations of the contract

The Company enters into contracts that can include multiple performance obligations. The Company accounts for individual products and services separately if they are distinct – i.e., if a product or service is separately identifiable from other promises in the contract and if a customer can benefit from it on its own or with other resources that are readily available to the customer.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

3) Determine the transaction price

The transaction price is determined based on the consideration to which the Company will be entitled in exchange for transferring goods or services to the customer. For certain contracts, the Company's contracts include usage based fees that constitute variable consideration and are included in the transaction price.

The Company receives payments from customers based upon billing cycles and contract terms which may vary by contract type. Invoice payment terms are usually 30 days. In instances where the timing of revenue recognition differs from the timing of invoicing, the Company determines its contracts generally do not include a significant financing component since the Company's selling prices are not subjected to billing terms nor is its purpose to receive financing from its customers or to provide customers with financing. In addition, the Company elect to apply the practical expedient to not adjust the promised amount of consideration for the effects of a significant financing component if the Company expects, at contract inception, that the period between when the Company will transfer a promised good or service to a customer and when the customer will pay for that good or service will be one year or less.

Revenue is measured based on the consideration specified in a contract with a customer, excluding taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, which are collected by the Company from a customer.

4) Allocate the transaction price to the performance obligations in the contract

The Company allocates the transaction price to each performance obligation identified based on its relative standalone selling price ("SSP") out of the total consideration of the contract.

The Company uses judgment in determining the SSP. If the SSP is not observable through standalone transactions, the Company estimates the SSP taking into account available information such as geographic or regional specific factors, internal costs, profit objectives, and internally approved pricing guidelines related to the performance obligations.

The Company typically establishes a SSP range for its products and services, which is reassessed on a periodic basis or when facts and circumstances change. SSP for products and services can evolve over time due to changes in the Company's pricing practices that are influenced by intense competition, changes in demand for products and services, and economic factors, among others.

For products where the SSP cannot be determined based on observable prices, given the same products are sold for a broad range of amounts (that is, the selling price is highly variable), the Company applies the residual approach whereby all other performance obligations within a contract are first allocated a portion of the transaction price based upon their respective SSPs, with any residual amount of transaction price allocated to these product revenues.

Some of the Company's contracts include variable fees that are based on actual usage. For these contracts, the Company generally allocates the variable fees using the variable consideration allocation exception.

5) Recognize revenue when (or as) the entity satisfies a performance obligation

The Company derives its cloud revenues from subscription services, which are comprised of subscription fees from granting customers access to the Company’s cloud platforms, network connectivity and services fees for deployment of certain cloud platforms.

Revenue from subscription services is recognized when control is transferred to the customer, occurring either evenly over the contract period as services have a consistent continuous pattern of transfer to the

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

customer, or based on actual usage. Revenue from network connectivity is based on customer call usage and is recognized in the period the call is initiated. Services fees for deployment, which are considered as material rights, are initially deferred and recognized over the average customer life.

Revenue from software licenses, support and maintenance services are recognized at the time the related performance obligation is satisfied by transferring the promised product or service to the customer. Software license revenues are recognized at the point in time when the software license is delivered and the customer obtains control of the license asset. Support and maintenance service revenues are recognized when control is transferred to the customer occurring evenly over the maintenance contract term, as the services have a consistent continuous pattern of transfer to a customer.

Professional services revenues are generally recognized over-time as services are performed using an input method based on labor hours, which the Company believes best depicts the transfer of the services to the customer. Subscription professional services are recognized evenly over the subscription term, as the services have a consistent continuous pattern of transfer to the customer.

Deferred revenues, which represent a contract liability, represent unrecognized fees collected mostly for maintenance, cloud and professional services. Deferred revenues are recognized as (or when) the Company performs under the contract. The amount of revenue recognized in the period that was included in the opening deferred revenues balance was approximately $277,197 for the year ended December 31, 2025.

As of December 31, 2025, the aggregate amount of the total transaction price allocated in contracts with original duration greater than one year of the remaining performance obligations was approximately $3,675,111. For performance obligations which are recognized over time, based on usage, the Company elected to disclose only the contractual minimum attributed to these performance obligations, as part of the remaining performance obligation disclosure.

As of December 31, 2025, the Company expects to recognize the majority of the revenue of remaining performance obligations over the next 24 months. Such remaining performance obligations represent unsatisfied or partially unsatisfied performance obligations pursuant to ASC 606. The Company has elected the optional exemption, which allows for the exclusion of the amounts for remaining performance obligations that are part of contracts with an original expected duration of one year or less.

m. Costs to Obtain Contracts:

The Company capitalizes certain sales commission as costs of obtaining a contract when they are incremental and if they are expected to be recovered. The Company applies judgment in estimating the amortization period by taking into consideration customer contract terms, history of renewals, expected length of customer relationship, as well as the useful life of the underlying technology. Amortization of sales commission expenses are amortized over the expected period of benefits and included in Selling and Marketing expenses in the accompanying consolidated statements of income. For costs that the Company would have capitalized and amortized over one year or less, the Company has elected to apply the practical expedient and expense these contract costs as incurred. As of December 31, 2025 and 2024, the amounts of deferred commissions were $127,746 and $118,531, respectively. Costs to obtain contracts amortization expense for 2025, 2024 and 2023 were $147,713, $142,802 and $142,699, respectively.

n. Research and development costs:

Research and development costs (net of grants and capitalized expenses) incurred in the process of software production are charged to expenses as incurred.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

o. Income taxes:

To prepare the consolidated financial statements, the Company estimates its income taxes in each of the jurisdictions in which it operates, and in certain of these jurisdictions, it is calculated based on the Company's assumptions as to its entitlement to various benefits under the applicable tax laws in the jurisdiction. The entitlement to such benefits depends upon the Company's compliance with the terms and conditions set out in these laws.

The Company accounts for income taxes in accordance with ASC 740, "Income Taxes". ASC 740 prescribes the use of the liability method whereby deferred tax asset and liability account balances are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance, if necessary, to reduce deferred tax assets to the amount that is more likely than not to be realized. Deferred tax assets and deferred tax liabilities are presented under long-term assets and long-term liabilities, respectively.

The Company implements a two-step approach to recognize and measure uncertain tax positions. The first step is to evaluate the tax position taken or expected to be taken in a tax return by determining if the weight of available evidence indicates that it is more likely than not that, on an evaluation of the technical merits, the tax position will be sustained on audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% (cumulative basis) likely to be realized upon ultimate settlement. The Company's policy is to include interest and penalties, if any, related to unrecognized income tax benefits as a component of income tax expense.

p. Non-royalty grants:

Non-royalty bearing grants from the Government of Israel for funding research and development projects are recognized at the time the Company is entitled to such grants on the basis of the related costs incurred and recorded as a deduction from research and development expenses.

q. Concentrations of credit risk:

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents, trade receivables, marketable securities and foreign currency derivative contracts.

The Company's cash and cash equivalents are invested in deposits and money market funds, mainly in dollars with major international banks. Deposits in the U.S. may be in excess of insured limits and are not insured in other jurisdictions. Generally, these deposits may be redeemed upon demand and therefore bear minimal risk.

The Company's trade receivables are derived from sales to customers generated from a multitude of markets in countries around the world with the largest proportion denominated in the US dollar. The Company performs ongoing credit evaluations of its customers and insures some of its receivables with a credit insurance company. The Company performs ongoing credit evaluations of its customers for the purpose of determining the appropriate allowance for credit losses.

The Company's marketable securities include investment in corporate debentures, U.S. Treasuries and U.S. government agencies. The Company's investment policy limits the amount that the Company may invest in any one type of investment per minimum credit rating or specific issuer, thereby reducing credit risk concentrations.

The Company enter into foreign currency forward and option contracts intended to protect cash flows resulting from payroll related expenses against the volatility in value of forecasted non-dollar currency. The

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

derivative instruments hedge a portion of the Company's non-dollar currency exposure. See Note 10 for additional information.

r. Severance pay:

The Israeli Severance Pay Law-1963 (the "Severance Pay Law") generally requires payment of severance pay upon dismissal of an employee or upon termination of employment in certain circumstances. The Company makes ongoing deposits into Israeli employees' pension plans to fund their severance liabilities. According to Section 14 of the Severance Pay Law, the Company deposits for employees employed by the Company since May 1, 2009 are made in lieu of the Company's severance liability, therefore no obligation is provided for in the financial statements. Severance Pay liabilities for employees employed by the Company prior to May 1, 2009, as well as employees with special contractual arrangements, are provided for in the financial statements based upon the latest monthly salary multiplied by the number of years of employment.

Severance pay expenses for 2025, 2024 and 2023 amounted to $11,288, $12,002 and $10,917, respectively.

The Company also has other liabilities for severance pay in other jurisdictions.

The Company has multiple 401(k) defined contribution plans covering certain employees in the U.S. All eligible employees may elect to contribute a portion of their eligible compensation, generally not greater than an annual contribution of $23.5 in 2025, $23.0 in 2024 and $22.5 in 2023 (for certain employees over 50 years of age the maximum annual contribution was $30.5 in 2025, $30 in 2024 and $27 in 2023) of their total annual compensation to the plan through salary deferrals, subject to IRS limits. The Company, at its discretion, matches 50% of employee contributions to the plan up to a limit of 6-8% of their eligible compensation. In 2025, 2024 and 2023, the Company recorded an expense for all matching contributions in the amount of $10,912; $10,430 and $11,599, respectively.

s. Leases

Under Topic 842, the Company determines if an arrangement is a lease at inception. ROU assets and lease liabilities are recognized at commencement date based on the present value of remaining lease payments over the lease term. For this purpose, the Company considers only payments that are fixed and determinable at the time of commencement. As most of the Company leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The incremental borrowing rate is estimated to approximate the interest rate on a collateralized basis with similar terms and payments. The ROU asset is recorded net of any lease incentives received. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options. The Company's lease agreements may contain variable costs such as common area maintenance, insurance, real estate taxes or other costs. Variable lease costs are expensed as incurred on the consolidated statements of income.

The Company elected to combine its lease and non-lease components for car leases and to not recognize a lease liability and a right-of-use ("ROU") asset on the balance sheet for leases with a term of twelve months or less. The Company recognizes the associated lease payments in the consolidated statements of income on a straight-line basis over the lease term.

t. Basic and diluted net earnings per share:

Basic net earnings per share are computed based on the weighted average number of ordinary shares outstanding during each year. Diluted net earnings per share are computed based on the weighted average number of ordinary shares outstanding during each year plus dilutive potential equivalent ordinary shares considered outstanding during the year, including employee stock options, restricted share units (“RSUs”), performance stock units (“PSUs”) and shares issuable pursuant to the Employee Stock Purchase Plan (“ESPP”), in accordance with ASC 260, "Earnings per Share".

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

As further described in Note 15, the Company entered into an exchangeable note hedge transaction and warrants transaction in 2017. While the exchangeable note hedge transaction was anti-dilutive and as such was not included in the computation of diluted earnings per share, the warrants transaction had a dilutive effect, and as such, was included in the computation of the diluted earnings per share. The number of shares related to the warrants transaction was 3,457,475. During 2024 the warrants were exercised into 1,513,183 ordinary shares using the net share settlement method.

On December 31, 2021, the Company entered into the First Supplemental Indenture according to which the Company irrevocably elected cash settlement for the principal and any premium due upon conversion to apply to all conversions of the 2017 Notes issued under the 2017 Notes with an Exchange Date (as defined in the 2017 Indenture) that occurs on or after December 31, 2021. As a result, the 2017 Notes did not have a dilutive effect for the years ended December 31, 2024 and 2023.

On December 31, 2021, the Company irrevocably elected to settle the principal of the exchangeable senior notes issued in 2020 in cash. As a result, the Company used the if converted method for calculating any potential dilutive effect on diluted net income per share, if applicable. The conversion premium would have a dilutive impact on diluted net income per share only when the average market price of an ordinary share for a given period exceeded the conversion price of $299.19 per share. As a result, 1,537,504 shares underlying the conversion option of the exchangeable senior notes issued in 2020 were not considered in the calculation of diluted net income per share in either 2023 or 2024, as the effect was anti-dilutive. During 2024, the warrants were exercised (See Note 15 Debt, for further information).

The weighted average number of shares related to outstanding anti-dilutive options, RSU's and ESPP excluded from the calculations of diluted net earnings per share was 10,263, 8,089 and 4,096 for the years 2025, 2024 and 2023, respectively.

u. Accounting for stock-based compensation:

The Company has granted restricted share units (“RSUs”) and stock options vesting solely upon continued service, as well as performance-based awards, including performance stock units (“PSUs”), with vesting based on achievement of specified performance targets. In addition, the Company has granted share purchase rights under its Employee Stock Purchase Plan (“ESPP”), which is primarily available to active employees. The Company accounts for stock-based compensation in accordance with ASC 718, "Compensation - Stock Compensation" ("ASC 718"), which requires the measurement and recognition of stock base compensation expenses based on estimated fair values for all share-based payment awards made to employees and directors. ASC 718 requires companies to estimate the fair value of equity-based payment awards on the date of grant using an option-pricing model. The Company elected to account for forfeitures as they occur.

The Company recognizes compensation expenses for the value of its awards, which have graded vesting, based on the accelerated attribution method over the requisite service period of each of the awards.

The Company estimates the fair value of stock options and ESPP granted using the Black-Scholes-Merton option-pricing model, which requires a number of assumptions: the expected volatility is based upon actual historical stock price movements; the expected term of options granted is based upon historical experience and represents the period of time that options granted are expected to be outstanding; the risk-free interest rate is based on the yield from U.S. Federal Reserve zero-coupon bonds with an equivalent term; and the expected dividend rate (an annualized dividend yield) is based on the per share dividend declared by the Company's Board of Directors.

The Company measures the fair value of restricted stock based on the market value of the underlying shares at the date of grant.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

v. Fair value of financial instruments:

The Company applies ASC 820, "Fair Value Measurements and Disclosures" ("ASC 820") for valuing financial instruments. Under this standard, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. The Company measures its investments in money market funds classified as cash equivalents, marketable securities, foreign currency derivative contracts at fair value.

In determining fair value, the Company uses various valuation approaches. ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The hierarchy is broken down into three levels based on the inputs as follows:

- Level 1 - Valuations based on quoted prices in active markets for identical assets that the Company has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

- Level 2 - Valuations based on one or more quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

- Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of observable inputs can vary from investment to investment and is affected by a wide variety of factors, including, for example, the type of investment, the liquidity of markets and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment and the investments are categorized as Level 3.

The Company's marketable securities and foreign currency derivative contracts are classified within Level 2, as the valuation inputs of the derivative contracts are based on quoted prices and market observable data of similar instruments and as the marketable securities are valued using alternative pricing sources utilizing market observable inputs (see Notes 3 and 10).

The carrying amounts of cash and cash equivalents, short-term bank deposits, trade receivables and trade payables approximate their fair value due to the immediate or short-term maturities of these financial instruments.

w. Legal contingencies:

The Company is currently involved in various claims and legal proceedings arising in the ordinary course of business. The Company reviews the status of each matter and assesses its potential financial exposure. If the potential loss from any claim or legal proceeding is considered probable and the amount can be reasonably estimated, the Company accrues a liability for the estimated loss.

x. Advertising expenses:

Advertising expenses are charged to expense as incurred. Advertising expenses for the years 2025, 2024 and 2023 were $47,740, $58,118 and $50,740, respectively.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

y. Treasury shares:

The Company repurchases its ordinary shares from time to time on the open market or in other transactions and holds such shares as treasury shares. The Company accounts for the cost to repurchase treasury shares as a reduction of shareholders' equity. The Company reissues treasury shares under the stock purchase plan, upon exercise of options, ESPP and upon vesting of restricted stock units ("RSUs"). Re-issuance of treasury shares is accounted for in accordance with ASC 505-30 in which gains are credited to additional paid-in capital and losses are charged to additional paid-in capital to the extent that previous net gains are included therein and otherwise to retained earnings.

z. Business combination:

The Company applies the provisions of ASC 805, "Business Combination", and allocates the fair value of purchase consideration to the tangible assets acquired, liabilities assumed, and intangible assets acquired based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. When determining the fair values of assets acquired and liabilities assumed, management makes significant estimates and assumptions, especially with respect to intangible assets.

Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from customer relationships, acquired technology and acquired trademarks from a market participant perspective, useful lives and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. Acquisition-related expenses are recognized separately from the business combination and are expensed as incurred.

Contingent consideration incurred in a business combination is included as part of the acquisition price and recorded at fair value as of the acquisition date. The fair value of the contingent consideration is re-measured at each reporting period, with any adjustments in fair value recognized in earnings under general and administrative expenses.

aa. Non-controlling interests:

The consolidated financial statements include the Company's accounts and the accounts of the Company's wholly- and majority-owned subsidiaries. Non-controlling interest positions of the Company's consolidated entities were reported as a separate component of consolidated equity from the equity attributable to the Company’s shareholders.

In case of an increase in ownership of a subsidiary, the carrying amount of the non-controlling interest was adjusted to reflect the controlling interest’s increased ownership interest in the subsidiary’s net assets. Any difference between the consideration paid by the Company to a non-controlling interest holder (or contributed by the Company to the net assets of the subsidiary) and the adjustment to the carrying amount of the non-controlling interest in the subsidiary was recognized directly in equity and attributable to the controlling interest.

During 2020, the Company acquired 50.1% of the share capital of one of the Company's Subsidiaries (the "2020 Subsidiary"). In 2021, the Company acquired an additional 20% in the 2020 Subsidiary for a total consideration of approximately $14,000. On January 16, 2025, the Company acquired an additional 29.9% in the 2020 Subsidiary for a total consideration of $36,466. Upon consummation of the acquisition, the 2020 Subsidiary became a wholly-owned subsidiary of the Company.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

ab. Comprehensive income:

The Company accounts for comprehensive income in accordance with ASC 220, "Comprehensive Income". Comprehensive income generally represents all changes in shareholders' equity during the period except those resulting from investments by, or distributions to, shareholders. Other comprehensive income for the Company relates to gains and losses on hedging derivative instruments, unrealized gains and losses on available for sale marketable securities and changes in foreign currency translation adjustments.

The following tables show the components of accumulated other comprehensive income, net of taxes, as of December 31, 2025, 2024 and 2023:

	Year ended December 31, 2025			
	Unrealized gains (losses) on marketable securities	Unrealized gains (losses) on cash flow hedges	Foreign currency translation adjustment	Total
Beginning balance	$ (3,590)	$ 1,832	$ (69,312)	$ (71,070)
Other comprehensive income (loss) before reclassifications	(749)	16,844	24,903	40,998
Amounts reclassified from accumulated other comprehensive income (loss)	4,467	(10,088)	—	(5,621)
Net current-period other comprehensive income	3,718	6,756	24,903	35,377
Ending balance	$ 128	$ 8,588	$ (44,409)	$ (35,693)

	Year ended December 31, 2024			
	Unrealized gains (losses) on marketable securities	Unrealized gains (losses) on cash flow hedges	Foreign currency translation adjustment	Total
Beginning balance	$ (4,086)	$ 933	$ (55,957)	$ (59,110)
Other comprehensive income (loss) before reclassifications	919	(3,621)	(13,355)	(16,057)
Amounts reclassified from accumulated other comprehensive income (loss)	(423)	4,520	—	4,097
Net current-period other comprehensive income (loss)	496	899	(13,355)	(11,960)
Ending balance	$ (3,590)	$ 1,832	$ (69,312)	$ (71,070)

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

	Year ended December 31, 2023			
	Unrealized gains (losses) on marketable securities	Unrealized gains (losses) on cash flow hedges	Foreign currency translation adjustment	Total
Beginning balance	$ (34,386)	$ (7,102)	$ (69,767)	$ (111,255)
Other comprehensive income (loss) before reclassifications	18,029	(5,300)	13,810	26,539
Amounts reclassified from accumulated other comprehensive income	12,271	13,335	—	25,606
Net current-period other comprehensive income	30,300	8,035	13,810	52,145
Ending balance	$ (4,086)	$ 933	$ (55,957)	$ (59,110)

ac. Recently adopted accounting pronouncements:

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topics 740): Improvements to Income Tax Disclosures", which expands the disclosure requirements for income taxes, primarily related to the rate reconciliation and income taxes paid. The Company adopted ASU 2023-09 for its annual period beginning January 1, 2025, on a retrospective basis. See Note 13 Income taxes, for further information.

ad. Recently issued accounting pronouncements, not yet adopted:

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Topic 220): Disaggregation of Income Statement Expenses, which requires disaggregated disclosure in the notes to the financial statements, of prescribed categories of expenses within relevant income statement captions. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the effect of adopting the ASU on its disclosures.

In July 2025, the FASB issued ASU 2025-05, Financial Instruments - Credit Losses (Topic 326), Measurement of Credit Losses for Accounts Receivable and Contract Assets, which provides a practical expedient when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under Topic 606, Revenue from Contracts with Customers. The practical expedient assumes that current conditions as of the balance sheet date do not change for the remaining life of the assets. The guidance is effective for the Company beginning January 1, 2026, with early adoption permitted. The Company is currently evaluating the effect of adopting the ASU on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, Intangible - Goodwill and Other Internal-Use Software (Subtopic 350-40), Targeted Improvements to the Accounting for Internal-Use Software, which modernizes the accounting guidance for costs to develop software for internal use. It removes the previous development stage model and introduces a more judgment-based approach. The guidance is effective for the Company for the beginning January 1, 2028, with early adoption permitted. The Company is currently evaluating the effect of adopting the ASU on its consolidated financial statements.

In December 2025, the FASB issued ASU 2025-10, Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities. The update provides recognition, measurement, presentation, and disclosure requirements for government grants, including guidance for grants related to an asset and grants related to income. The guidance is effective for the Company beginning January 1, 2029, with early adoption permitted. The Company is currently evaluating the effect of adopting the ASU on its consolidated financial statements.

NOTE 3:- SHORT-TERM INVESTMENTS

Short-term investments include marketable securities in the amount of $38,010 and $919,316 as of December 31, 2025 and 2024, respectively and short-term bank deposits in the amounts of $0 and $220,680 as of December 31, 2025 and 2024, respectively.

The following table summarizes amortized costs, gross unrealized gains and losses and estimated fair values of available-for-sale marketable securities as of December 31, 2025 and 2024:

	Amortized cost		Gross unrealized gains		Gross unrealized losses		Estimated fair value (Level 2 within the fair value hierarchy)	
	December 31,		December 31,		December 31,		December 31,	
	2025	2024	2025	2024	2025	2024	2025	2024
Corporate debentures	$ 34,906	$ 822,156	$ 130	$ 779	$ (1)	$ (4,552)	$ 35,035	$ 818,383
U.S. Treasuries	2,975	92,902	—	50	—	(51)	2,975	92,900
U.S. Government Agencies	—	8,060	—	4	—	(32)	—	8,033
	$ 37,881	$ 923,118	$ 130	$ 833	$ (1)	$ (4,635)	$ 38,010	$ 919,316

The scheduled maturities of available-for-sale marketable securities as of December 31, 2025 are as follows:

	Amortized cost	Estimated fair value
Due within one year	$ 20,541	$ 20,572
Due after one year through five years	17,340	17,438
	$ 37,881	$ 38,010

Investments with continuous unrealized losses for less than 12 months and 12 months or greater and their related fair values as of December 31, 2025 and 2024 are as indicated in the following tables:

	December 31, 2025					
	Investments with continuous unrealized losses for less than 12 months		Investments with continuous unrealized losses for 12 months or greater		Total Investments with continuous unrealized losses	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
Corporate debentures	$ —	$ —	$ 3,021	$ (1)	$ 3,021	$ (1)
	$ —	$ —	$ 3,021	$ (1)	$ 3,021	$ (1)

	December 31, 2024					
	Investments with continuous unrealized losses for less than 12 months		Investments with continuous unrealized losses for 12 months or greater		Total Investments with continuous unrealized losses	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
Corporate debentures	$ 370,114	$ (3,123)	$ 167,185	$ (1,429)	$ 537,299	$ (4,552)
U.S. Treasuries	5,949	(22)	10,068	(29)	16,017	(51)
U.S. Government Agencies	5,075	(32)	—	—	5,075	(32)
	$ 381,138	$ (3,177)	$ 177,253	$ (1,458)	$ 558,391	$ (4,635)

NOTE 4:- PREPAID EXPENSES AND OTHER CURRENT ASSETS

	December 31,	
	2025	2024
Government authorities	$ 84,425	$ 111,580
Interest receivable	10,490	4,206
Prepaid expenses	109,691	105,910
Other	19,174	17,384
	$ 223,780	$ 239,080

NOTE 5:- PREPAID EXPENSES AND OTHER LONG-TERM ASSETS

	December 31,	
	2025	2024
Deferred commission costs	$ 127,746	$ 118,531
Severance pay fund	14,593	11,972
Prepaid expenses	88,314	78,751
Other	2,442	3,258
	$ 233,095	$ 212,512

NOTE 6:- PROPERTY AND EQUIPMENT, NET

	December 31,	
	2025	2024
Cost:		
Computers and peripheral equipment	$ 87,334	$ 67,260
Internal use software	380,074	301,632
Office furniture and equipment	3,487	3,663
Leasehold improvements	29,336	28,616
	500,231	401,171
Accumulated depreciation:		
Computers and peripheral equipment	43,038	19,017
Internal use software	245,341	175,660
Office furniture and equipment	170	758
Leasehold improvements	22,287	20,444
	310,836	215,879
Depreciated cost	$ 189,395	$ 185,292

Depreciation expense totaled $98,307, $89,151 and $74,907 for the years ended December 31, 2025, 2024 and 2023, respectively.

The Company recorded a reduction of $3,781 and $325,346 to the cost and accumulated depreciation of fully depreciated equipment, internal use software and leasehold improvements no longer in use for the years ended December 31, 2025 and 2024, respectively.

NOTE 7:- OTHER INTANGIBLE ASSETS, NET

a. Finite-lived other intangible assets:

	December 31,	
	2025	2024
Original amounts:		
Core technology	$ 1,238,975	$ 843,415
Customer relationships and backlog	402,481	351,185
Trademarks	66,076	50,780
	1,707,532	1,245,380
Accumulated amortization:		
Core technology	751,003	672,849
Customer relationships and backlog	321,687	296,864
Trademarks	47,243	44,321
	1,119,933	1,014,034
Other intangible assets, net	$ 587,599	$ 231,346

b. Amortization expense amounted to $100,737, $115,869 and $92,445 for the years ended December 31, 2025, 2024 and 2023, respectively.

c. Estimated intangible asset amortization expense:

For the year ending December 31,	
2026	$ 143,341
2027	121,413
2028	107,646
2029	59,479
2030	57,906
2031	57,906
Thereafter	39,908
	$ 587,599

NOTE 8:- GOODWILL

Following the Company's acquisitions in 2025 and 2024, as described in Note 1b, the changes in the carrying amount of goodwill allocated to reportable segments for the years ended December 31, 2025 and 2024 are as follows:

	Year ended December 31, 2025		
	Customer Engagement	Financial Crime and Compliance	Total
As of January 1, 2025	$ 1,499,610	$ 350,058	$ 1,849,668
Acquisitions	578,775	—	578,775
Functional currency translation adjustments	10,658	1,431	12,089
As of December 31, 2025	$ 2,089,043	$ 351,489	$ 2,440,532

	Year ended December 31, 2024		
	Customer Engagement	Financial Crime and Compliance	Total
As of January 1, 2024	$ 1,471,606	$ 350,363	$ 1,821,969
Acquisitions (*)	30,833	—	30,833
Functional currency translation adjustments	(2,829)	(305)	(3,134)
As of December 31, 2024	$ 1,499,610	$ 350,058	$ 1,849,668

(*) Including adjustment of $3,743 resulting from the finalization of purchase price allocations with respect to 2023.

NOTE 9:- ACCRUED EXPENSES AND OTHER LIABILITIES

	December 31,	
	2025	2024
Payroll and related expenses	$ 230,092	$ 196,940
Accrued expenses	196,162	157,857
Government authorities	41,084	235,469
Other	1,854	2,843
	$ 469,192	$ 593,109

NOTE 10:- DERIVATIVE INSTRUMENTS

The Company's risk management strategy includes the use of derivative financial instruments to reduce the volatility of earnings and cash flows associated with changes in foreign currency exchange rates.

ASC 815, "Derivatives and Hedging" ("ASC 815"), requires the Company to recognize all of its derivative instruments as either assets or liabilities on the balance sheet at fair value. The accounting for changes in the fair value (i.e., gains or losses) of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and further, on the type of hedging relationship. For those derivative instruments that are designated and qualify as hedging instruments, an entity must designate the hedging instrument, based upon the exposure being hedged, as a fair value hedge, cash flow hedge or a hedge of a net investment in a foreign operation.

Gains and losses on derivatives instruments that are designated and qualify as a cash flow hedge (i.e., hedging the exposure to variability in expected future cash flows that are attributable to a particular risk), are recorded in accumulated other comprehensive income (loss) and reclassified into the statement of income in the same accounting period in which the designated forecasted transaction or hedged item affects earnings.
The Company entered into forward contracts to hedge a portion of anticipated New Israeli Shekel ("NIS"), Indian Rupee ("INR"), Philippine Peso ("PHP") and Colombian Peso ("COP") payroll and benefit payments. These derivative instruments are designated as cash flow hedges, as defined by ASC 815 and accordingly are measured at fair value. These transactions are effective and, as a result, gain or loss on the derivative

NOTE 10:- DERIVATIVE INSTRUMENTS (Cont.)

instruments are reported as a component of accumulated other comprehensive income (loss) and reclassified as payroll expenses, respectively, at the time that the hedged income/expense is recorded.

	Notional amount		Fair value (Level 2 within the fair value hierarchy)	
	December 31,		December 31,	
	2025	2024	2025	2024
Forward contracts				
expenses NIS	133,851	122,401	10,153	4,047
expenses INR	65,174	68,504	(1,138)	(1,329)
expenses PHP	12,932	12,697	(215)	(341)
expenses COP	6,432	7,526	337	(428)
	$ 218,389	$ 211,128	$ 9,137	$ 1,949

The Company currently hedges its exposure to the variability in future cash flows, generally for a maximum period of one year. As of December 31, 2025, the Company expects to reclassify all of its unrealized gains and losses from accumulated other comprehensive income to earnings during the next twelve months.

The fair value of the Company's outstanding derivative instruments at December 31, 2025 and 2024 is summarized below:

		Fair value of derivative instruments	
		December 31,	
	Balance sheet line item	2025	2024
Derivative assets:			
Foreign exchange forward contracts	Prepaid expenses and other current assets	$ 10,490	$ 4,047
Derivative liabilities:			
Foreign exchange forward contracts	Accrued expenses and other liabilities	$ (1,353)	$ (2,098)

The effect of derivative instruments in cash flow hedging relationship on income and other comprehensive income for the years ended December 31, 2025, 2024 and 2023 is summarized below:

	Amount of gain (loss) recognized in other comprehensive income on derivative, net of tax		
	Year Ended December 31,		
	2025	2024	2023
Derivatives in foreign exchange cash flow hedging relationships:			
Forward contracts	$ 16,844	$ (3,621)	$ (5,300)
	$ 16,844	$ (3,621)	$ (5,300)

NOTE 10:- DERIVATIVE INSTRUMENTS (Cont.)

Derivatives in foreign exchange cash flow hedging relationships for the years ended December 31, 2025, 2024 and 2023 is summarized below:

		Amount of gain (loss) reclassified from other comprehensive income into income (expenses), net of tax		
		Year Ended December 31,		
	Statements of income line item	2025	2024	2023
Forward contracts to hedge payroll	Cost of revenues, operating expenses	(10,088)	4,520	13,335
		$ (10,088)	$ 4,520	$ 13,335

NOTE 11:- LEASES

The Company has entered into various non-cancelable operating lease agreements for certain office spaces and motor vehicles. The leases have original lease periods expiring between 2026 and 2037. The Company does not assume renewals in its determination of the lease term unless the renewals are considered as reasonably assured.

The operating lease cost for the year ended December 31, 2025 was $15,155.

Supplemental cash flow information related to leases was as follows:

	Year ended December 31, 2025
Cash payments related to operating lease	$ 16,244
New right-of-use assets obtained in exchange for operating lease obligations	7,609

Maturities of lease liabilities were as follows:

	Operating Leases
2026	$ 16,329
2027	14,174
2028	14,656
2029	13,670
2030	12,432
Thereafter	34,143
Total lease payments	105,404
Less imputed interest	(16,603)
Total	$ 88,801

Supplemental balance sheet information related to leases was as follows:

	Year ended December 31, 2025
Current maturities of operating leases	13,742
Long-term operating leases	75,059
Total operating lease liabilities	$ 88,801
Weighted-average remaining operating lease term	7.61
Weighted-average discount rate of operating leases	4.78 %

NOTE 12:- COMMITMENTS AND CONTINGENT LIABILITIES

a. Commitments:

The Company is also obligated under certain agreements with its suppliers to purchase licenses and hosting services. These non-cancelable obligations as of December 31, 2025 are $342,548, and are expected to be realized during the years 2026-2030.

b. Legal proceedings:

From time to time the Company or its subsidiaries may be involved in legal proceedings and/or litigation arising in the ordinary course of business. While the outcome of these matters cannot be predicted with certainty, the Company does not believe it will have a material effect on its consolidated financial position, results of operations, or cash flows.

c. Bank Guarantees:

The Company obtained bank guarantees as of December 31, 2025 of $2,595, primarily in connection with office lease agreements.

NOTE 13:- TAXES ON INCOME

a. Israeli taxation:

1. Corporate tax:

Commencing 2012, NiCE and its Israeli subsidiary elected the Preferred Enterprise regime to apply under the Law for the Encouragement of Capital Investments (the "Investment Law"). The election is irrevocable.

In December 2016, the Israeli Knesset passed a number of changes to the Investments Law regimes. These changes came into law in May 2017, effective beginning January 1, 2017, upon the passing into law of Regulations promulgated by the Finance Ministry to implement the "Nexus Principles" based on OECD guidelines published as part of the Base Erosion and Profit Shifting (BEPS) project. Such Regulations provide rules for implementation of the Special Preferred Technology Enterprise tax regime.

The Company believes it qualifies as a Special Preferred Technology Enterprise and accordingly is eligible for a tax rate of 6% on its Special qualifying Preferred Technology income, as defined in such regulations, beginning from tax year 2017 and onwards. The Company expects that it will continue to qualify as a Special Preferred Technology Enterprise in subsequent tax years.

Income not eligible for Preferred Enterprise or Preferred Technology Enterprise or Special Preferred Technology Enterprise benefits is taxed at the regular corporate tax rate, which was 23% in 2025, 2024 and 2023.

2. Foreign Exchange Regulations:

Under the Foreign Exchange Regulations, NiCE and its Israeli subsidiary calculate their tax liability in U.S. Dollars according to certain orders. The tax liability, as calculated in U.S. Dollars, is translated into NIS according to the exchange rate as of December 31st of each year.

NOTE 13:- TAXES ON INCOME (Cont.)

3. Tax benefits under the Israeli Law for the Encouragement of Industry (Taxation), 1969:

   NiCE and its Israeli subsidiary believe they each currently qualify as an "Industrial Company" as defined by the Investment Law and, as such, are entitled to certain tax benefits including deduction of public offering expenses in three equal annual installments and amortization of cost of purchased know-how and patents for tax purposes over eight years.

b. Income taxes on non-Israeli subsidiaries:

   Non-Israeli subsidiaries are taxed according to the tax laws in their respective country of residence. The Company's consolidated tax rate depends on the geographical mix of where its profits are earned. In 2025, the Company's U.S. subsidiaries are subject to combined federal and state income taxes of approximately 25.26% and its subsidiaries in the U.K. and India are subject to corporation tax at a rate of approximately 25.00% and 25.17%, respectively. Neither Israeli income taxes, foreign withholding taxes nor deferred income taxes were provided in relation to undistributed earnings of the Company's foreign subsidiaries. This is because the Company has the intent and ability to reinvest these earnings indefinitely in the foreign subsidiaries and therefore those earnings are continually redeployed in those jurisdictions. As of December 31, 2025, the amount of undistributed earnings of non-Israeli subsidiaries, which is considered indefinitely reinvested, was $1,665 with a corresponding unrecognized deferred tax liability of $230. If these earnings were distributed to Israel in the form of dividends or otherwise, the Company would be subject to additional Israeli income taxes, subject to an adjustment for foreign tax credits, and foreign withholding taxes.

c. Net operating loss carryforward:

   As of December 31, 2025, the Company and certain of its subsidiaries had tax loss carry-forwards totaling in aggregate approximately $237,607, which can be carried forward and offset against taxable income. Approximately $168,852 of these carry-forward tax losses have no expiration date, with the balance expiring between the years 2026 and 2041.

   Utilization of U.S. net operating losses may be subject to substantial annual limitation due to the "change in ownership" provisions of the Internal Revenue Code of 1986 and similar state provisions. The annual limitation may result in the expiration of net operating losses before utilization.

d. Deferred tax assets and liabilities:

   Deferred taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts recorded for tax purposes. Significant components of the Company's deferred tax assets and liabilities are as follows :

NOTE 13:- TAXES ON INCOME (Cont.)

	December 31,	
	2025	2024
Deferred tax assets:		
Net operating losses carryforward and tax credits	$ 67,096	$ 50,090
Acquired intangibles (*)	13,172	9,256
Operating leases liabilities	15,985	21,124
Share based payments	36,462	39,784
Research and development costs	135,522	154,024
Reserves, allowances and other	49,816	51,788
Deferred tax assets before valuation allowance	318,053	326,066
Valuation allowance	(9,722)	(11,401)
Deferred tax assets	308,331	314,665
Deferred tax liabilities:		
Acquired intangibles	(157,533)	(1,638)
Operating lease right-of-use assets	(13,536)	(17,381)
Internal use software and other fixed assets	(18,991)	(45,070)
Prepaid compensation expenses	(29,367)	(28,160)
Other	(684)	(5,149)
Deferred tax liabilities	(220,111)	(97,398)
Deferred tax assets, net	$ 88,220	$ 217,267

(*) During the years ended December 31, 2025 and 2024, the Company completed intra-entity transfers of certain intangible assets to a different tax jurisdiction. As a result of the transfers, the Company utilized net operating losses carried forward and incurred a tax expense on the resulting capital gains.

	December 31,	
	2025	2024
Deferred tax assets	$ 198,213	$ 219,232
Deferred tax liabilities	(109,993)	(1,965)
Deferred tax assets, net	$ 88,220	$ 217,267

The Company has provided valuation allowances in respect of certain deferred tax assets resulting from tax loss carry forwards and other reserves and allowances due to uncertainty concerning their realization.

e. A reconciliation of the Company's effective tax rate to the statutory tax rate in Israel is as follows:

NOTE 13:- TAXES ON INCOME (Cont.)

	Year Ended December 31,					
	2025		2024		2023	
	Amount	Percent	Amount	Percent	Amount	Percent
Statutory tax rate	161,931	23 %	139,110	23 %	105,271	23 %
Preferred Tax Benefit Regimes (*)	(59,236)	(8)%	(10,975)	(2)%	(25,505)	(6)%
Foreign tax effects						
United Kingdom						
Statutory tax rate difference between United Kingdom and Israel	725	— %	7,089	1 %	—	— %
Changes in valuation allowance	(1,678)	— %	(8,417)	(1)%	7,249	2 %
Other	5,842	1 %	(4,154)	(1)%	4,560	1 %
United States						
Statutory tax rate difference between United State and Israel	(5,994)	(1)%	(6,980)	(1)%	(4,412)	(1)%
State income taxes, Net of Federal Income Tax Effect	902	— %	35,448	6 %	(1,354)	— %
Share-based payment awards	13,910	2 %	10,703	2 %	21,090	5 %
Capital Gain on Sales of IP	28,938	4 %				
Foreign-derived intangible income	(7,195)	(1)%	(10,925)	(2)%	(5,866)	(1)%
Research and Development tax credits	(7,035)	(1)%	(8,974)	(1)%	(6,797)	(1)%
Other	(9,712)	(1)%	(3,777)	(1)%	(15,121)	(3)%
India	—	— %	—	— %	4,075	1 %
Other foreign jurisdictions	(1,603)	— %	(2,673)	— %	4,266	1 %
Nontaxable or Nondeductible Items						
Share-based payment awards	—	— %	—	— %	4,854	1 %
Other Nontaxable or Nondeductible Items	(5,640)	(1)%	(1,396)	— %	4,525	1 %
Changes in Unrecognized Tax Benefits	(17,228)	(2)%	22,557	4 %	26,181	6 %
Other Adjustments	(5,012)	(1)%	5,602	1 %	(3,617)	(1)%
Total income tax expenses	$ 91,916	13 %	$162,238	27 %	$119,399	26 %

(*) The effect of the benefit resulting from the "Preferred Enterprise/Preferred Technology Enterprise benefits " status on net earnings per ordinary share is as follows:

NOTE 13:- TAXES ON INCOME (Cont.)

	Year Ended December 31,		
	2025	2024	2023
Basic	$ 0.32	$ 1.27	$ 0.49
Diluted	$ 0.30	$ 1.23	$ 0.47

f. Income before taxes on income is comprised as follows:

	Year Ended December 31,		
	2025	2024	2023
Domestic	$ 363,941	$ 178,691	$ 195,203
Foreign	340,076	426,135	262,497
	$ 704,017	$ 604,826	$ 457,700

g. Taxes on income (tax benefit) are comprised as follows:

	Year Ended December 31,		
	2025	2024	2023
Current	$ 81,476	$ 202,178	$ 182,789
Deferred	10,440	(39,940)	(63,390)
	91,916	162,238	119,399
Domestic	(9,289)	58,711	51,334
Foreign	101,205	103,527	68,065
	$ 91,916	$ 162,238	$ 119,399

NOTE 13:- TAXES ON INCOME (Cont.)

Of which:

	Year Ended December 31,		
	2025	2024	2023
Domestic taxes:			
Current	$ (6,109)	$ 44,659	$ 50,414
Deferred	(3,180)	14,052	920
	(9,289)	58,711	51,334
Foreign taxes:			
Current	87,585	157,519	132,375
Deferred	13,620	(53,992)	(64,310)
	101,205	103,527	68,065
Taxes on income	$ 91,916	$ 162,238	$ 119,399

h. Uncertain tax positions:
A reconciliation of the beginning and ending balances of the total amounts of uncertain tax position is as follows:

	December 31,	
	2025	2024
Uncertain tax positions, beginning of year	$ 92,851	$ 90,124
Increases (decrease) in tax positions for prior years	8,147	(4,345)
Increases in tax positions for current year	14,715	9,743
Settlements	(41,652)	—
Expiry of the statute of limitations	(3,520)	(2,671)
Uncertain tax positions, end of year	$ 70,541	$ 92,851

The Company accrued $16,678 and $62,487 due to interest and penalties related to uncertain tax positions as of December 31, 2025 and 2024, respectively.

NiCE and its foreign affiliates in Hungary and in the United Kingdom ("Foreign Affiliates") were undergoing routine Israeli income tax audits for the tax years 2011 through 2021. Following discussions

NOTE 13:- TAXES ON INCOME (Cont.)

with the Israel Tax Authority ("ITA"), on May 20, 2025, the parties entered into a settlement agreement relating to the tax years 2011-2021, pursuant to which the parties have agreed on an overall settlement for all issues under dispute.The settlement agreement was approved by the Israeli court on May 20, 2025.

In July 2025, the OBBBA was enacted into law. For fiscal year 2025, the primary impact of the OBBBA to the Company's tax provision was the accelerated expensing of domestic R&D activities, which decreased the Company's income eligible for FDII, reduced the Company's deferred tax assets, and reduced the Company's current income tax liability. Other OBBBA changes did not have a material impact on the Company's financial statements.

As of December 31, 2025, U.S. federal income tax returns filed by the Company's U.S. subsidiaries for the tax years prior to 2021 are no longer subject to general audit. To the extent the Company or its subsidiaries generated net operating losses or tax credits in closed tax years, future use of the net operating loss or tax credit carry forward balance would be subject to examination within the relevant statute of limitations for the year in which it was utilized. The Company and its subsidiaries are still subject to other income tax audits for the tax years of 2019 through 2024.

NOTE 14:- SHAREHOLDERS' EQUITY

a. The ordinary shares, par value NIS 1.0 per share, of the Company are traded on the Tel-Aviv Stock Exchange and its American Depositary Shares ("ADSs"), each representing one fully paid ordinary share, are traded on The NASDAQ Stock Market.

b. Share option plan:

2016 Share Incentive Plan

In February 2016 the Company adopted the 2016 Share Incentive Plan (the "2016 Plan") to provide incentives to employees, directors, consultants and/or contractors by rewarding performance.

Under the 2016 Plan, the Company's employees, directors, consultants and/or contractors may be granted any equity-related award, including: any type of an option to acquire the Company's ordinary shares; share appreciation right; share and/or restricted share award ("RSA"); restricted stock unit ("RSU") and/or other share unit; and/or other share-based award and/or other right or benefit under the 2016 Plan, including any such equity-related award that is a performance-based award (each an "Award").

Generally, under the terms of the 2016 Plan, unless determined otherwise by the administrator of the 2016 Plan, 25% of an Award granted becomes exercisable on the first anniversary of the date of grant and 6.25% becomes exercisable once every quarter during the subsequent three years. Specifically with respect to RSUs and options granted with an exercise price equal to the nominal value of an ordinary share ("par value options"), unless determined otherwise by the Board of Directors, 25% of the RSUs and the par value options granted become vested on each of the four consecutive annual anniversaries following the date of grant. Certain executive officers are entitled to acceleration of vesting of Awards in the event of a change of control, subject to certain conditions.

Awards with a vesting period expire six years after the date of grant. Pursuant to a resolution of the Company's Board of Directors dated February 4, 2014, options that are performance-based and that were granted during calendar year 2014 and thereafter shall expire seven years following the date of grant. The maximum number of shares that may be subject to Awards granted under each of the Plans is calculated each calendar year as 3% of the Company's issued and outstanding share capital as of December 31 of the preceding calendar year (pursuant to an amendment of the 2016 Plan approved by the Board of Directors on

NOTE 14:- SHAREHOLDERS' EQUITY (Cont.)

October 2, 2019). Such amount is reset for each calendar year. Awards are non-transferable except by will or the laws of descent and distribution.

Options granted under the 2016 Plan are granted at an exercise price equal to the average of the closing prices of one ADR as quoted on the Nasdaq market during the 30 consecutive calendar days preceding the date of grant, unless determined otherwise by the administrator of the 2016 Plan (including par value options).

The Company's Board of Directors also adopted an addendum to the 2016 Plan for Awards granted to residents of Israel (the "2016 Addendum") and resolved to elect the "Capital Gains Route" (as defined in Section 102(b)(2)) of the Israeli Income Tax Ordinance-5721-1961 ("Tax Ordinance") for the grant of Awards to Israeli grantees. There is also a U.S. addendum under the 2016 Plan that applies to non-qualified stock options for purposes of U.S. tax laws.

Employee Share Purchase Plan

In August 2025, the Company's Board of Directors approved the NiCE Employee Share Purchase Plan ("ESPP" or the "Plan"), and on September 30, 2025, the Company's shareholders approved the Plan. The Plan permits eligible employees to purchase shares of the Company's common stock through payroll deductions with up to 15% of their gross base earnings. The purchase price of the shares is 85% of the lower of the fair market value of the Company's common stock on the first day of a six month offering period, or the relevant purchase date. In addition, no participant may purchase more than 1,000 shares of common stock in each purchase period.

During 2025, the Company granted 894,258 options and restricted share units under the 2016 Plan (which constituted 1.48% of the Company issued and outstanding share capital as of December 31, 2025).

Pursuant to the terms of certain acquisitions, the Company assumed or replaced unvested options and RSUs and converted them or replaced them with the Company's options and RSUs, as applicable, based on an agreed exchange ratio. Each assumed or replaced option and RSU is subject to the same terms and conditions, including vesting, exercisability and expiration, as originally applied to any such option and RSU immediately prior to the acquisition.

NOTE 14:- SHAREHOLDERS' EQUITY (Cont.)

The fair value of the Company's stock options granted to employees and directors for the years ended December 31, 2025, 2024 and 2023 was estimated using the following assumptions:

	2025	2024	2023
Expected volatility	34.85%-42.91%	33.33%-36.70%	33.35%-35.67%
Risk free interest rate	3.45%-4.32%	3.49%-4.57%	3.60%-4.68%
Expected dividend	—	—	—
Expected term (in years)	2.5 - 3.5	2.5-3.5	3.5

The following table set forth the parameters used in computation of the ESPP for the year ended December 31, 2025:

	2025
Expected volatility	40.65 %
Risk free interest rate	3.77 %
Expected dividend	—
Expected term (in years)	0.5

A summary of the Company's stock options activity and related information for the year ended December 31, 2025, is as follows:

	Number of options	Weighted-average exercise price ($)	Weighted-average remaining contractual term (Years)	Aggregate intrinsic value ($)
Outstanding at January 1, 2025	1,248,159	25.53	4.08	184,832
Granted	439,722	10.51		
Exercised	(158,693)	6.06		
Cancelled	(12,543)	199.10		
Forfeited	(81,892)	0.27		
Outstanding at December 31, 2025	1,434,753	23.00	3.96	142,015
Exercisable at December 31, 2025	608,521	48.33	2.58	51,459

The weighted-average grant-date fair value of options granted during the years 2025, 2024 and 2023 was $141.00, $169.94 and $171.43, respectively.

The total intrinsic value of options exercised, and restricted shares vested during the years 2025, 2024 and 2023 was $118,347, $191,389 and $138,202, respectively.

NOTE 14:- SHAREHOLDERS' EQUITY (Cont.)

The options outstanding under the Company's stock option plans as of December 31, 2025, have been separated into ranges of exercise price as follows:

Ranges of exercise price	Options outstanding as of December 31, 2025	Weighted average remaining contractual term (Years)	Weighted Average Exercise Price ($)	Options Exercisable as of December 31, 2025	Weighted average exercise price of options exercisable ($)
$ 0.00 - 0.32	1,257,106	4.14	0.25	454,412	0.29
$ 20.44 - 54.51	2,729	2.54	31.71	2,729	31.71
$ 144.90 - 197.42	106,570	3.36	163.85	83,032	169.22
$ 206.52 - 232.2	68,348	1.72	221.56	68,348	221.56
	1,434,753	3.96	23.00	608,521	48.33

A summary of the Company's RSU and the Company's RSA activities and related information for the year ended December 31, 2025, is as follows:

	Number of RSU (*)	Weighted average grant date fair value per share
Outstanding at January 1, 2025	1,787,822	196.57
Granted	454,536	161.09
Vested	(655,863)	208.86
Forfeited	(246,735)	193.88
Outstanding at December 31, 2025	1,339,760	178.82

(*) NIS 1.0 par value, which represents approximately $0.30.

The total fair value of RSUs vested during 2025, 2024 and 2023 was $136,984, $149,531 and $111,795, respectively.

As of December 31, 2025, the total compensation cost related to non-vested awards not yet recognized was approximately $168,423, which is expected to be recognized over a weighted average period of approximately 1.72 years.

NOTE 14:- SHAREHOLDERS' EQUITY (Cont.)

The total equity-based compensation expense related to all of the Company's equity-based awards recognized for the years ended December 31, 2025, 2024 and 2023 was comprised as follows:

	Year ended December 31,		
	2025	2024	2023
Cost of revenues	$ 14,161	$ 17,418	$ 18,904
Research and development, net	20,600	33,526	38,047
Selling and marketing	50,729	57,230	48,022
General and administrative	64,665	78,927	78,329
Total stock-based compensation expenses	$ 150,155	$ 187,101	$ 183,302

c. Treasury shares:

On November 9, 2022, the Company's Board of Directors authorized an additional program to repurchase up to $250,000 of the Company issued and outstanding ordinary shares and ADRs, which commenced following completion of the program that was authorized in 2020. On November 15, 2023, the Company's Board of Directors authorized a program to repurchase up to $300,000 of the Company issued and outstanding ordinary shares and ADRs, which commenced following completion of the repurchase program that was authorized by the Company's Board of Directors in 2022. On June 7, 2024, the Company's Board of Directors authorized the acceleration of the $300,000 share repurchase plan. On that day, the Company's Board also authorized an additional program to repurchase up to $500,000 of the Company issued and outstanding ordinary shares and ADRs. The Company fully executed the $300,000 share repurchase program by December 31, 2024. The Company fully executed the $500,000 share repurchase program authorized on June 7, 2024, by December 31, 2025. On May 15, 2025, the Company's Board of Directors authorized an additional $500,000 share repurchase program of the Company issued and outstanding ordinary shares and ADRs.

Repurchases may be made from time to time in the open market or in privately negotiated transactions in accordance with applicable securities laws and regulations. The timing and amount of the repurchase transactions will be determined by management and may depend on a variety of factors including market conditions, alternative investment opportunities and other considerations.

These programs do not obligate us to acquire any particular amount of ordinary shares and ADRs and each program may be modified or discontinued at any time without prior notice.

NOTE 15:- DEBT

Exchangeable Senior Notes and Hedging Transactions

2017 Notes

In January 2017, the Company issued $287,500 aggregate principal amount of 2017 Notes due 2024.

In the event that the last reported sale price of the company's ADS for at least 20 trading days (whether consecutive or not) during the period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the exchange price ("Share Price Condition") or in the event of the satisfaction of certain other conditions, during set periods, as defined in the indenture governing the Notes, the holders of the exchangeable senior notes had the option to exchange the Notes for (at the Company's election) (i) cash, (ii) ADSs or (iii) a combination thereof.

As of December 31, 2023, the Share Price Condition for the 2017 Notes was triggered and, accordingly, the net carrying amount of these 2017 Notes was presented in current liabilities.

The Company had the ability to provide additional ADSs upon conversion if there is a "Make-Whole Fundamental Change" in the Company as defined in the indenture governing the 2017 Notes. The 2017 Notes were not redeemable by the Company prior to the maturity date apart from certain cases as set forth in the indenture governing the notes.

On December 31, 2021, the Company entered into the First Supplemental Indenture. In accordance with the First Supplemental Indenture, the Company irrevocably elected cash settlement for the principal and any premium due upon conversion (as defined in the 2017 Indenture) to apply to all conversions of 2017 Notes with an Exchange Date (as defined in the 2017 Indenture) that occurs on or after December 31, 2021.

As a result of the requirement to deliver cash to settle the principal and any premium due upon conversion, on December 31, 2021, the Company reclassified from equity to liability the conversion option (a derivative) fair value of $292,940. The conversion option will be no longer eligible for ASC 815 scope exception. Therefore, a derivative accounting for the conversion option was required.

Debt issuance costs of $5,791 attributable to the 2017 Notes were amortized as interest expense over the contractual term of the notes using the effective interest rate.

Interest was payable on the debentures semi-annually at the cash coupon rate, however, the remaining debt discount was amortized as additional non-cash interest expense using an effective annual interest rate equal to the Company's estimated nonconvertible debt borrowing rate at the time of issuance.

The Company received notice for conversion of $87,427 of principal amount of the 2017 Notes in 2024, for which $87,435 was settled in 2024. The Company paid the note holders the conversion value of the notes in cash. The cash conversion premium payment upon conversion of the 2017 Notes was offset by cash under the convertible bond hedge transaction (a derivative) entered into in connection with the offering of the 2017 Notes.

In January 2024, the Company settled the entire 2017 Notes in cash, reflecting both the principal amount in the sum of $87,435 and the conversion option in the sum of $104,673. As such, the Company settled the associated debt hedge asset in the total amount of $104,673, using the resulting proceeds to repay the outstanding debt.

2020 Notes

NOTE 15:- DEBT (Cont.)

In August 2020, the Company issued $460,000 aggregate principal amount of exchangeable senior notes (the "2020 Notes" and together with the 2017 Notes, the "Notes") due 2025.

In the event that the Share Price Condition was satisfied or in the event of the satisfaction of certain other conditions, during set periods, set forth in the indenture governing the 2020 Notes, the holders of the exchangeable senior notes had the option to exchange the Notes for (at the Company's election) (i) cash, (ii) ADSs or (iii) a combination thereof.

On December 31, 2021, the Company irrevocably elected that all conversions occurring on or after December 31, 2021, will be settled pursuant to a Combination Settlement (as defined in the 2020 Indenture) with a Specified Dollar Amount (as defined in the 2020 Indenture) no less than $1,000 per $1,000 principal amount of 2020 Notes. Generally, under this settlement method, the conversion value corresponding to the principal amount will be converted in cash, and the conversion value over the principal amount will be settled, at the Company's election, in cash or shares or a combination thereof.

The 2020 Notes were redeemable by the Company on or after September 21, 2023 upon the fulfillment of the Share Price Condition for cash in relation to the principal amount, and the conversion value over the principal amount could be settled, at the Company's election, in (i) cash, (ii) ADSs or (iii) a combination thereof, apart from certain cases as set forth in the indenture governing the Notes.

The 2020 Notes did not bear interest, however, the remaining debt discount was being amortized as additional non-cash interest expense using an effective annual interest rate.

Debt issuance costs of $8,574 attributable to the 2020 Notes were amortized as interest expense over the contractual term of the 2020 Notes using the effective interest rate.

The 2020 Notes fully matured on September 15, 2025 and were settled in cash in the amount of $460,000.

The carrying values of the liability of the Notes are reflected in the Company's accompanying consolidated balance sheets as follows:

	2020 Notes December 31,	
	2025	2024
Principal	$ —	$ 460,000
Conversion option (Level 2)		
Less:		
Debt issuance costs, net of amortization	—	(1,209)
Unamortized discount	—	—
Net liability carrying amount	$ —	$ 458,791

NOTE 15:- DEBT (Cont.)

Interest expense related to the Notes is reflected on the accompanying consolidated statements of income as follows:

	2020 Notes Year Ended December 31,			2017 Notes Year Ended December 31,		
	2025	2024	2023	2025	2024	2023
Amortization of debt issuance costs	$ 1,210	$ 1,710	$ 1,699	$ —	$ 14	$ 316
Non-cash amortization of debt discount	—	—	—	—	110	2,600
Interest expense	—	—	—	—	46	1,101
Loss in respect of convertible loan extinguishment	—	—	—	—		53
Total interest expense recognized	$ 1,210	$ 1,710	$ 1,699	$ —	$ 170	$ 4,070
Effective interest rate	0.37 %	0.37 %	0.37 %	— %	4.65 %	4.65 %

Exchangeable notes hedge transactions

In connection with the pricing of the 2017 Notes, the Company entered into privately negotiated exchangeable note hedge transactions with some of the initial purchasers and/or their respective affiliates (the "Option Counterparties").

Subject to customary anti-dilution adjustments substantially similar to those applicable to the 2017 Notes, the exchangeable note hedge transactions covered the number of ADSs that underlined the 2017 Notes.

The note hedge transactions were generally expected to reduce cash payments the Company was required to make in excess of the principal amount, in each case, upon any exchange of the 2017 Notes.

As stated above, the Company irrevocably elected cash settlement to apply to all conversions of 2017 Notes with an Exchange Date (as defined in the 2017 Indenture) that occurs on or after December 31, 2021.

Conversion notices received on and after December 31, 2021 relating to the 2017 Notes was fully settled in cash, and amounts paid in excess of the principal amount were offset by an equal receipt of cash under the convertible bond hedge.

As a result of the irrevocable cash election, on December 31, 2021, the Company reclassified from equity to derivative asset the remaining bond hedge fair value of $292,940 (Level 2).

Concurrently with the Company's entry into the exchangeable note hedge transactions, the Company entered into warrant transactions with the Option Counterparties relating to the same number of ADSs (3,457,475), with a strike price of $101.82 per ADS, subject to customary anti-dilution adjustments. The warrants were classified to equity.

During 2024, the warrants were exercised into 1,513,183 ordinary shares.

NOTE 16:- REPORTABLE SEGMENTS AND GEOGRAPHICAL INFORMATION

a. Reportable segments:

ASC 280, "Segment Reporting"' establishes standards for reporting information about operating segments. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. This standard updates reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses and information used to assess segment performance on an interim and annual basis. The Company adopted ASU 2023-07 during the year ended December 31, 2024, on a retrospective basis.

The Company reports its financial results for our two reportable segments: Customer Engagement and Financial Crime and Compliance.

The Customer Engagement segment includes CXone Mpower platform that empowers organizations to automate service at scale, augment the workforce with AI-powered solutions, and unify enterprise knowledge, data and AI models to drive faster resolutions and superior customer experiences.
The Financial Crime and Compliance Segment includes embedded-AI solutions that identify risks and help prevent money laundering and fraud, as well as help ensure financial markets compliance in real-time.

The Company's chief executive officer is its chief operating decision maker (CODM), who allocates resources to and assesses the performance of each operating segment using information about the operating segment's revenue and operating income.

The following table sets forth segment information of revenue, expenses, and operating income:

NOTE 16:- REPORTABLE SEGMENTS AND GEOGRAPHICAL INFORMATION (Cont.)

	Year ended December 31, 2025			
	Customer Engagement	Financial Crime and Compliance	Not allocated	Total
Revenues	$ 2,459,974	$ 485,425	$ —	2,945,399
Cost of Cloud (1)	676,020	95,034		
Cost of Services (1)	122,099	72,458		
Cost of Product (1)	16,355	4,385		
Other segment items (1,2)	980,425	146,701		
Operating income	$ 665,075	$ 166,847	$ (186,164)	$ 645,758
Financial income and other, net				58,259
Income before taxes on income				$ 704,017

(1) Includes depreciation and amortization expense. Depreciation and amortization expense totaled $161,050 and $22,400 in respect of the Customer Engagement and Financial Crime and Compliance segments, respectively.

(2) Other segment items represent mainly cost of wages, maintenance expense, professional services expense, marketing expense, depreciation and amortization expense, and other expenses.

	Year ended December 31, 2024			
	Customer Engagement	Financial Crime and Compliance	Not allocated	Total
Revenues	$ 2,281,781	$ 453,491	$ —	$ 2,735,272
Cost of Cloud (1)	620,919	74,125		
Cost of Services (1)	124,250	58,127		
Cost of Product (1)	17,926	3,124		
Other segment items (1,2)	944,352	159,819		
Operating income	$ 574,334	$ 158,296	$ (186,676)	$ 545,954
Financial income and other, net				58,872
Income before taxes on income				$ 604,826

NOTE 16:- REPORTABLE SEGMENTS AND GEOGRAPHICAL INFORMATION (Cont.)

(1) Includes depreciation and amortization expense. Depreciation and amortization expense totaled $174,659 and $20,985 in respect of the Customer Engagement and Financial Crime and Compliance segments, respectively.

(2) Other segment items represent mainly cost of wages, maintenance expense, professional services expense, marketing expense, depreciation and amortization expense, and other expenses.

	Year ended December 31, 2023			
	Customer Engagement	Financial Crime and Compliance	Not allocated	Total
Revenues	$ 1,974,090	$ 403,418	$ —	$ 2,377,508
Cost of Cloud (1)	496,516	58,618		
Cost of Services (1)	132,069	56,190		
Cost of Product (1)	17,804	3,259		
Other segment items (1,2)	870,908	156,328		
Operating income	$ 456,793	$ 129,023	$ (150,589)	$ 435,227
Financial income and other, net				22,473
Income before taxes on income				$ 457,700

(1) Includes depreciation and amortization expense. Depreciation and amortization expense totaled $143,585 and $15,757 in respect of the Customer Engagement and Financial Crime and Compliance segments, respectively.

(2) Other segment items represent mainly cost of wages, maintenance expense, professional services expense, marketing expense, depreciation and amortization expense, and other expenses.

The following table presents property and equipment as of December 31, 2025 and 2024, based on operational segments:

	December 31,	
	2025	2024
Customer Engagement	$ 158,829	$ 147,869
Financial Crime and Compliance	28,949	35,624
Non-allocated	1,617	1,799
	189,395	$ 185,292

NOTE 16:- REPORTABLE SEGMENTS AND GEOGRAPHICAL INFORMATION (Cont.)

b. Geographical information:

Total revenues from external customers on the basis of the Company's geographical areas are as follows:

	Year Ended December 31,		
	2025	2024	2023
Americas, principally the US	$ 2,465,646	$ 2,321,524	$ 1,986,634
EMEA (*)	321,609	275,009	244,523
Israel	3,462	3,053	3,508
Asia Pacific	154,682	135,686	142,843
	$ 2,945,399	$ 2,735,272	$ 2,377,508

The following presents property and equipment and operating lease right-of-use assets as of December 31, 2025 and 2024, based on geographical areas:

	December 31,	
	2025	2024
Americas, principally the US	$ 110,818	$ 132,115
EMEA (*)	18,065	12,509
Israel	121,806	118,786
Asia Pacific	16,770	14,965
	$ 267,459	$ 278,375

(*) Includes Europe, the Middle East (excluding Israel) and Africa.

NOTE 17:- SELECTED STATEMENTS OF INCOME DATA

a. Research and development, net:

	Year Ended December 31,		
	2025	2024	2023
Total costs	$ 441,252	$ 432,355	$ 386,745
Less - grants and participations	(1,878)	(1,961)	(2,441)
Less - capitalization of software development costs	(78,924)	(69,787)	(61,596)
	$ 360,450	$ 360,607	$ 322,708

NOTE 17:- SELECTED STATEMENTS OF INCOME DATA (Cont.)

b. Financial expenses and other, net:

	Year Ended December 31,		
	2025	2024	2023
Financial income:			
Interest and amortization/accretion of premium/discount on marketable securities, net	$ 32,446	$ 40,482	$ 13,813
Exchange rates differences	7,226	—	—
Interest income	22,025	24,501	20,260
	61,697	64,983	34,073
Financial expenses:			
Interest expense	—	(46)	(1,101)
Loss in respect of debt extinguishment	—	—	(53)
Debt issuance costs amortization	(1,210)	(1,724)	(2,015)
Exchangeable senior notes amortization of discount	—	(110)	(2,600)
Exchange rates differences	—	(466)	(3,297)
Other	(2,657)	(3,390)	(2,412)
	(3,867)	(5,736)	(11,478)
Other Income (expenses), net	429	(375)	(122)
	$ 58,259	$ 58,872	$ 22,473

c. Net earnings per share:

The following table sets forth the computation of basic and diluted net earnings per share:

1. Numerator:

	Year Ended December 31,		
	2025	2024	2023
Net income to ordinary shareholders	$ 612,101	$ 442,588	$ 338,301

NOTE 17:- SELECTED STATEMENTS OF INCOME DATA (Cont.)

2. Denominator (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Denominator for basic net earnings per share:			
Weighted average number of shares (thousand)	62,333	63,483	63,590
Effect of dilutive securities:			
Add - Employee stock options, RSU and ESPP	990	1,172	995
Warrants issued in the exchangeable notes transaction	—	851	1,680
Denominator for diluted net earnings per share - adjusted weighted average shares (thousand)	63,323	65,506	66,265

NOTE 18:- RELATED PARTY BALANCES AND TRANSACTIONS

As of December 31, 2024, the 2020 Subsidiary's CEO held 12.04% of the 2020 Subsidiary, which reflects $5,406 of the non-controlling amount on the balance sheet as of December 31, 2024.

On January 16, 2025, the Company acquired an additional 29.9% in the 2020 Subsidiary. Upon consummation of the acquisition, the 2020 Subsidiary became a wholly-owned subsidiary of the Company.

NOTE 19:- SUBSEQUENT EVENTS

On February 18, 2026, the Company's Board of Directors approved an additional $600,000 share repurchase program.

On February 18, 2026, the Company's Board of Directors adopted an extension and amendment to the 2016 Share Incentive Plan.

On February 20, 2026, the Company and a US subsidiary as a borrower, completed the closing of a secured credit agreement providing for a $300,000 revolving credit facility. The facility requires a parent guarantee from the Company. As of the date these financial statements were issued, no amounts were drawn.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

NICE LTD.

By: /s/ Scott Russell
Scott Russell
Chief Executive Officer

Date: February 26, 2026

NICE ~~Systems~~ LTD.

2016 SHARE INCENTIVE PLAN

A. NAME AND PURPOSE

1. **Name:** This plan, as amended from time to time, shall be known as the "NICE ~~Systems~~ Ltd. 2016 Share Incentive Plan".

2. **Purpose:** The purpose and intent of the Plan is to provide incentives to employees, directors, consultants and/or contractors of the Company, by providing them with opportunities to purchase or otherwise hold Shares, pursuant to a plan approved by the Board which is designed to enable the Company to issue equity related awards.

Incentives under the Plan will only be issued to Grantees (as defined below) subject to the applicable law in their respective country of residence for Tax or other purposes.

B. DEFINITIONS

"**Administrator**" means (i) the Board, or (ii) the Company's Compensation Committee or a committee of the Board appointed by the Board for the purpose of the administration of the Plan, if appointed, to the extent acting in accordance with specific authorization and guidelines provided by the Board for such purpose and subject to any restriction under applicable law.

"**Adoption Date**" means the Date of Grant, or any other date of commencement of vesting of an Award, for the purposes of the Plan, that is determined by the Administrator for a given grant of an Award.

"**Affiliate**" means any company ~~in which NICE Systems Ltd.~~which NICE Ltd., directly or indirectly, controls, is controlled by, or is under common control with, such company and any company in which NICE Ltd. holds, directly or indirectly, at least 10% of the issued share capital or voting power.

"**Award**" means any equity related award, including any type of an Option and/or Share Appreciation Right and/or Share and/or Restricted Share and/or Restricted Share Unit and/or other Share unit and/or other Share-based award and/or other right or benefit under the Plan, including any such equity related award that is a Performance Based Award.

"**Board**" means the Board of Directors of the Company.

"**Cause**" means, unless otherwise defined in the Notice of Grant, (i) breach of the Grantee's duty of loyalty towards the Company or any of its Affiliates, or (ii) breach of the Grantee's duty of care towards the Company or any of its Affiliates, or (iii) the commission of any flagrant criminal offense by the Grantee, or (iv) the commission of any act of theft, fraud, embezzlement~~,~~ willful misconduct or dishonesty towards the Company or any of its Affiliates by the Grantee, or (v) any ~~unauthorized use or disclosure~~breach by the Grantee of ~~confidential information or trade secrets of the Company,~~any material agreement with or of any material duty of the Grantee to the Company or any Affiliate thereof (including breach of confidentiality, non-disclosure, non-use, non-competition or non-solicitation covenants towards the Company or any of its Affiliates), or (vi) ~~any other intentional misconduct~~ an act of moral turpitude by the Grantee ~~(by~~, or any other act or omission~~)~~ by the Grantee adversely affecting the reputation, business or affairs of the Company ~~in a material manner~~or any of its Affiliates, or (vii) any act or omission by the Grantee which would allow for the termination of the Grantee's employment without severance pay, according to the Israeli Severance Pay Law, 1963, or any similar provision of law in the jurisdiction in which the Grantee is employed~~.~~ or according to Grantee's employment or service agreement with the Company or any of its Affiliates.

"**Cessation of Service**" means (i) the cessation of the employee-employer relationship between the Grantee, who was an employee of the Company on the Date of Grant of any Awards to him or her, and the Company, for any reason; or (ii) the cessation of service of a Grantee, who was a director of the Company on the Date of Grant of any Awards to him or her, as a director of the Company, for any reason; or (iii) the termination or expiration of an agreement between the Company and a Grantee who was a consultant or contactor of the Company on the Date of Grant of any Awards to him or her, for any reason.

"**Change of Control**" means the first to occur of the following:

(i) any Person (within the meaning of Section 3(a)(9) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), except that such term shall not include (A) the Company, (B) a trustee or other fiduciary holding securities under an employee benefit plan of the Company, (C) an underwriter temporarily holding securities pursuant to an offering of such securities, or (D) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of Ordinary Shares of the Company), is or becomes the "beneficial owner" (determined in accordance with Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company (not including securities beneficially owned by such Person that were acquired directly from the Company) representing either: (A) 50% or more of the combined voting power of the Company's then outstanding securities, or (B) 25% or more of the combined voting power of the Company's then outstanding securities, provided such Person appoints, recommends or designates at least two nominees to serve on the Board, and such nominees are elected or appointed to serve on the Board, whether in addition to the individuals defined in paragraph (ii) below or in their place; and excluding any Person who becomes such a beneficial owner in connection with a transaction described in clause (A) of paragraph (iii) below; or

(ii) any time at which the following individuals cease for any reason (other than their death) to constitute a majority of the number of directors of the Company then serving: (a) individuals who, on the ~~date hereof~~Effective Date, constitute the members of the Board and (b) any ~~new director (other than a~~ director whose ~~initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose~~ appointment, nomination or election by the Board or nomination by the Board for election by the ~~Company's~~Company's shareholders was, subsequent to the Effective Date, approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the ~~date hereof~~Effective Date or whose appointment, election or nomination for election was previously so approved or recommended~~;~~, but specifically excluding (c) a director whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board.

(iii) there is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation, other than (A) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), at least 50% of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the beneficial owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its affiliates) representing 25% or more of the combined voting power of the Company's then outstanding securities; or

(iv) the shareholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of

all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, at least 25% of the combined voting power of the voting securities of which are owned by shareholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

"**Companies Law**" means the Israeli Companies Law, 1999, as amended from time to time.

"Company" means NICE ~~Systems~~ Ltd., a company organized under the laws of the State of Israel, or any Affiliate thereof.

"**Corporate Transaction"** means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its discretion, of the consolidated assets of the Company and its subsidiaries to any person;

(ii) a sale or other disposition (including an exchange) of ~~at least fifty percent (50%)~~all or substantially all of the outstanding securities of the Company to any person;

(iii) a merger~~, consolidation or similar transaction following which the Company is not the surviving corporation;~~

~~(iv)~~ (including, a reverse merger~~,~~ and a reverse triangular merger), consolidation or reorganization ~~following which the Company is the surviving corporation but the Ordinary Shares of the Company outstanding immediately preceding the merger, consolidation~~ or ~~reorganization are converted~~like transaction of the Company with or ~~exchanged by virtue of the merger, consolidation or reorganization into other property, whether in the form of securities, cash or otherwise; or~~into another corporation;

~~(v~~(iv) approval by the shareholders of the Company of a complete liquidation or dissolution of the Company;

(v) a Change of Control; or

(vi) such other transaction or set of circumstances that is determined by the Administrator, in its discretion, to be a "Corporate Transaction"; excluding any of the foregoing transactions in clauses (i) through (viii) if the Administrator determines that such transaction should be excluded from the definition hereof.

(vii) With respect to an executive officer of the Company, who is directly subordinate to the CEO, in any of the above events ~~(in subsections i-iv)~~ the word "Company" may be replaced therein by "Business Unit". A "**Business Unit**" shall mean a business unit of the Company, whether organized as a wholly owned entity or in any other form of unit in the Company if and to the extent so determined and deemed suitable and appropriate under the circumstances by the Administrator.

~~Notwithstanding the aforesaid, with respect to acceleration of vesting, the definitions of Corporate Transaction in sub sections (ii)-(iv) above, shall not include events that would not also be deemed to be a "Change of Control". Whether a transaction is a "Corporate Transaction" as defined above, shall be finally and conclusively determined by the .Administrator in its absolute discretion~~

"**Date of Grant**" means the effective date of grant of an Award, as detailed in Section 5.1 below.

"**Date of Cessation**" means the effective date of a Cessation of Service ~~(~~, i.e.: (i) if the Grantee is an employee of the Company - the date on which the employee-employer relationship between the Grantee and the Company ceases to exist; (ii) if the Grantee is a contractor or consultant - the effective date ~~on which~~of termination of services pursuant to the consulting or contractor agreement between the Grantee and the Company ~~expires~~; or (iii) if the Grantee is a director - the date on which the Grantee ceases to serve as a director of the Company~~.~~". "**Disability**" means, unless otherwise defined in the Notice of Grant, the inability to engage in any substantial gainful occupation for which the Grantee is suited by education, training or experience, by reason of any medically determinable physical or mental impairment ~~that is~~which has lasted or can be expected to ~~result in such person's death or to continue~~last for a period of six (6) consecutive months or more, as determined in accordance with applicable law in the relevant jurisdiction or Company's internal policy in said jurisdiction. "**Exercise Conditions**" means a Vesting Period and/or Performance Conditions.

"**Exercise Price"** means (i) the purchase price per Share subject to an Award, or (ii) the nominal value per Share to be paid upon the ~~vesting~~settlement of an Award that does not require exercise by the Grantee, to the extent the Grantee is required to pay such nominal value hereunder, as applicable.

"**Exercised Share**" means a Share issued upon exercise of an Award or ~~vesting~~settlement of an Award, as applicable, or, if applicable, a freely transferable Share issued to a Grantee not resulting from another type of Award.

"**Grantee**" means the person to whom an Award shall be granted under the Plan.

"**Notice of Exercise**" means a written notice of exercise of an Award, delivered by a Grantee to the Company.

"**Notice of Grant**" means a written notice of the grant of an Award, accompanied by an applicable agreement between the Company and the Grantee relating to the terms of grant of said Award.

"**Option**" means an option to purchase a Share or Shares.

"**Performance Based Award**" means a performance based Award as defined in Section 10.1 below.

"**Performance Conditions**" as defined in Section 10.1 below.

"**Plan**" means this "NICE ~~Systems~~ Ltd. 2016 Share Incentive Plan", as amended from time to time.

"**Representative**" means any third party designated by the Company for the purpose of the exercise of Awards, as provided in Section 8.2 below.

"Restricted Share" means a Share issued under the Plan to a Grantee for such consideration, if any, and subject to such restrictions as established by the Company, as detailed in Section 9A below.

"**RSU**" means Restricted Share Unit, as defined in Section 9 below.

"**Sale**" means the sale of all or substantially all of the issued and outstanding share capital of the Company.

"**Share**" means an Ordinary Share, nominal value of NIS 1.00 each of the Company.

"Share Appreciation Right (SAR)" means a right entitling the Grantee to Shares, measured by appreciation in value of a Share during the period from the Adoption Date or Date of Grant to date of exercise of such right, as detailed in Section 9B below.

"**Stock Market**" means a stock exchange or an electronic securities trading system (such as NASDAQ).

"**Successor Entity Award**" means securities of any ~~successor entity~~Successor Entity, as provided in Section 11.4 below.

"Tax" means any and all federal, provincial, state and local taxes of any applicable jurisdiction, and other governmental fees, charges, duties, impositions and liabilities of any kind whatsoever, including social security, national health insurance or similar compulsory payments, together with all interest, linkage for inflation, penalties and additions imposed with respect to such amounts.

"**Vesting Period**" of an Award means, for the purpose of the Plan and its related instruments, the period between the Adoption Date and the date on which (i) the Grantee may exercise the Award into Exercised Shares; or (ii) if said Award does not require the Grantee to exercise it, the date on which the Award ~~vests~~settles into an Exercised Share; or (iii) the date on which a Share (not resulting from another type of Award) may be freely transferred by the Grantee (subject to any other restrictions prescribed herein or by law).

C. GENERAL TERMS AND CONDITIONS OF THE PLAN

3. Administration:

3.1 The Plan will be administered by the Administrator, subject to applicable law, including but not limited to the instructions of the Companies Law.

3.2 Subject to the general terms and conditions of the Plan, the Administrator shall have the full authority in its discretion, from time to time and at any time, to determine (i) the Grantees under the Plan, (ii) the number of Shares subject to each Award, the type of Award, ~~and~~ the Exercise Price per Share and the time of expiration of Awards, (iii) the time or times at which the same shall be granted, (iv) the vesting schedule, restrictions and conditions, including Performance Conditions (as defined in Section 10 below), if applicable, on which Awards may vest or be exercised and on which Shares shall be paid for, (v) the method of payment for Shares purchased pursuant to any Award, (vi) the method for satisfaction of any tax withholding obligation arising in connection with an Award, including by the withholding, delivery or sale of Shares, (vii) the fair market value of the Shares, (viii) the acceleration of vesting any Award, (ix) the amendment, modification, conversion, substitution, cancellation or suspension of Awards in accordance with this Plan, (x) rules and provisions, as may be necessary or appropriate to permit eligible Grantees resident or employed in any specific jurisdiction to participate in the Plan and/or to receive preferential tax treatment in their country of residence, with respect to Awards granted hereunder, and/or (~~viii~~xi) any other matter which is necessary or desirable for, or incidental to, the administration of the Plan.

3.3 The Administrator may, from time to time, adopt such rules and regulations for carrying out the Plan, as it may deem necessary. No member of the Administrator shall be liable for any act or determination made in good faith with respect to the Plan or any Award granted.

3.4 The interpretation and construction by the Administrator of any provision of the Plan or of any Award thereunder shall be final and conclusive and binding on all parties who have an interest in the Plan or any Award or Exercised Share, unless otherwise determined by the ~~Board.~~Administrator.

3.5 Notwithstanding anything to the contrary herein, any Award granted under the Plan to an Office Holder (as such term is defined under the Companies Law) shall be subject to the terms of the Company's Executives & Directors Compensation Policy, unless otherwise determined by the Administrator and approved in accordance with the provisions of the Companies Law.

4. Eligible Grantees:

4.1 The Administrator, at its discretion, may grant Awards to any employee, director, consultant ~~and/or,~~ contractor and/or other service provider of the Company. Anything in the Plan to the contrary notwithstanding, all grants of Awards shall be authorized and implemented only in accordance

with the provisions of applicable law.

4.2 The grant of an Award to a Grantee hereunder, shall neither entitle such Grantee to participate, nor disqualify him from participating, in any other grant of Awards pursuant to the Plan or any other incentive plan of the Company.

5. **Date of Grant and Shareholder Rights:**

5.1 Date of Grant. Subject to Sections 7.1 and 7.2 hereof and to any applicable law, the Date of Grant shall be the date the Administrator resolves to grant such Award, or any later date, if so specified by the Administrator in its determination relating to the grant of such Award. It is clarified, that the event that a specific grant of an Award requires an additional corporate approval under any applicable laws or regulations, the Administrator is authorized to determine that for the purposes of vesting of such award and the determination of the ~~exercise price~~Exercise Price, the Date of Grant shall be deemed to be the date of the Administrator's resolution~~).~~. The Company shall promptly give the Grantee a Notice of Grant following the Date of Grant.

5.2 Shareholder Rights. A Grantee holding of an Award shall have no shareholder rights with respect to the Shares subject to such Award until such Grantee (i) shall have exercised such Award or such Award has vested, as applicable, and (ii) shall have all restrictions applicable to any Shares issued to him removed, if applicable; and (iii) has paid the applicable Exercise Price, if any; and (iv) has become the record holder of the Exercised Shares.

6. **Reserved Shares:**

6.1 The maximum number of Shares that may be subject to Awards granted under the Plan shall be an amount per calendar year, commencing on the 2016 calendar year, equal to 3% of the Company's total issued and outstanding Share capital as of the 31st of December of the preceding calendar year (but for the sake of clarity, excluding treasury shares), subject to adjustments as provided in Section 11 hereof. The amount stated above shall be re-set for each calendar year.

It is clarified, that any balance of such amount not utilized in a certain calendar year cannot be utilized in any following calendar year.

Notwithstanding the above, for the 2016 calendar year the aforementioned amount will be reduced by the number of Shares subject to Awards granted by the Company during the 2016 calendar year under the "NICE-Systems Ltd. 2008 Share Incentive Plan".

Notwithstanding the above, equity-based awards assumed, substituted or granted by the Company as part of or in connection with a ~~corporate transaction~~Corporate Transaction (including, without limitation, awards assumed or substituted from an entity merged into or with the Company or any of its Affiliates, acquired by the Company or any of its Affiliates, or otherwise involved in a similar ~~corporate transaction~~Corporate Transaction) shall not count against the number of shares reserved and available for issuance pursuant to the Plan.

6.2 Without derogating from the foregoing in Section 6.1, in the event that Shares under the Plan, in respect of which the right of a Grantee to hold or purchase or be issued the same, shall for any reason, terminate, expire, be forfeited, or retained by the Company upon exercise of an Award in order to satisfy the exercise or purchase price for such Award (including for example when effecting a "Net Exercise"), or otherwise cease to exist, such Shares shall be treated as not issued and shall again be available for grant through Awards during the calendar year on which they've terminated, expired, forfeited, retained as aforesaid, or otherwise ceased to exist under the Plan, and under any sub-plans of the Plan, as the Administrator may determine at its own discretion, from time to time. Notwithstanding the above, Shares withheld or ~~reacquired~~re-acquired by the Company in satisfaction of tax withholding obligations pursuant to Section 14.2 below shall not be taken into account for the purposes of calculating the maximum number of Shares that may be subject to Awards pursuant to Section 6.1 above.

6.3 Without derogating from the foregoing, the ~~Committee~~Administrator shall have full authority in its discretion to determine that the Company may issue, for the purposes of the Plan, previously issued Shares that are held by the Company, from time to time, as Dormant Shares (as such term is defined in the Companies Law).

6.4 Notwithstanding the foregoing, (i) a Grantee may elect, or (ii) the Company may determine at its sole and absolute discretion, at the time of exercise (or vesting) of an Award, that the Company shall issue, in lieu of Ordinary Shares, an equal number of the Company's American Depositary Receipts ("**ADRs**"), each of which represents one American Depositary Share which, in turn, represents one Share. It is clarified, ~~that~~Awards~~that~~ Awards may not be exercised for a combination of Shares and ADRs.

7. **Required Approvals; Notice of Grant; Vesting:**

7.1 The implementation of the Plan and the granting of any Award under the Plan shall be subject to the Company's procurement of all approvals and permits required by applicable laws or regulatory authorities having jurisdiction over the Plan, the Awards granted under it, and the Shares issued pursuant to it.

7.2 The Notice of Grant shall state, *inter alia*, the number of Shares subject to each Award, the type of Award, the vesting schedule, the dates when the Award may be exercised and/or will vest (as applicable), any restrictions upon transfer or sale of Shares (if applicable), the Exercise Price, the tax ~~treatment~~classification to which the Award is subject and such other terms and conditions as the Administrator at its discretion may prescribe, provided that they are consistent with the Plan.

7.3 Vesting of Awards. Unless determined otherwise by the Administrator, the Vesting Period shall be such that all Awards shall be fully vested on the first business day following the passing of four (4) years from the Adoption Date, such that twenty five percent (25%) of the Shares subject to the Awards shall vest on each of the four consecutive annual anniversaries following the Adoption Date, provided however, that the Administrator may also determine longer or shorter vesting periods, and that a certain portion of such Awards may also be subject to vesting Performance Conditions. Specifically with respect to Options (other than Options granted at an ~~exercise price~~Exercise Price equal to their nominal value) and, unless determined otherwise by the Administrator, the Vesting Period shall be such that that all Awards shall be fully vested on the first business day following the passing of four (4) years from the Adoption Date, such that twenty five percent (25%) of the Shares subject to the Awards shall vest on the first anniversary of the Adoption Date, and 6.25% of the Shares subject to the Awards shall vest on the last day of each consecutive calendar quarter following the first anniversary of the Adoption Date (a total of 12 calendar quarters).~~.~~

Notwithstanding the foregoing, if the term of an Option or SAR, as applicable, would expire when trading in the Shares is prohibited by law or the Company's internal policies applicable thereto (such as an insider trading policy), except in connection with a Grantee's cessation by the Company for Cause, then the term of such Option or SAR, as applicable, shall expire upon the later of: (i) the thirtieth (30) day after the expiration of such prohibition; and (ii) the applicable ~~Option or SAR, as applicable,~~ expiration date of such Option or SAR.

Unless determined otherwise by the Administrator, ~~a period in which the Grantee~~vesting of Awards granted hereunder shall ~~not~~ be ~~employed by the Company, or in which the Grantee shall have taken~~suspended during an unpaid leave of absence that is longer than 30 consecutive days ~~(excluding~~, other than during a leave of absence during which Grantee's right to return to service is secured by applicable law in the relevant jurisdiction or by Company's internal policy in said jurisdiction (for example, military ~~reserves duty or the mandatory~~leave, statutory maternity ~~leave~~or paternity leave), in such case vesting will continue according to the Company's internal policy or as otherwise determined by ~~law), or in which the Grantee shall not serve as a director, consultant or contractor of the Company, , shall not be included in the Vesting Period. Notwithstanding the~~

~~aforesaid~~the Administrator. In addition, it is hereby clarified that the Vesting Period shall continue in any of the foregoing events that is the result of a Grantee's Disability, subject to the provisions of the Plan relating to Disability.

7.4 Acceleration of Vesting.

(a) Anything herein to the contrary in the Plan notwithstanding, the Administrator shall have full authority to determine at any time any provisions regarding the acceleration of the Vesting Period of any Award (including, without limitation, accelerating the vesting schedule of any outstanding unvested Award upon an event of a ~~Change of Control or~~ Corporate Transaction), or the cancellation of all or any portion of any outstanding restrictions or Exercise Conditions with respect to any Award or Share upon certain events or occurrences, and to include such provisions in the Notice of Grant on such terms and conditions as the Administrator shall deem appropriate.

(b) Without deviating from the generality of the foregoing, the ~~Board~~Administrator shall have full authority to determine with respect to Awards granted to certain executive officers of the Company, that in the event of the occurrence of both (i) ~~a Change of Control or~~ a Corporate Transaction, and (ii) ~~either (A) the receipt of a notice of the Cessation of Services of the Grantee by the Company (i.e., not voluntarily by the Grantee), other than for Cause,~~ within 12 months following the closing of said ~~Change of Control or~~ Corporate Transaction ~~(regardless of the effective Date of Cessation), or (B) a demotion (or a notice thereof) in such Grantee's position or any other material adverse change in such Grantee's functions, duties or responsibilities, initiated by the Company or the Board within 12 months following the closing of said Change of Control or~~ , Grantee's employment with the Company (or the entity that employs Grantee after the consummation of a Corporate Transaction~~;~~), is terminated (a) by the Company (or by such entity that employs Grantee) for any reason other than for Cause; or (b) by Grantee for Good Reason (as such term is defined below); then all or a portion of the Awards granted to said Grantee and not yet exercised or expired will immediately become fully vested and/or exercisable (as applicable), and, that upon the occurrence thereof, any Performance Conditions with respect to such Awards shall be deemed to be wholly satisfied. It is clarified, that in the event of Cessation of Services, acceleration of vesting, as aforementioned, shall occur on the date that Cessation of Services becomes effective. The Administrator may discriminate among Grantees and among Awards made to a Grantee in exercising its discretion pursuant to this Section 7.4(b).

"**Good Reason**" means, without the Grantee's written consent, (i) a reduction of more than 10%, in the Grantee's base salary or target annual bonus opportunity, unless such reductions are made in the same proportion as part of across-the-board salary reductions for substantially all similarly situated Grantees; (ii) a material diminution in the Grantee's authority, duties, or responsibilities, provided however, that a change in job title, reporting line, or organizational structure shall not be deemed a "material diminution" unless the Grantee's new authority, duties or responsibilities are substantially changed or reduced from the prior authority, duties or responsibilities; (iii) a relocation of the Grantee's principal place of employment by more than fifty (50) miles; or (iv) the failure of a successor to assume the Company's obligations under Grantee's existing equity award agreement; provided that no termination shall be for Good Reason unless (a) the Grantee provides written notice to the Company within sixty (60) days after the initial occurrence of the event alleged to constitute Good Reason, and (b) the Company fails to cure such event within thirty (30) days after receipt of such notice, and (c) the Grantee's resignation occurs after the initial occurrence of such event.

(c) With respect to Awards that the Administrator determines are subject to acceleration of vesting as aforementioned in this Section 7.4, in no event shall such acceleration rights be amended or altered in any way as a result of ~~a Change of Control or~~ any Corporate Transaction, and such rights shall continue to apply in any event of assumption or substitution of such Awards by any ~~successor entity~~Successor Entity.

8. **Options:**

8.1 Exercise Price. The Exercise Price per Share subject to each Option shall be determined by the Administrator in its sole and absolute discretion, subject to applicable law and to guidelines adopted by the ~~Board~~Administrator, from time to time. In the event the Exercise Price is not determined by the Administrator, and provided the Company's shares are listed on any Stock Market, the Exercise Price of an Option shall be equal to the average of the closing prices of one ADR of the Company, as quoted on the NASDAQ market, during the 30 consecutive calendar days preceding the Date of Grant.

If the Shares are not listed on a Stock Market, or representative quotes are not otherwise available, the Exercise Price shall mean the amount determined by the Administrator in good faith, to be the fair market value per Share.

8.2 Exercise of Options. Options shall be exercisable pursuant to the terms under which they were awarded and subject to the terms and conditions of the Plan. The exercise of an Option shall be made by (a) a written Notice of Exercise delivered by the Grantee to the Company at its principal executive office, and/or to a Representative, in such form and method as may be determined by the Company, or (b) an exercise order submitted via the online service operated and maintained by the Company or any of its service providers; in any case specifying the number of Shares to be purchased and accompanied by the payment of the Exercise Price, at the Company's or the Representative's principal office, and containing such other terms and conditions as the Administrator shall prescribe from time to time.

Each payment for Exercised Shares shall be in respect of a whole number of Shares, and shall be effected ~~in cash or by a bank's check payable to the order of the Company,~~: (i) in cash, (ii) by a bank's check payable to the order of the Company, or (iii) if the Company's shares are listed for trading on any securities exchange or over-the-counter market, and if the Administrator so determines, all or part of the Exercise Price and any withholding taxes may be paid by the delivery (on a form prescribed by the Company) of an irrevocable direction to a securities broker approved by the Company to sell Shares and to deliver all or part of the sales proceeds to the Company, the Representative and/or to the Trustee, as applicable, (iv) by applying the Net Exercise mechanism set forth in Section 8.3 below, or (v) or such other method of payment acceptable to the Company.

8.3 Net Exercise. Notwithstanding the provisions of Section 8.2 above, the ~~Board~~Administrator may determine that instead of ~~issuing one~~ payment of the Exercise Price in cash, the Grantee may elect to receive Exercised ~~Share as a result of~~Shares equal to the ~~exercise~~aggregate value of ~~each one Option (subject to adjustments under Section 11 herein), any~~ the Options ~~shall be~~ (or the portion thereof being exercised) by written notice of such election to the Company, in which event the Company shall issue to the Grantee, for no additional consideration, that number of Shares computed using the following ~~method~~formula (the "**Net Exercise**"):

~~(a) The Company shall issue to the Grantee a number of Shares having an aggregate Market Value (as defined below) equal to the Benefit Amount (the "**Net Exercise Shares**");~~

~~For the purposes of this section:~~

~~**(i)**~~

$$= X \quad \frac{Y\ (A - B)}{A}$$

Where:

X = The number of Shares to be issued to the Grantee.

= YThe ~~:**Benefit Amount**" shall mean the difference between"~~

~~(A) the product of (x) the Market Value and (y) the~~ number of Shares~~ subject~~, as adjusted to the ~~Options for which a Notice~~date of ~~Exercise has been delivered to~~calculation, underlying the ~~Company; and~~number of vested Options being exercised.

~~(B) the product of (x) the~~A = The Market Value of one (1) Share (on the exercise date).

B = The Exercise Price~~ and (y) the number of Shares~~.

(a) The application of Net Exercise with respect to any 102 Awards shall be subject to ~~**the Options for which a Notice of Exercise has been delivered**~~obtaining a ruling from the ITA, to the ~~**Company.**~~ extent required by applicable law;

~~(ii~~(b) "**Market Value**" shall mean the closing price for a Share on the last trading day prior to the date of exercise, as reported or quoted on NASDAQ (or on any other Stock Market on which Shares are traded, if so determined by the Administrator).

(~~b~~c) The Grantee shall not be required to pay to the Company any sum with respect to the exercise of such Options, other than a sum equal to the aggregate nominal value of the Net Exercise Shares (which shall be paid in a manner provided in Section 8.2 above) (the "**Nominal Value Sum**"). The ~~Board~~Administrator, in its sole discretion, shall determine procedures from time to time for payment of such nominal value by the Grantee or for collection of such amount from the Grantee by the Company. However, the Company shall have the full authority in its discretion to determine at any time that the Nominal Value Sum shall not be paid and that the Company shall capitalize applicable profits or take any other action to ensure that it meets any requirement of applicable law regarding issuance of Shares for consideration that is lower than the nominal value of such Shares;

(~~c~~d) In any event, no fractional Shares will be issued to the Grantee and the number of Shares granted to the Grantee under the Plan shall be rounded off (upward or downward, as the Administrator shall determine) to the nearest whole number.

8.4 Term of Options. Unless otherwise determined by the Administrator, anything herein to the contrary notwithstanding, but without derogating from the provisions of Section 8.6 below, if any Option has not been exercised and the Shares subject thereto not paid for within six (6) years after the Date of Grant (or any shorter or longer period set forth in the Notice of Grant), such Option and the right to acquire such Shares shall terminate, all interests and rights of the Grantee in and to the same shall *ipso facto* expire, and the Shares subject to such Options shall again be available for grant through Options under the Plan, any sub-plans of the Plan, as provided for in Section 6 herein.

8.5 The exercise of the Options shall be subject to any applicable law, including when applicable, the limitations in connection with the use of nonpublic information.

8.6. Cessation of Service.

(a) Employees. In the event of a Cessation of Service, all Options theretofore granted to such Grantee when such Grantee was an employee of the Company, unless determined otherwise by the Administrator, shall terminate as follows:

(i) All such Options that are not vested on the Date of Cessation shall terminate immediately, except as detailed in sub-section (iii) below.

(ii) If the Grantee's Cessation of Service is by reason of such Grantee's Disability, such Options (to the extent vested at the Date of Cessation) shall be exercisable by the Grantee or the Grantee's guardian, legal representative, estate or other person to whom the Grantee's rights are transferred by will or by laws of descent or distribution, at any time until the lapse of twelve (12) months from the Date of Cessation (but in no event after the expiration date of such Options), and shall thereafter terminate.

(iii) If the Grantee's Cessation of Service is by reason of such Grantee's death, then: (A) the vesting of the Grantee's Options which are not vested and exercisable as of the Date of Cessation shall be accelerated and such Options shall become immediately vested (and all Performance Conditions shall be deemed to have been achieved) and exercisable as of the Date of Cessation; and (B) such Options (to the extent vested at the Date of Cessation due to sub-section (A) or otherwise) shall be exercisable by the Grantee or the Grantee's guardian, legal representative, estate or other person to whom the Grantee's rights are transferred by will or by laws of descent or distribution, at any time until the lapse of twelve (12) months from the Date of Cessation (but in no event after the expiration date of such Options), and shall thereafter terminate.

(iv) If the Grantee's Cessation of Service is due to any reason other than those stated in Sections 8.6(a)(ii), 8.6(a)(iii) and 8.6(a)(v) herein, such Options (to the extent vested on the Date of Cessation) shall be exercisable at any time until the lapse of three (3) months from the Date of Cessation (but in no event after the expiration date of such Options), and shall thereafter terminate; provided, however, that if the Grantee dies within such period, such Options (to the extent vested on the Date of Cessation) shall be exercisable by the Grantee's legal representative, estate or other person to whom the Grantee's rights are transferred by will or by laws of descent or distribution at any time until the lapse of twelve (12) months from the Date of Cessation (but in no event after the expiration date of such Options), and shall thereafter terminate.

(v) Notwithstanding the aforesaid, if the Grantee's Cessation of Service is for Cause, all of the Options whether vested or not shall *ipso facto* expire immediately and be of no legal effect.

(vi) Whether the Cessation of Service of a particular Grantee is by reason of "Disability" for the purposes of paragraph 8.6(a) hereof, or is for Cause as set forth in paragraph 8.6(a)(v) hereof, shall be finally and conclusively determined by the Administrator in its absolute discretion.

(vii) Notwithstanding the aforesaid, under no circumstances shall any Option be exercisable after the specified expiration of the term of such Option.

(b) Directors, Consultants and Contractors. In the event of Cessation of Service of a Grantee, who is a director, consultant or contractor of the Company, the provisions of Section 8.6(a) above shall apply, *mutatis mutandis*.

(c) Notwithstanding the foregoing provisions of this Section 8.6, the Administrator shall have the discretion, exercisable either at the time an Option is granted or thereafter, to:

(i) Extend the period of time for which the Option is to remain exercisable following the Date of Cessation to such greater period of time, as the Administrator shall deem appropriate, but in no event beyond the specified expiration of the term of the Option; and/or

(ii) Permit the Option to be exercised~~,~~ during the applicable exercise period following the Date of Cessation, not only with respect to the number of Shares for which such Option is exercisable at the Date of Cessation but also with respect to one or more additional installments which would have vested under the Option had the Grantee continued his or her

employment or engagement with the Company.

(d) Notwithstanding the foregoing provisions of this Section 8.6, unless determined otherwise by the Administrator, "Cessation of Service" shall not include: (i) a change in status from an employee, director, consultant and/or contractor to another such status, provided that the individual remains in the continuous service of the Company or any Affiliate in any one of such capacities as an employee, director, consultant and/or contractor; ~~and~~ (ii) the transfer of a Grantee from the employment or service of the Company to the employment or service of an Affiliate, or from the employment or service of an Affiliate to the employment or service of the Company or another Affiliate~~.~~; and (iii) a leave of absence during which Grantee's right to return to service is secured by applicable law in the relevant jurisdiction or Company's internal policy in said jurisdiction (for example, military leave, statutory maternity or paternity leave), or any other bona fide leave of absence taken by the Grantee and approved by the Company or such Affiliate by which the Grantee is employed or engaged.

8.7 Re-pricing of Options. Subject to applicable law, the Administrator shall have full authority to, at any time and from time to time, (i) grant in its discretion to the holder of an outstanding Option, in exchange for the surrender and cancellation of such Option, a new Option having an Exercise Price lower than provided in the Option so surrendered and canceled and containing such other terms and conditions as the Administrator may prescribe in accordance with the provisions of the Plan, or (ii) effectuate a decrease in the Exercise Price (see Section 8.1 above) of outstanding Options.

9. Restricted Share Units:

9.1 Subject to the sole and absolute discretion and determination of the Administrator, the Administrator may decide to grant under the Plan, Restricted Share Unit(s) ("**RSU(s)**"). A RSU is a right to receive a Share of the Company, under certain terms and conditions, for a consideration of no more than the underlying Share's nominal value. Upon the lapse of the Exercise Conditions of a RSU, such RSU shall automatically vest and settle into an Exercised Share of the Company (subject to adjustments under Section 11 herein) and the Grantee shall pay to the Company its nominal value. The ~~Board~~Administrator, in its sole discretion, shall determine procedures from time to time for payment of such nominal value by the Grantee or for collection of such amount from the Grantee by the Company. However, the Company shall have the full authority in its discretion to determine at any time that said nominal value shall not be paid and that the Company shall capitalize applicable profits or take any other action to ensure that it meets any requirement of applicable law regarding issuance of Shares for consideration that is lower than the nominal value of such Shares.

9.2 Unless determined otherwise by the Administrator, in the event of a Cessation of Service, all RSUs theretofore granted to such Grantee when such Grantee was an employee, director, consultant or contractor of the Company, as the case may be, that are not vested on the Date of Cessation, shall terminate immediately and have no legal effect.

9.3 Unless ~~other~~otherwise provided herein, all other terms and conditions of the Plan applicable to Options, shall apply to RSUs, *mutatis mutandis*. It is clarified~~,~~ that without deviating from the foregoing in Sub-Section 9.2, the provisions of Section 8.6 herein shall, *mutatis mutandis,* apply to RSUs in any event of Cessation of Service.

9A. Restricted Shares.

9A.1 Restricted Share Awards may be granted upon such terms and conditions, as the Administrator shall determine.

9A.2 Purchase Price. No monetary payment (other than payments made for applicable Taxes) shall be required as a condition of receiving Shares pursuant to a grant of Restricted Shares. Notwithstanding the foregoing, the Grantee shall furnish consideration in the form of cash having a value not less than the nominal value of the Shares subject to an award of Restricted Shares. The

~~Board~~Administrator, in its sole discretion, shall determine procedures from time to time for payment of such nominal value by the Grantee or for collection of such amount from the Grantee by the Company. However, the Company shall have the full authority in its discretion to determine at any time that said nominal value shall not be paid and that the Company shall capitalize applicable profits or take any other action to ensure that it meets any requirement of applicable law regarding issuance of Shares for consideration that is lower than the nominal value of such Shares.

9A.3 Vesting and Restrictions on Transfer. Shares issued pursuant to any Restricted Shares may (but need not) be made subject to Exercise Conditions as described herein, as shall be established by the Administrator and set forth in the applicable Notice of Grant evidencing such Award. During any restriction period in which Shares acquired pursuant to an award of Restricted Shares remain subject to Exercise Conditions, such Shares may not be sold, exchanged, transferred, pledged, assigned or otherwise disposed of unless otherwise provided in the Plan. Upon request by the Company, each Grantee shall execute any agreement evidencing such transfer restrictions prior to the receipt of Shares hereunder and shall promptly present to the Company any and all certificates representing Shares acquired hereunder for the placement on such certificates of appropriate legends evidencing any such transfer restrictions.

9A.4 Voting Rights; Dividends and Distributions. Except as provided in this section and any Notice of Grant, during any restriction period applicable to Shares subject to an award of Restricted Shares, the Grantee shall have all of the rights of a shareholder of the Company holding Shares, including the right to vote such Shares and to receive all dividends and other distributions paid with respect to such Shares. However, in the event of a dividend or distribution paid in Shares or other property or any other adjustment made upon a change in the capital structure of the Company as described in Section 11.1, any and all new, substituted or additional securities or other property (other than normal cash dividends) to which the Grantee is entitled by reason of the Grantee's award of Restricted Shares shall be immediately subject to the same Exercise Conditions as the Shares subject to the award of Restricted Shares with respect to which such dividends or distributions were paid or adjustments were made.

9A.5 Cessation of Service. Unless otherwise provided by the Administrator, in the event of Cessation of Service of a Grantee, for any reason, whether voluntary or involuntary (including the Grantee's death or ~~disability~~Disability), then the Grantee shall forfeit to the Company any Shares acquired by the Grantee pursuant to an award of Restricted Shares which remain subject to Exercise Conditions as of the Date of Cessation.

9A.6 All other terms and conditions of the Plan applicable to Options, shall apply to Restricted Shares, *mutatis mutandis*. It is clarified~~,~~ that without deviating from the foregoing in Section 9A.5, the provisions of Section 8.6 herein shall, *mutatis mutandis,* apply to Restricted Shares in any event of Cessation of Service.

9B. Share Appreciation Rights.

9B.1 SARs may be granted upon such terms and conditions, as the Administrator shall determine.

9B.2 Exercise Price. The ~~exercise price~~Exercise Price for each SAR shall be established in the discretion of the Administrator.

9B.3 Exercisability and Term of SARs. SARs shall be exercisable at such time or times, or upon such event or events, and subject to such terms, conditions, performance criteria and restrictions as shall be determined by the Administrator and set forth in the Notice of Grant evidencing such SAR; provided, however, that no SAR shall be exercisable after the expiration of six (6) years after the effective date of grant of such SAR.

9B.4 Exercise of SARs. Upon the exercise of a SAR, the Grantee shall be entitled to receive

payment of an amount for each Share with respect to which the SAR is exercised equal to the excess, if any, of (i) the closing price for a Share on the last trading day prior to the date of exercise, as reported or quoted on NASDAQ, over (ii) the ~~exercise price.~~Exercise Price. Payment of such amount shall be made solely in Shares, based on the said closing price, in a lump sum following the date of exercise of the SAR. It is clarified, that a SAR shall be deemed exercised on the date on which the Company receives Notice of Exercise from the Grantee.

9B.5 All other terms and conditions of the Plan applicable to Options, shall apply to SARs, *mutatis mutandis*.

10. **Performance Based Awards:**

10.1 Subject to the sole and absolute discretion and determination of the Administrator, the Administrator may decide to grant Awards under the Plan, the exercise or vesting of which, as applicable, shall be conditional upon the performance of the Company and/or an Affiliate and/or a division or other business unit of the Company or of an Affiliate and/or upon the performance of the Grantee, over such period and measured against such objective criteria as shall be determined by the Administrator and notified to the Grantee ("**Performance Based Award(s)**"). In granting each Performance Based Award, the Administrator shall establish in writing the applicable performance period ("**Performance Period**"), performance formula ("**Performance Formula**") and one or more performance goals ("**Performance Goal(s)**") (which, in case of 102 Awards, shall comply with the guidelines of the Israeli Tax Authority ("**ITA**") in this regard) which, when measured at the end of the Performance Period, shall determine on the basis of said Performance Formula the extent to which the Performance Based Award has vested and/or become exercisable (collectively, the "**Performance Conditions**"). It is clarified, that Performance Conditions may be determined for an Award either in addition to, or in substitution for, a Vesting Period.

10.2 After a Performance Based Award has been granted, the Administrator may, in appropriate circumstances, amend any Performance Condition, at its sole and absolute discretion. Without derogating from the above, if the Administrator determines that a change in the business, operations, corporate structure or capital structure of the Company or the manner in which the Company or an Affiliate conducts its business, or other events or circumstances render a Performance Condition to be unsuitable, the Administrator may modify such Performance Condition in whole or in part, as the Administrator deems appropriate. If a Grantee is promoted, demoted or transferred to a different business unit or function during a Performance Period, the Administrator may determine that the Performance Condition or Performance Period are no longer appropriate and may: (i) adjust, change or eliminate the Performance Condition or the applicable Performance Period as it deems appropriate to make such conditions and period comparable to the initial conditions and period; or (ii) except with respect to 102 Awards, make a cash payment to the Grantee in an amount determined by the Administrator.

10.3 If, in consequence of the applicable Performance Conditions being met a Performance Based Award becomes vested and/or exercisable in respect of some, but not all of the number of Shares underlying such Award it shall thereupon lapse and cease to be exercisable in respect of the balance of the Shares over which it was held.

10.4 Performance Conditions shall not be automatically waived merely due to an event of (i) a Cessation of Service, (ii) a Corporate Transaction, or (iii) any other adjustment under Section 11 below, or (iv) a Sale under Section 11.5 below.

10.5 Measurement of Performance Goals**.** Performance Goals shall be established by the Administrator on the basis of targets to be attained with respect to one or more measures of business or financial performance that shall have the same meanings as used in the Company's financial statements, or, if such terms are not used in the Company's financial statements, they shall have the meaning applied pursuant to generally accepted accounting principles, or as used generally in the Company's industry ("**Performance Measures**"). For purposes of the Plan, the Performance Measures applicable to a Performance Based Award shall be calculated in accordance with generally accepted accounting

principles, excluding the effect (whether positive or negative) of any change in accounting standards or any extraordinary, unusual or nonrecurring item, as determined by the Administrator, occurring after the establishment of the Performance Goals applicable to the Performance Based Award including by way of example but without limitation the following: (a) asset write-downs or impairment charges; (b) litigation or claim judgments or settlements; (c) the effect of changes in tax laws, accounting principles or other laws or provisions affecting reported results; (d) accruals for reorganization and restructuring programs; (e) acquisitions or divestitures; and (f) foreign exchange gains and losses. Each such adjustment, if any, shall be made solely for the purpose of providing a consistent basis from period to period for the calculation of Performance Measures in order to prevent the dilution or enlargement of the Grantee's rights with respect to a Performance Based Award. Performance Measures may be one or more of the following, as determined by the Administrator: revenue; sales; expenses; operating income; gross margin; operating margin; earnings before any one or more of: share-based compensation expense, interest, taxes, depreciation and amortization; pre-tax profit; net operating income; net income; economic value added; free cash flow; operating cash flow; share price; earnings per share; return on shareholder equity; return on capital; return on assets; return on investment; employee satisfaction; employee retention; balance of cash, cash equivalents and marketable securities; market share; customer satisfaction; product development; research and development expenses; completion of an identified special project; completion of a joint venture or other Corporate Transaction and any other ~~performance goals~~Performance Goals as determined by the Administrator.

10.6 Term of Performance Based Options. Unless otherwise determined by the Administrator, anything herein to the contrary notwithstanding, and without derogating from the generality of the provisions of Section 8.4 and the provisions of Section 8.6 above, if any Performance Based Options granted have not been exercised and the Shares subject thereto not paid for within seven (7) years after the Date of Grant, such Performance Based Awards and the right to acquire such Shares shall terminate, all interests and rights of the Grantee in and to the same shall *ipso facto* expire, and the Shares subject to such Performance Based Awards shall again be available for grant under the Plan, any sub-plans of the Plan, as provided for in Section 6 herein.

10.7 All other terms and conditions of the Plan applicable to Awards, shall apply to Performance Based Awards, *mutatis mutandis*.

11. Adjustments, Liquidation and Corporate Transaction:

11.1 Adjustments. Subject to any required action under any applicable law, the number of Shares subject to each outstanding Award, and the number of Shares which have been authorized for issuance under the Plan but as to which no Awards have yet been granted or which have been returned to the Plan upon cancellation or expiration of an Award, as well as the price per share of Shares subject to each outstanding Award, shall be proportionately adjusted, as the ~~Board~~Administrator deems necessary or appropriate, for any increase or decrease in the number of issued Shares resulting from a share split, reverse share split, stock dividend, combination or reclassification of the Shares, or any other increase or decrease in the number of issued Shares effected without receipt of consideration by the Company, such that an adjustment is appropriate in order to prevent dilution or enlargement of the rights of a Grantee under the Plan,; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Except as expressly provided in this Section 11, no issuance by the Company of shares of any class, or securities convertible into shares of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares subject to an Award.

Except as expressly provided in this Section 11, the grant of Awards under the Plan shall in no way affect the right of the Company to distribute bonus shares, to offer rights to purchase its securities, or to distribute dividends.

11.2 Adjustments to Options' Exercise Price due to Distribution of Dividends. If the Company distributes cash dividends with respect to all Shares issued to its shareholders, and the record date for determining the right to receive such dividends (the "**Determining Date**") is earlier than the

~~Exercise Date~~exercise date of any Options granted hereunder, then the Administrator may determine, subject to obtaining a ruling from the ITA (to the extent required by applicable law) and subject to the terms and conditions of such ruling, that the Exercise Price for each Option granted but not exercised prior to the Determining Date, shall be reduced by an amount equal to the gross amount of the dividend per Share distributed. If such distribution is in a currency different than the currency in which the Exercise Price is stated, said amount of reduction will be calculated in the same currency as the Exercise Price according to the representative rate of exchange as of the Determining Date, if applicable. ~~Unless determined otherwise by the Board, the Exercise Price shall not be reduced to less than the nominal value of a Share.~~ It is clarified that, no adjustment shall be made due to the distribution of cash dividends, with respect to RSUs and Options granted with an Exercise Price of up to the nominal value of a Share.

11.3 Liquidation. Unless otherwise provided by the ~~Board~~Administrator, in the event of the proposed dissolution or liquidation of the Company, all outstanding Awards will terminate immediately prior to the consummation of such proposed action. In such case, the ~~Board~~Administrator may declare that any Award shall terminate as of a date fixed by the ~~Board~~Administrator and give each Grantee the right to exercise his Award or have it vested, including Award that would not otherwise vest or be exercisable.

11.4 Corporate Transaction.

(a) In the event of a Corporate Transaction (as defined under sub-Section (i-iv) of the Corporate Transaction definition above), immediately prior to the effective date of such Corporate Transaction, ~~each Award~~the Administrator may, ~~among other things,~~ at ~~the~~its sole ~~and absolute~~ discretion, determine the treatment of ~~the Board, either~~Awards as provided herein, without requiring the Grantee's consent, action or any prior notice:

(i) ~~Be~~ Unless otherwise determined by the Administrator, any Award then outstanding shall be assumed or be substituted ~~for a~~ by the Company, or by the successor entity in such Corporate Transaction or by any parent or Affiliate thereof, as determined by the Administrator in its discretion (the "**Successor Entity** ~~Award such~~"), under terms as determined by the Administrator or the terms of this Plan applied by the Successor Entity to such assumed or substituted Awards.

For the purposes of this Section 11.4(a)(i), the Award shall be considered assumed or substituted if, following a Corporate Transaction, the Award confers on the holder thereof the right to purchase or receive, for each Share underlying an Award immediately prior to the Corporate Transaction, either (i) the consideration (whether shares or other securities, cash or other property, or rights, or any combination thereof) distributed to or received by holders of Shares in the Corporate Transaction for each Share held on the effective date of the Corporate Transaction (and if holders were offered a choice or several types of consideration, the type of consideration as determined by the Administrator, which need not be the same type for all Grantees), or (ii) regardless of the consideration received by the holders of Shares in the Corporate Transaction, solely shares or any type of Awards (or their equivalent) of the Successor Entity at a value to be determined by the Administrator in its discretion, or a certain type of consideration (whether shares or other securities, cash or other property, or rights, or any combination thereof) as determined by the Administrator. Any of the above consideration referred to in the foregoing clauses (i) and (ii) shall be subject to the same vesting and expiration terms of the Awards applying immediately prior to the Corporate Transaction, unless determined by the Administrator in its discretion that the consideration shall be subject to different vesting and expiration terms, or other terms, and the Administrator may determine that it be subject to other or additional terms. The foregoing shall not limit the Administrator's authority to determine that in lieu of such assumption or substitution of Awards for Awards of the Successor Entity, such Award will be substituted for shares or other securities, cash or other property, or rights, or any combination thereof, including as set forth in Section 11.4(a)(ii) hereof.

(ii) Regardless of whether or not Awards are assumed or substituted the

Administrator may (but shall not be obligated to):

(1) provide for the Grantee ~~may~~ to have the right to exercise the ~~Successor Entity Award or have it become vested, as the case may be, for such number and class of securities of the successor entity~~ Award in respect of Shares covered by the Award which would ~~have been issuable to~~ otherwise be exercisable or vested, under such terms and conditions as the Administrator shall determine, and the cancellation of all unexercised Awards (whether vested or unvested) upon or immediately prior to the closing of the Corporate Transaction, unless the Administrator provides for the Grantee ~~in~~ to have the right to exercise the Award, or otherwise for the acceleration of vesting of such Award, as to all or part of the Shares covered by the Award which would not otherwise be exercisable or vested, under such terms and conditions as the Administrator shall determine;

(2) provide for the cancellation of each outstanding Award at or immediately prior to the closing of such Corporate Transaction, and if and to what extent payment shall be made to the Grantee of an amount in shares or other securities of the Company, the acquirer or of a corporation or other business entity which is a party to the Corporate Transaction, in cash or other property, in rights, or in any combination thereof, as determined by the Administrator to be fair in the circumstances, and subject to such terms and conditions as determined by the Administrator. The Administrator shall have full authority to select the method for determining the payment (being the intrinsic ("spread") value of the option, Black-Scholes model or any other method). Inter alia, and without limitation of the following determination being made in other circumstances, the Administrator's determination may further provide that payment shall be set to zero if the value of the Shares is determined to be less than the Exercise Price or in respect of Shares covered by the Award which would not otherwise be exercisable or vested, or that payment may be made only in excess of the Exercise Price; and/or

(3) provide that the terms of any Award shall be otherwise amended, modified or terminated, as determined by the Administrator to be fair in the circumstances.

(iii) The Administrator may determine: (1) that any payments made in respect of Awards shall be made or delayed to the same extent that payment of consideration to the holders of the Shares in connection with the Corporate Transaction is made or delayed as a result of escrows, indemnification, earn outs, holdbacks or any other contingencies or conditions; (2) the terms and conditions applying to the payment made or payable to the Grantees, including participation in escrow, indemnification, releases, earn-outs, holdbacks or any other contingencies; and (3) that any terms and conditions applying under the applicable definitive transaction agreements shall apply to the Grantees (including, appointment and engagement of a shareholders or sellers representative, payment of fees or other costs and expenses associated with such services, indemnifying such representative, and authorization to such representative within the scope of such representative's authority in the applicable definitive transaction agreements).

(iv) Notwithstanding the foregoing, in the event of a Corporate Transaction, the Administrator may determine, in its sole discretion, that upon completion of such Corporate Transaction the terms of any Award shall be otherwise amended, modified or terminated, as the Administrator shall deem in good faith to be appropriate and without any liability to the Company or its Affiliates and to their respective officers, directors, employees and representatives, and the respective successors and assigns of any of the foregoing, in connection with the method of treatment or chosen course of action permitted hereunder.

(v) The Administrator may determine to suspend the Grantee's rights to exercise any vested portion of an Award for a period of time prior to the signing or consummation of ~~such~~a Corporate Transaction~~, had~~.

(vi) Without limiting the ~~Award vested or been exercised (as applicable), immediately prior to~~generality of this Section 11.4, if the ~~effective date of such Corporate Transaction, given the~~consideration in exchange ~~ratio or consideration~~ for Awards in a

Corporate Transaction includes any securities and due receipt thereof by any Grantee (or by the Trustee for the benefit of such Grantee) may require under applicable law (i) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (ii) the provision to any Grantee of any information under any securities laws, then the Administrator may determine that the Grantee shall be paid in ~~the Corporate Transaction, the Vesting Period and Performance Conditions (if any) of the Awards and such other terms and factors that the Administrator determines to be~~ lieu thereof, against surrender of the Shares or cancellation of any other Awards, an amount in cash or other property, or rights, or any combination thereof, as determined by the Administrator to be fair in the circumstances, and subject to such terms and conditions as determined by the Administrator. Nothing herein shall entitle any Grantee to receive any form of consideration that such Grantee would be ineligible to receive as a result of such Grantee's failure to satisfy (in the Administrator's sole determination) any condition, requirement or limitation that is generally applicable to the Company's shareholders, or that is otherwise applicable under the terms of the Corporate Transaction, and in such case, the Administrator shall determine the type of consideration and the terms applying to such Grantees.

(vii) Neither the authorities and powers of the Administrator under this Section 11.4, nor the exercise or implementation thereof, shall (1) be restricted or limited in any way by any adverse consequences (tax or otherwise) that may result to any holder of an Award, and (2) as, inter alia, being a feature of the Award upon its grant, be deemed to constitute a change or an amendment of the rights of such holder under this Plan, nor shall any such adverse consequences (as well as any adverse tax consequences that may result from any tax ruling or other approval or determination of any relevant ~~for purposes of calculating the number of Successor Entity Awards granted to each Grantee; or~~tax authority) be deemed to constitute a change or an amendment of the rights of such holder under this Plan, and may be effected without consent of any Grantee and without any liability to the Company or its Affiliates or to its or their respective officers, directors, employees and representatives and the respective successors and assigns of any of the foregoing. The Administrator need not take the same action with respect to all Awards or with respect to all Grantees. The Administrator may take different actions with respect to the vested and unvested portions of an Award. The Administrator may determine an amount or type of consideration to be received or distributed in a Corporate Transaction which may differ as among the Grantees, and as between the Grantees and any other holders of shares of the Company.

~~(ii) Be assumed by any successor entity such that the Grantee may exercise the Award or have his/her Award vest (as applicable), for such number and class of securities of the successor entity which would have been issuable to the Grantee in consummation of such Corporate Transaction, had the Award vested or been exercised immediately prior to the effective date of such Corporate Transaction, given the exchange ratio or consideration paid in the Corporate Transaction, the Vesting Period and Performance Conditions (if any) of the Awards and such other terms and factors that the Board determines to be relevant for this purpose.~~

~~(iii) Determine that the Awards shall be cashed out for a consideration equal to the difference between the price per share received by the shareholders of the Company in the Corporate Transaction and the Exercise Price, purchase price, or nominal value, as the case may be, of such Award.~~

~~In the event of a clause (i) or clause (ii) action, appropriate adjustments shall be made to the Exercise Price per Share to reflect such action.~~

~~(b) Immediately following the consummation of the Corporate Transaction~~

~~and subject to the Board exercising one of the alternatives under sub-Section (a) above, all outstanding Awards shall terminate and cease to be outstanding, except to the extent assumed by a successor entity.~~

~~(c) Notwithstanding the foregoing, and without derogating from the power of the Board or Administrator pursuant to the provisions of the Plan, the Board shall have full authority and sole discretion to determine that any of the provisions of Sections 11.4(a)(i) or 11.4(a)(ii) above shall apply in the event of a Corporate Transaction in which the consideration received by the shareholders of the Company is not solely comprised of securities of a successor entity, or in which such consideration is solely cash or assets other than securities of a successor entity.~~

(viii) All of the Administrator's determinations pursuant to this Section 11.4 shall be at its sole and absolute discretion, and shall be final, conclusive and binding on all Grantees (including, for clarity, as it relates to Shares issued upon exercise or vesting of any Awards or that are Awards, unless otherwise determined by the Administrator) and without any liability to the Company or its Affiliates, or to their respective officers, directors, employees, shareholders and representatives, and the respective successors and assigns of any of the foregoing, in connection with the method of treatment, chosen course of action or determinations made hereunder.

(ix) If determined by the Administrator, the Grantees shall be subject to the definitive agreement(s) in connection with the Corporate Transaction as applying to holders of Shares including, such terms, conditions, representations, undertakings, liabilities, limitations, releases, indemnities, appointment and indemnification of shareholders/sellers representative, participation in transaction expenses, shareholders/sellers representative expense fund and escrow arrangement, in each case as determined by the Administrator. Each Grantee shall execute (and authorizes any person designated by the Company to so execute, as well as (if applicable) the Trustee holding any Shares for the Grantee's behalf) such separate agreement(s) or instruments as may be requested by the Company, the Successor Entity or the acquirer in connection with such in such Corporate Transaction or otherwise under or for the purpose of implementing this Section 11.4, and in the form required by them. The execution of such separate agreement(s) may be a condition to the receipt of assumed or substituted Awards, payment in lieu of the Award, the exercise of any Award or otherwise to be entitled to benefit from shares or other securities, cash or other property, or rights, or any combination thereof, pursuant to this Section 11.4 (and the Company (and, if applicable, the Trustee) may exercise its authorization above and sign such agreement on behalf of the Grantee or subject the Grantee to the provisions of such agreements).

11.5 Forced Sale. Subject to any provision in the Articles of Association of the Company and to the ~~Board's~~Administrator's sole and absolute discretion, in the event of a Sale, each Grantee shall be obligated to participate in the Sale and sell his or her Shares and/or Awards in the Company, provided, however, that each such Share or Award shall be sold at a price equal to that of any other Ordinary Share sold under the Sale (and, unless determined otherwise by the ~~Board~~Administrator, less the applicable Exercise Price), while accounting for changes in such price due to the respective terms of any such Award, and subject to the absolute discretion of the ~~Board.~~Administrator.

For purposes of a Sale, whether "all or substantially all of the issued and outstanding share capital of the Company is to be sold", shall be finally and conclusively determined by the ~~Board~~Administrator in its absolute discretion.

11.6 The grant of Awards under the Plan shall in no way affect the right of the Company to

adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets.

12. **Limitations on Transfer:**

12.1 Unless determined otherwise by the Administrator, no Award shall be assignable or transferable by the Grantee to whom granted otherwise than by will or the laws of descent and distribution, and an Award shall vest or may be exercised (as applicable) during the lifetime of the Grantee only by such Grantee or by such Grantee's guardian or legal representative. The terms of such Award shall be binding upon the beneficiaries, executors, administrators, heirs and successors of such Grantee. Any ADRs or Shares acquired upon exercise or vesting of Awards shall be transferable only in accordance with applicable securities and other local laws, and may be subject to substantial statutory or regulatory restrictions on transfer, except to the extent exemptions (whether by registration or otherwise) are available.

12.2 Underwriter's Lock-up and Limitations on the Use of Nonpublic Information. The Grantee's rights to sell Exercised Shares may be subject to certain limitations (including a lock-up period), as will be requested by the Company or its underwriters, from time to time, or upon a specific occurrence, and the Grantee unconditionally agrees and accepts any such limitations. Furthermore, the Grantee's right to sell Exercised Shares is subject to applicable law, including in connection with limitation relating to the use of non-public information, if and when applicable.

13. Term and Amendment of the Plan:

13.1 Unless determined otherwise by the Administrator, The Plan shall continue until the expiration of ten (10) years from February 11, 2026, which is the date the Plan was ~~adopted by the Board~~extended by the Board~~.~~ (the "**Effective Date**"). All Awards outstanding at the time of termination, as aforementioned, shall continue to have full force and effect in accordance with the provisions of the Plan and the documents evidencing such Awards.

13.2 Subject to applicable laws and regulations, the Board in its discretion may, at any time and from time to time, amend, alter, extend or terminate the Plan, as it deems advisable, including without limitation, change the vesting and exercise periods. In addition, the Administrator may adopt, as part of the Plan and based on it, sub-plans, in order to comply with all relevant and applicable laws and regulations of the country of residence of any Grantees.

~~13.3 Amendment of Awards. The Administrator, at any time, and from time to time, may amend the terms of any one or more Awards; provided, however, that the rights under any Award shall not be impaired by any such amendment unless the Grantee consents in writing (it being understood that no action taken by the Administrator that is expressly permitted under the Plan, shall constitute an amendment of an Award for the purpose hereof). Notwithstanding the foregoing, subject to the limitations of applicable law, if any, and without an affected Grantee's consent, the Administrator may amend the terms of any one or more Awards if necessary to bring the Award into compliance with any applicable tax legislation, rule, regulation or guidance.~~

14. Withholding and Tax Consequences:

14.1 All Tax consequences and obligations arising from the grant, vesting, or exercise of any Award (as applicable), or the subsequent disposition of, Shares subject thereto or from any other event or act (of the Company or of the Grantee) hereunder, shall be borne solely by the Grantee, and the Grantee shall indemnify the Company and hold it harmless against and from any and all liability for any such Tax, including without limitation, monetary liabilities relating to the necessity to withhold, or

to have withheld, any such Tax payment from any payment made to the Grantee. Notwithstanding the above, the Company's obligation to deliver Shares upon the exercise or vesting of any Awards granted under the Plan shall be subject to the satisfaction of all applicable Tax withholding requirements as governed by applicable law or practice.

14.2 Withholding in Shares. ~~The~~Except with respect to 102 Awards, the Company shall have the right, but not the obligation, to deduct from the Shares issuable to a Grantee upon the exercise or vesting of an Award, or to accept from the Grantee the tender of, a number of whole Shares having a fair market value, as determined by the Company, that will enable the Company to satisfy any Tax withholding obligations of the Company.

14.3 The Company shall not be required to release any Shares (or Share certificate) to a Grantee until all required payments have been fully made or secured.

14.4 The Grantee shall, if requested at any time by the Company, provide to the Company within 10 calendar days of such request, any information regarding the transfer or other disposition of Shares reasonably required by the Company in order for the Company to comply with applicable local laws and regulations or to obtain any benefits thereunder.

15. **Miscellaneous:**

15.1 Continuance of Employment. Neither the Plan nor the grant of an Award thereunder shall impose any obligation on the Company to continue the employment or service of any Grantee. Nothing in the Plan or in any Award granted thereunder shall confer upon any Grantee any right to continue in the employ or service of the Company for any period of specific duration, or interfere with or otherwise restrict in any way the right of the Company to terminate such employment or service at any time, for any reason, with or without cause.

15.2 Notwithstanding anything to the contrary in the Plan, it is hereby clarified, that any income attributed (or deemed to be attributed) to the Grantee as a result of the Plan, the grant, vesting or exercise of Awards thereunder, or the sale of Exercised Shares, shall not be taken into account for the purpose of calculating the Grantee's eligibility for any rights deriving from the employee-employer or service provider-client relationship between the Grantee and the Company.

15.3 Governing Law. The Plan and all instruments issued thereunder or in connection therewith, shall be governed by, and interpreted in accordance with, the laws of the State of Israel, excluding the choice of law rules thereof**.**

15.4 Application of Funds. Any proceeds received by the Company from the sale of Shares pursuant to the exercise or vesting of Awards granted under the Plan, as applicable, shall be used for general corporate purposes of the Company.

15.5 Multiple Agreements. The terms of each Award may differ from other Awards granted under the Plan at the same time, or at any other time. The Administrator may also grant more than one grant of Awards to a given Grantee during the term of the Plan, either in addition to, or in substitution for, one or more Awards previously granted to that Grantee. The grant of multiple Awards may be evidenced by a single Notice of Grant or multiple Notices of Grant, as determined by the Administrator.

15.6 Non-Exclusivity of the Plan. The adoption of the Plan by the Board shall not be construed as amending, modifying or rescinding any previously approved incentive arrangement or as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including, without limitation, the granting of share-based Awards otherwise than under the Plan, and such arrangements may be either applicable generally or only in specific cases.

15.7 Claw-back/Recovery. ~~All Awards~~All Awards (including the gross amount of any proceeds, gains or other economic benefit the Grantee actually or constructively receives upon receipt

or exercise of any Award or the receipt or resale of any Shares underlying the Award) granted under the Plan will be subject to recoupment in accordance with the Executives & Directors Compensation Policy, as amended from time to time. In addition, the ~~Board~~Administrator may impose such other claw-back, recovery or recoupment provisions in the Notice of Grant or in a claw-back policy as the ~~Board~~Administrator determines necessary or appropriate. Any such policy adoption or amendment shall in no event require the prior consent of any Grantee. In the event that an Award is subject to more than one such policy, the policy with the most restrictive claw-back or recoupment provisions shall govern such Award, subject to applicable law.

15.8 Data Privacy. ~~As a condition of receipt of any Award, each Grantee explicitly and unambiguously consents to the collection, use, and transfer, in electronic or other form, of personal data as described in this section by and among, as applicable, the Company for the exclusive purpose of implementing, administering, and managing the Plan and Awards and the Grantee's participation in the Plan, including the transfer of such data from such employee's country of residence to other countries, all at the Company's discretion~~Information related to Grantees and Awards hereunder, as shall be received from Grantee or others, and/or held by, the Company or its Affiliates from time to time, and which information may include sensitive and personal information related to Grantees ("**Information**"), will be used by the Company or its Affiliates (or third parties appointed by any of them, including the Trustee) to comply with any applicable legal requirement, or for administration of the Plan as they deems necessary or advisable, or for the respective business purposes of the Company or its Affiliates (including in connection with transactions related to any of them). The Company and its Affiliates shall be entitled to transfer the Information among the Company or its Affiliates, and to third parties for the purposes set forth above, which may include persons located abroad (including, any person administering the Plan or providing services in respect of the Plan or in order to comply with legal requirements, or the Trustee, their respective officers, directors, employees and representatives, and the respective successors and assigns of any of the foregoing), and any person so receiving Information shall be entitled to transfer it for the purposes set forth above. The Company shall use commercially reasonable efforts to ensure that the transfer of such Information shall be limited to the reasonable and necessary scope. By receiving an Award hereunder, Grantee acknowledges and agrees that the Information is provided at Grantee's free will and Grantee consents to the storage and transfer of the Information as set forth above.

15.9 No Representation. By granting the Awards, the Company is not, and shall not be deemed making any representation or warranties to the Grantee regarding the Company, its business affairs, its prospects or the future value of its Shares and such representations and warranties are hereby disclaimed. The Company shall not be required to provide to any Grantee any information, documents or material in connection with the Grantee's considering an exercise of an Award. To the extent that any information, documents or materials are provided, the Company shall have no liability with respect thereto. Any decision by a Grantee to exercise an Award shall solely be at the risk of the Grantee.

16. The provisions of the Plan shall not be construed as deviating from any applicable laws, rules and regulations.

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NICE ~~Systems~~ LTD.

ADDENDUM TO THE 2016 SHARE INCENTIVE PLAN FOR ISRAELI GRANTEES

1. General

1.1 This addendum (the "**Addendum**") shall apply only to Grantees who are residents of the State of Israel or those who are deemed to be residents of the State of Israel for tax purpose and are subject to taxation by the Israeli ~~Income~~ Tax ~~s~~Ordinance (collectively, "**Israeli Grantees**"). The provisions specified hereunder shall form an integral part of the Nice ~~Systems~~ Ltd. 2016 Share Incentive Plan (the **"Plan"**), which applies to the grant of Awards**.**

1.2 This Addendum is to be read as a continuation of the Plan and only modifies the terms of Awards granted to Israeli Grantees so that they comply with the requirements set by the Israeli law in general, and in particular with the provisions of the Israeli Tax Ordinance (as defined below), as may be amended or replaced from time to time. It is clarified, that this Addendum does not add to or modify the Plan in respect of any other category of Grantees.

1.3 The Plan and this Addendum are complimentary to each other and shall be deemed as one. In any case of contradiction with respect to Awards granted to Israeli Grantees, whether explicit or implied, between the provisions of this Addendum and the Plan, the provisions set out in this Addendum shall prevail.

1.4 Any capitalized term not specifically defined in this Addendum shall be construed according to the definition or interpretation given to it in the Plan.

2. Definitions

"**102 Award**" means a grant of an Award to an Israeli employee, director or other office holder of the Company, other than to a Controlling Shareholder, engaged by an "employing company" pursuant to the provisions of Section 102 of the Tax Ordinance, the 102 Rules, and any other regulations, rulings, procedures or clarifications promulgated thereunder, or under any other section of the Tax Ordinance that will be relevant for such issuance in the future.

"**102(c) Award**" means a 102 Award without a Trustee that will not be subject to a Taxation Route~~,~~ (as defined below), as detailed in Section 102(c) of the Tax Ordinance.

"**3(i) Award**" means a grant of an Option or RSU to an Israeli consultant, contractor or a Controlling Shareholder of the Company pursuant to the provisions of Section 3(i) of the Tax Ordinance and the rules and regulations promulgated thereunder, or any other section of the Tax Ordinance that will be relevant for such issuance in the future.

"**Beneficial Grantee**" means the Grantee for the benefit of whom the Trustee holds an Award in Trust.

"**Capital Gains Route**" means the capital gains tax route under Section 102(b)(2) of the Tax Ordinance.

"**Controlling Shareholder**" means a "controlling shareholder" of the Company, as such term is defined in Section 32(9)(a) of the Tax Ordinance.

"**Minimum Trust Period**" means the minimum period of time required under a Taxation Route for

Awards and/or Exercised Shares to be held in Trust in order for the Beneficial Grantee to enjoy to the fullest extent the tax benefits afforded under such Taxation Route, as prescribed at any time by Section 102 of the Tax Ordinance.

"**Ordinary Income Route**" means the ordinary income route under Section 102(b)(1) of the Tax Ordinance.

"**Rights**" means rights issued in respect of Exercised Shares, including bonus shares.

"**102 Rules**" means the Israeli Income Tax Rules (Tax Relief in Issuance of Shares to Employees), 2003 and any similar successor rules and regulations.

"**Taxation Route**" means each of the Ordinary Income Route or the Capital Gains Route.

"**Tax Ordinance**" means the Israeli Income Tax Ordinance [New Version], 1961, as amended.

"**Trust**" means the holding of an Award or Exercised Share by the Trustee in Trust for the benefit of the Beneficial Grantee, pursuant to the instructions of a Taxation Route.

"**Trustee**" means a trustee designated or replaced by the Administrator in accordance with the provisions of Section 3 below and, with respect to 102 Awards, approved by the Israeli Tax Authorities.

3. Administration:

3.1 Subject to the general terms and conditions of the Plan, the Tax Ordinance, and any other applicable laws and regulations, the Administrator shall have the full authority in its discretion, from time to time and at any time, to determine:

(a) With respect to grants of 102 Awards - whether the Company shall elect the Ordinary Income Route or the Capital Gains Route for grants of 102 Awards, and the identity of the trustee who shall be granted such 102 Awards in accordance with the provisions of the Plan and the then prevailing Taxation Route.

In the event the Administrator determines that the Company shall elect one of the Taxation Routes for grants of 102 Awards, all grants of 102 Awards made following such election, shall be subject to the elected Taxation Route and the Company shall be entitled to change such election only following the lapse of one year from the end of the tax year in which 102 Awards are first granted under the then prevailing Taxation Route or following the lapse of any shorter or longer period, if provided by law; and

(b) With respect to the grant of 3(i) Awards - whether or not 3(i) Awards shall be granted to a trustee in accordance with the terms and conditions of the Plan, and the identity of the trustee who shall be granted such 3(i) Awards in accordance with the provisions of the Plan.

3.2 Notwithstanding the aforesaid, the Administrator may, from time to time and at any time, grant 102(c) Awards.

4. Grant of Awards and Issuance of Shares:

Subject to the provisions of the Tax Ordinance and applicable law:

(a) All grants of Awards to Israeli employees, directors and office holders of the Company, other than to a Controlling Shareholder, shall be of 102 Awards; and

(b) All grants of Awards to Israeli consultants, contractors or Controlling Shareholders of the Company shall be of 3(i) Awards.

5. Trust:

5.1 General.

(a) In the event Awards are deposited with a Trustee, the Trustee shall hold each such Award and any Exercised Shares in Trust for the benefit of the Beneficial Grantee.

(b) In accordance with Section 102, the tax benefits afforded to 102 Awards (and any Exercised Shares) in accordance with the Ordinary Income Route or Capital Gains Route, as applicable, shall be contingent upon the Trustee holding such 102 Awards for the applicable Minimum Trust Period.

(c) With respect to 102 Awards granted to the Trustee, the following shall apply:

(i) A Grantee granted 102 Awards shall not be entitled to sell the Exercised Shares or to transfer such Exercised Shares (or such 102 Awards) from the Trust prior to the lapse of the Minimum Trust Period; and

(ii) Any and all Rights shall be issued to the Trustee and held thereby until the lapse of the Minimum Trust Period, and such Rights shall be subject to the Taxation Route which is applicable to such Exercised Shares.

(d) Notwithstanding the aforesaid, Exercised Shares or Rights may be sold or transferred, and the Trustee may release such Exercised Shares or Rights from Trust, prior to the lapse of the Minimum Trust Period, provided however, that tax is paid or withheld in accordance with Section 102 of the Tax Ordinance and Section 7 of the 102 Rules, and any other provision in any other section of the Tax Ordinance and any regulation, ruling, procedure and clarification promulgated thereunder, that will be relevant, from time to time.

(e) The Company shall register the Exercised Shares issued to the Trustee pursuant to the Plan, in the name of the Trustee for the benefit of the Israeli Grantees, in accordance with any applicable laws, rules and regulations, until such time that such Shares are released from the Trust as herein provided.

If the Company shall issue any certificates representing Exercised Shares deposited with the Trustee under the Plan, then such certificates shall be deposited with the Trustee, and shall be held by the Trustee until such time that such Exercised Shares are released from the Trust as herein provided.

(f) Subject to the terms hereof, at any time after the Awards are exercised or vested, with respect to any Exercised Shares the following shall apply:

(i) Upon the written request of any Beneficial Grantee, the Trustee shall release from the Trust the Exercised Shares issued, on behalf of such Beneficial Grantee, by executing and delivering to the Company such instrument(s) as the Company may require, giving due notice of such release to such Beneficial Grantee, provided, however, that the Trustee shall not so release any such Exercised Shares to such Beneficial Grantee unless the latter, prior to, or concurrently with, such release, provides the Trustee with evidence, satisfactory in form and substance to the Trustee, that payment of all taxes, if any, required to be paid upon such release has been secured.

(ii) Alternatively, subject to the terms hereof, provided the Shares are listed on a Stock Market, upon the written instructions of the Beneficial Grantee to sell any Exercise Shares, the Company and/or the Trustee shall use their reasonable efforts to effect such sale and shall transfer such Shares to the purchaser thereof concurrently with the receipt of, or after having made suitable arrangements to secure, the payment of the proceeds of the purchase price in such transaction. The Company and/or the Trustee, as applicable, shall withhold from such proceeds any and all taxes required to be paid in respect of such sale, shall remit the amount so withheld to the appropriate tax authorities and shall pay the balance thereof directly to the Beneficial Grantee, reporting to such Beneficial Grantee the amount so withheld and paid to said tax authorities.

5.2 Voting Rights. Unless determined otherwise by the Administrator, as long as the Trustee holds the Exercised Shares, the voting rights at the Company's general meeting attached to such Exercised Shares will remain with the Trustee. However, the Trustee shall not be obligated to exercise such voting rights at general meetings nor notify the Grantee of any Shares held in the Trust, of any meeting of the Company's shareholders.

Without derogating from the above, with respect to 102 Awards, such shares shall be voted in accordance with the provisions of Section 102 and any rules, regulations or orders promulgated thereunder.

5.3 Dividends. Subject to any applicable law, tax ruling or guidelines of the Israeli Tax Authority, as applicable, for so long as Shares deposited with the Trustee on behalf of a Beneficial Grantee are held in Trust, the cash dividends paid or distributed with respect thereto shall be distributed ~~directly~~ to the Trustee who shall transfer such amounts to the Beneficial Grantee~~, subject further to any applicable taxation on distribution of dividends~~ following tax withholding, and when applicable subject to the provisions of Section 102 of the Tax Ordinance, the 102 Rules and the regulations or orders promulgated thereunder.

5.4 Notice of Exercise. With respect to a 102 Award held in the Trust, a copy of any Notice of Exercise shall be provided to the Trustee, in such form and method as may be determined by the Trustee in accordance with the requirements of Section 102 of the Tax Ordinance.

6. Notice of grant:

6.1 The Notice of Grant shall state, *inter alia*, whether the Awards granted to Israeli Grantees are 102 Awards (and in particular whether the 102 Awards are granted under the Ordinary Income Route, the Capital Gains Route or as 102(c) Awards), or 3(i) Awards. Each Notice of Grant evidencing a 102 Award shall be subject to the provisions of the Tax Ordinance applicable to such awards.

6.2 Furthermore, each Grantee of a 102 Award under a Taxation Route shall be required: (i) to execute a declaration stating that he or she is familiar with the provisions of Section 102 of the Tax Ordinance and the applicable Taxation Route; and (ii) to undertake not to sell or transfer the Awards and/or the Exercised Shares prior to the lapse of the applicable Minimum Trust Period, unless he or she pays all taxes that may arise in connection with such sale and/or transfer.

7. Sale:

In the event of a Sale described in Section 11.5 of the Plan, with respect to Shares held in Trust the following procedure will be applied: The Trustee will transfer the Shares held in Trust and sign any document in order to effectuate the transfer of Shares, including share transfer deeds, provided, however, that the Trustee receives a notice from the ~~Board~~Administrator, specifying that: (i) all or substantially all of the issued outstanding share capital of the Company is to be sold, and therefore the Trustee is obligated to transfer the Shares held in Trust under the provisions of Section 11.5 of the Plan; and (ii) the Company is obligated to withhold at the source all taxes required to be paid upon release of the Shares from the Trust and to provide the Trustee with evidence, satisfactory to the Trustee, that such taxes indeed have been paid; and (iii) the Company is obligated to transfer the consideration for the Shares (less applicable tax and compulsory payments) directly to the Grantees.

8. Limitations of Transfer:

In addition to the provisions of Section 12 of the Plan, as long as Awards and/or Shares are held by the Trustee on behalf of the Grantee, all rights of the Grantee over the Shares are personal, can not be transferred, assigned, pledged or mortgaged, other than by will or pursuant to the laws of descent and distribution. Notwithstanding the above, if any such sale or transfer occurs during the Minimum Trust Period, the sanctions under Section 102 of the Tax Ordinance and under any rules or regulation or orders or procedures promulgated thereunder shall apply to and shall be borne by such Beneficial Grantee.

9. Taxation:

9.1 Without derogating from the provisions of Section 14 of the Plan, the provisions of Section 14.1 of the Plan shall apply also to actions taken by the Trustee. Accordingly, without derogating from the provisions of Section 14.1 of the Plan, the Grantee shall indemnify the Trustee and hold it harmless against and from any and all liability for any such Tax, including without limitation, monetary liabilities relating to the necessity to withhold, or to have withheld, any such Tax from any payment made to the Grantee.

9.2 The Trustee shall not be required to release any Share (or Share certificate) to a Grantee until all required Tax payments have been fully made or secured.

9.3 With regards to 102 Awards, any provision of Section 102 of the Tax Ordinance, the 102 Rules and the regulations or orders promulgated thereunder, which is necessary in order to receive and/or to preserve any Tax treatment pursuant to Section 102 of the Tax Ordinance, which is not expressly specified in the Plan or in this Addendum, shall be considered binding upon the Company and the Israeli Grantee.

9.4 Guarantee. In the event a 102(c) Award is granted to a Grantee, if the Grantee's employment or service is terminated, for any reason, such Grantee shall provide the Company, to its full satisfaction, with a guarantee or collateral securing the future payment of all Taxes required to be paid upon the sale of the Exercised Shares received upon exercise of such 102(c) Award, all in accordance with the provisions of Section 102 of the Tax Ordinance, the 102 Rules and the regulations or orders promulgated thereunder.

*****

APPENDIX "A"

NICE ~~Systems~~ LTD.

ADDENDUM TO THE 2016 SHARE INCENTIVE PLAN

FOR GRANTEES WHO ARE CITIZENS OF THE UNITED STATES OR RESIDENT ALIENS

Notwithstanding anything to the contrary contained in the Plan, for ~~an~~any Award granted to a Grantee who is subject to federal income tax under the laws of the United States, the following requirements shall apply:

1. The Exercise Price of an Option shall be equal to the average of the closing prices of one ADR of the Company, as quoted on the NASDAQ market, during the 30 consecutive calendar days preceding the Date of Grant, or, in the sole discretion of the Administrator, based on any other method of valuation that is consistently applied and is in compliance with Section 1.409A-1(b)(5) of the US Treasury Regulations.

2. Such Award shall be made, construed and administered in all respects to be exempt from, or comply with, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "**US Code**"). Without limiting the generality of the foregoing, and notwithstanding Section 11.2 of the Plan to the contrary, or otherwise, the ~~exercise price~~Exercise Price per share under any Option shall not be reduced after such Option is granted if such reduction would cause noncompliance with the requirements of Section 409A.

~~3. Such Award shall be made, construed and administered in all respects to comply with the performance based compensation requirements of Section 162(m) of the US Code, including compliance with any shareholder approval rules (if any). Without limiting the generality of the foregoing, and notwithstanding certain provisions of the Plan to the contrary, including, without limitation, sections 8.6(a)(iii) and 10.2 of the Plan, no modification of, or deemed compliance with, the Performance Based Awards requirements shall be made if such modification or deemed compliance would cause noncompliance with the performance based compensation rules of Section 162(m) of the US Code.~~

~~4. Such Award shall be made, construed and administered in all respects to comply with the change in control golden parachute payment requirements and limitations of Section 280G of the US Code. Without limiting the generality of the foregoing, and notwithstanding certain provisions of the Plan to the contrary, including, without limitation, Section 7.4 of the Plan, no acceleration of vesting (or other change in the Award) shall be permitted to the extent the acceleration (or other change in the Award) would cause noncompliance with the requirements of Section 280G of the US Code, unless otherwise determined by the Administrator.~~ *****

Exhibit 4.7

Execution Version

CREDIT AGREEMENT

dated as of

February 18, 2026

among

NICE LTD,
as Parent,

NICE SYSTEMS INC.,
as the Initial Borrower,

The LENDERS Party Hereto,

and

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

_____

and

JPMORGAN CHASE BANK, N.A., CITIBANK N.A., MORGAN STANLEY SENIOR FUNDING, INC. and CITIZENS BANK, N.A.,
as Joint Lead Arrangers and Joint Bookrunners

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CREDIT AGREEMENT dated as of February 18, 2026, among NICE LTD, a public company formed under the laws of the State of Israel ("Parent"), NICE SYSTEMS INC., a Delaware corporation (the "Initial Borrower"), the LENDERS party hereto and JPMORGAN CHASE BANK, N.A., as Administrative Agent.

The parties hereto agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01 Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"ABR", when used in reference to any Loan or Borrowing, means that such Loan, or the Loans comprising such Borrowing, shall bear interest at a rate determined by reference to the Alternate Base Rate.

"Accepting Lenders" has the meaning set forth in Section 2.24.

"Additional Borrower" has the meaning set forth in Section 1.10(a).

"Administrative Agent" means JPMorgan Chase Bank, N.A. (including its branches and Affiliates), in its capacity as administrative agent hereunder and under the other Loan Documents, and its successors in such capacity as provided in Article VIII.

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

"Affected Class" has the meaning set forth in Section 2.24(a).

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

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

"Affiliate Transaction" has the meaning set forth in Section 6.09.

"Aggregate Exposure" means, with respect to any Lender at any time, an amount equal to (a) until the Closing Date, the aggregate amount of such Lender's Commitments at such time and (b) thereafter, the sum of (i) the aggregate then unpaid principal amount of such Lender's Incremental Term Loans then outstanding and (ii) the amount of such Lender's Revolving Commitment then in effect or, if the Revolving Commitments have been terminated, the amount of such Lender's Revolving Extensions of Credit then outstanding.

"Aggregate Exposure Percentage" means, with respect to any Lender at any time, the ratio (expressed as a percentage) of such Lender's Aggregate Exposure at such time to the Aggregate Exposure of all Lenders at such time.

"Agreement" means this Credit Agreement, as the same may be modified, amended or supplemented from time to time.

"Alternate Base Rate" means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c) the Term SOFR Rate for a one month Interest Period as published two U.S. Government Securities Business Days prior to such day (or if such day is not a U.S. Government Securities Business Day, the immediately preceding U.S. Government Securities Business Day) plus 1%; provided that for the purpose of this definition, the Term SOFR Rate for any day shall be based on the Term SOFR Reference Rate at approximately 5:00 a.m. Chicago time on such day (or any amended publication time for the Term SOFR Reference Rate, as specified by the CME Term SOFR Administrator in the Term SOFR Reference Rate methodology). Any change in the ABR due to a change in the Prime Rate, the NYFRB Rate or the Term SOFR Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Term SOFR Rate, respectively. If the ABR is being used as an alternate rate of interest pursuant to Section 2.15 (for the avoidance of doubt, only until the Benchmark Replacement has been determined pursuant to Section 2.15(b)), then the ABR shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the ABR as determined pursuant to the foregoing would be less than 1.00%, such rate shall be deemed to be 1.00% for purposes of this Agreement.

"Ancillary Document" has the meaning set forth in Section 9.07.

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to Parent or any of its Subsidiaries from time to time concerning or relating to bribery or corruption.

"Applicable Creditor" has the meaning set forth in Section 9.19(b).

"Applicable Funding Account" means the applicable account of the Borrower that shall be specified in a written notice signed by a Financial Officer and delivered to (and, in the case of any account located outside the United States, reasonably approved by) the Administrative Agent.

"Applicable Rate" means, for any day, (a) in the case of Revolving Loans, with respect to (i) any ABR Loan, 0.50% per annum; provided, that, solely during an IG Rating Period, such percentage shall equal 0.25% and (ii) any Term Benchmark Loan or RFR Loan, 1.50% per annum; provided that, that solely during an IG Rating Period, such percentage shall equal 1.25%; and (b) with respect to any Incremental Term Loan of any Series, the rate per annum specified in the Incremental Facility Amendment establishing the Incremental Term Commitments of such Series.

"Application" means an application, substantially in the form of Exhibit B-3 or any other form as the applicable Issuing Lender may specify from time to time, requesting such Issuing Lender to issue a Letter of Credit.

"Approved Borrower Portal" has the meaning set forth in Section 9.02(a).

"Approved Electronic Platform" IntraLinks™, DebtDomain, Syndtrak, ClearPar or any other electronic platform chosen by the Administrative Agent to be its electronic transmission system.

"Approved Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in commercial loans and similar extensions of credit in the

ordinary course of its activities and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Arrangers" means each of JPMorgan Chase Bank, N.A., Citibank, N.A., Morgan Stanley Senior Funding, Inc. and Citizens Bank, N.A., in its capacity as a joint lead arranger and joint bookrunner for the Facility.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee, with the consent of any Person whose consent is required by Section 9.05, and accepted by the Administrative Agent, substantially in the form of Exhibit A or any other form approved by the Administrative Agent and the Borrower.

"Authorized Officer" means the chief executive officer, president, chief financial officer or corporate vice president of finance (or any other officer with similar duties) of Parent or the Borrower or any other officer of Parent or the Borrower designated by it for such purpose.

"Available Amount" means, as of any time, the excess, if any, of:

(a) the greater of $336,000,000 and 35% of Consolidated EBITDA for the most recently ended Test Period (the "Starter Basket"), plus

(b) the CNI Growth Amount; plus

(c) to the extent not already included in clause (b) above, the sum of (i) the Net Proceeds received by Parent in respect of sales and issuances of its Qualified Equity Interests or capital contributions (other than the issuance of Equity Interests to officers, directors or employees of Parent or any Subsidiary pursuant to employee benefit or incentive plans or other similar arrangements, the issuance of Equity Interests to any Subsidiary, and the issuance of Qualified Equity Interests that are used to make Investments pursuant to Section 6.04(t)), plus (ii) the Net Proceeds of Indebtedness and Disqualified Equity Interests of Parent, in each case incurred or issued after the Closing Date, which have been exchanged or converted into Qualified Equity Interests of Parent, plus (iii) the Net Proceeds of Dispositions of Investments (including Investments in Unrestricted Subsidiaries, joint ventures or other minority-held entities) made using the Available Amount (in an amount, together with amounts added pursuant to clause (iv) below, not to exceed the amount of such Investment made using the Available Amount), plus (iv) returns, profits, distributions, returns on capital and similar amounts received in cash or Permitted Investments on Investments (including joint ventures or other minority-held entities, but excluding Investments in Unrestricted Subsidiaries) made using the Available Amount (in an amount, together with amounts added pursuant to clause (iii) above, not to exceed the amount of such Investments made using the Available Amount), plus (v) the Investments made using the Available Amount of Parent and its Subsidiaries in any Unrestricted Subsidiary that has been redesignated as a Restricted Subsidiary or that has been merged or consolidated into Parent or any of its Subsidiaries or the fair market value of the assets of any Unrestricted Subsidiary that have been transferred to Parent or any of its Subsidiaries, in an amount not to exceed the amount of the Investment of Parent and its Subsidiaries in such Unrestricted Subsidiary made using the Available Amount, plus (vi) the aggregate fair market value (as reasonably determined by Parent) of marketable securities received by Parent, the Borrower or a Subsidiary since the Closing Date from any Person other than the Borrower or a Subsidiary, plus (vii) [reserved], plus (viii) returns, profits, distributions, returns on capital and similar amounts received in cash or Permitted Investments on Investments in Unrestricted Subsidiaries made using the Available Amount; over

(d) the sum of all Investments made prior to such time in reliance on Section 6.04(r), plus all Restricted Payments made prior to such time in reliance on Section 6.08(a)(vii), plus all expenditures in respect of Indebtedness made prior to such time in reliance on Section 6.08(b)(v), in each case utilizing the Available Amount or portions thereof in effect on the date of any such Investment, Restricted Payment or expenditure.

"Available Revolving Commitment" means, as to any Revolving Lender at any time, an amount equal to the excess, if any, of (a) such Lender's Revolving Commitment then in effect over (b) such Lender's Revolving Extensions of Credit then outstanding; provided, that in calculating any Lender's Revolving Extensions of Credit for the purpose of determining such Lender's Available Revolving Commitment pursuant to Section 2.13(b), the aggregate principal amount of Swingline Loans then outstanding shall be deemed to be zero.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to clause (e) of Section 2.15.

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

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

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as now or hereafter in effect, or any successor thereto.

"Bankruptcy Event" means, with respect to any Person, that such Person has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, liquidator, trustee, administrator, custodian, assignee for the benefit of creditors, officer (including to the extent relevant,"*baal-tafkid"*) for the implementation of reorganization process (including to the extent relevant, "*halichei-havraa*") or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in, any such proceeding or appointment.

"Base Incremental Amount" means, as of any date, an amount equal to (a) $150,000,000 less (b) the sum of (i) the aggregate amount of all Incremental Commitments extended prior to such date in reliance on the Base Incremental Amount and (ii) the aggregate principal amount of all Incremental Equivalent Debt incurred prior to such date in reliance on the Base Incremental Amount.

"Benchmark" means the Term SOFR Rate; provided that if a Benchmark Transition Event, and the related Benchmark Replacement Date have occurred with respect to the Term SOFR Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (b) of Section 2.15.

"Benchmark Replacement" means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) the Daily Simple SOFR;

(2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment.

If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" means with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for dollar-denominated syndicated credit facilities.

"Benchmark Replacement Conforming Changes" means with respect to any Benchmark Replacement and/or any Term Benchmark Loan, any technical, administrative or operational changes (including changes to the definition of "Alternate Base Rate," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the NYFRB, the CME Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Unavailability Period" means the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.15 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.15.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership or control as required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

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

"Borrower" means, as the context may require, the Initial Borrower and/or any Additional Borrower.

"Borrowing" means Loans of the same Class and Type made, converted or continued on the same date and, in the case of Term Benchmark Loans, as to which a single Interest Period is in effect.

"Borrowing Minimum" means $5,000,000.

"Borrowing Multiple" means $1,000,000.

"Borrowing Request" means a request by the Borrower for a Borrowing in accordance with Section 2.03, which shall be, in the case of any such written request, substantially in the form of Exhibit B-1 or any other form approved by the Administrative Agent.

"Builder Component" has the meaning set forth in the definition of "Available Amount".

"Business Day" means a day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to close, provided that, in addition to the foregoing, a Business Day shall be in relation to Loans referencing the Term SOFR Rate and any interest rate settings, fundings, disbursements, settlements or payments of any such Loans referencing the Term SOFR Rate or any other dealings of such Loans referencing the Term SOFR Rate, any such day that is a U.S. Government Securities Business Day.

"Capital Expenditures" means, for any period, (a) the additions to property, plant and equipment and other capital expenditures of Parent and its Subsidiaries that are (or should be) set forth in a consolidated statement of cash flows of Parent for such period prepared in accordance with GAAP, excluding (i) any such expenditures made to restore, replace or rebuild assets to the condition of such assets immediately prior to any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, such assets to the extent such expenditures are made with insurance proceeds, condemnation awards or damage recovery proceeds relating to any such casualty, damage, taking, condemnation or similar proceeding, (ii) any such expenditures

constituting Permitted Acquisitions or any other acquisition of all the Equity Interests in, or all or substantially all the assets of (or the assets constituting a business unit, division, product line or line of business of), any Person and related costs and expenses and (iii) any such expenditures in the form of a substantially contemporaneous exchange of similar property, plant, equipment or other capital assets, except to the extent of cash or other consideration (other than the assets so exchanged), if any, paid or payable by Parent and its Subsidiaries, and (b) such portion of principal payments on Capital Lease Obligations made by Parent and its Subsidiaries during such period as is attributable to additions to property, plant and equipment that have not otherwise been reflected on the consolidated statement of cash flows as additions to property, plant and equipment for such period.

"Capital Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP (without giving effect to any subsequent changes in GAAP arising out of a change described in the Proposed Accounting Standards Update to Leases (Topic 840) dated August 17, 2010, or a substantially similar pronouncement). The amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP. For purposes of Section 6.02, a Capital Lease Obligation shall be deemed to be secured by a Lien on the property being leased and such property shall be deemed to be owned by the lessee.

"Cash Management Agreement" means an agreement pursuant to which a bank or other financial institution provides Cash Management Services.

"Cash Management Services" means (a) treasury management services (including controlled disbursements, zero balance arrangements, cash sweeps, automated clearinghouse transactions, return items, overdrafts, temporary advances, interest and fees and interstate depository network services) provided to Parent or any Subsidiary and (b) commercial credit card and purchasing card services provided to Parent or any Subsidiary.

"CFC" means (a) each Person that is a "controlled foreign corporation" for purposes of Section 957 of the Code and (b) each Subsidiary of any such controlled foreign corporation.

"CFC Holding Company" means a Subsidiary, substantially all of the assets of which consist of Equity Interests or Indebtedness of (a) one or more CFCs or (b) one or more CFC Holding Companies.

"Change in Control" means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Exchange Act and the rules of the SEC thereunder, but excluding any employee benefit plan of such Person or its Subsidiaries and any Person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan unless such plan is party of a group) of Equity Interests in Parent representing more than 35% of either the aggregate ordinary voting power or the aggregate equity value represented by the issued and outstanding Equity Interests in Parent or (b) the Borrower shall cease to be a wholly-owned direct Subsidiary of Parent or another Loan Party that is a wholly-owned Subsidiary of Parent.

Notwithstanding the foregoing, a transaction in which the Parent becomes a direct subsidiary of a newly-formed passive holding company (such person, the "New Parent") shall not constitute a Change in Control if the equityholders of the New Parent immediately after giving effect to such transaction beneficially own, directly or indirectly through one or more intermediaries, the voting and/or economic interests in the Equity Interests of the New Parent substantially in proportion to their

holdings of the voting and/or economic interests in the Capital Stock of the Parent immediately prior to giving effect to such transaction.

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

"Charges" has the meaning set forth in Section 9.14.

"Class", when used in reference to (a) any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Incremental Term Loans of any Series, Revolving Loans or Swingline Loans, (b) any Commitment, refers to whether such Commitment is an Incremental Term Commitment of any Series or a Revolving Commitment and (c) any Lender, refers to whether such Lender has a Loan or Commitment of a particular Class. Additional Classes of Loans, Borrowings, Commitments and Lenders may be established pursuant to Sections 2.22, 2.23 and 2.24.

"Closing Date" means the date on which the conditions specified in Section 4.02 are satisfied (or waived in accordance with Section 9.03).

"CME Term SOFR Administrator" means CME Group Benchmark Administration Limited as administrator of the forward-looking term Secured Overnight Financing Rate (SOFR) (or a successor administrator).

"CNI Growth Amount" means, at any date of determination, an amount (which amount shall not be less than zero) equal to 50% of Consolidated Net Income for the cumulative period from the first day of the fiscal quarter of Parent during which the Closing Date occurs to and including the last day of the most recently ended fiscal quarter of Parent prior to such date for which consolidated financial statements required pursuant to Section 5.01(a) or (b) have been delivered or, at Parent's election, are internally available (treated as one accounting period).

"Code" means the United States Internal Revenue Code of 1986, as amended from time to time.

"Collateral" means any and all assets, whether real or personal, tangible or intangible, on which Liens are purported to be granted pursuant to the Security Documents as security for the Obligations.

"Collateral Agreements" means the Israeli Collateral Agreements and the U.S. Collateral Agreement.

"Collateral and Guarantee Requirement" means, at any time, the requirement that:

(a) the Administrative Agent shall have received from Parent, the Borrower and each Designated Subsidiary either (i) counterparts of (A) the Guarantee Agreement duly executed and delivered on behalf of such person and (B) each applicable Collateral Agreement duly executed and delivered on behalf of such Person in acceptable form for filing with each applicable Governmental Authority (including, if applicable, the Registrar of Companies, the Registrar of Patents and the Registrar of Pledges) together with such other filing forms, powers of attorney, applications, consents and ancillary documentation as detailed in the applicable Collateral Agreement or (ii) in the case of any Person that becomes a Designated Subsidiary after the Closing Date, (A) a supplement to the Guarantee Agreement, substantially in the form specified therein (or as otherwise agreed by the Administrative Agent) and (B) a supplement to each applicable Collateral Agreement, substantially in the form specified therein (or as otherwise agreed by the Administrative Agent), or, to the extent reasonably required by the Administrative Agent, additional Collateral Agreements, duly executed and delivered on behalf of such Person, together with documents of the type referred to in paragraph (e) of Section 4.02 and clauses (a)(i)(B) and (d) of the definition of the term "Collateral and Guarantee Requirement" and, to the extent reasonably requested by the Administrative Agent, opinions of the type referred to in paragraph (d) of Section 4.02, with respect to such Designated Subsidiary;

(b) (i) all outstanding Equity Interests in the Borrower and any Significant Subsidiary (other than Excluded Equity Interests), in each case directly owned by any Loan Party, shall have been pledged pursuant to a Collateral Agreement and (ii) the Administrative Agent shall, to the extent required by such Collateral Agreement, have received certificates and/or other instruments representing all such Equity Interests, together with undated stock powers or other instruments of transfer with respect thereto endorsed in blank, and, with respect to Equity Interests of Persons formed in Israel, irrevocable instructions in relation to payments while an Event of Default shall have occurred and be continuing;

(c) all (i) Indebtedness of Parent and each Subsidiary that is owing to any Loan Party in an aggregate principal amount in excess of $20,000,000 shall be evidenced by the Intercompany Note or a promissory note and shall have been pledged pursuant to a Collateral Agreement or a supplement to a Collateral Agreement, and the Administrative Agent shall have received all such Intercompany Notes or promissory notes, as applicable, together with undated instruments of transfer with respect thereto endorsed in blank, except that Indebtedness of Parent and each Subsidiary that is owing to any Loan Party and is incurred from time to time in the ordinary course of business shall not be required to be evidenced by an Intercompany Note or promissory note and the ancillary documentation referred to above (irrespective of the amount of such Indebtedness), to the extent that such Indebtedness is repaid or reduced to or below the aforementioned $20,000,000, in each case, within 45 days of the date incurred;

(d) all documents and instruments, including Uniform Commercial Code financing statements, IP Security Agreements in acceptable form for filing with the United States Patent and Trademark Office and the United States Copyright Office, as applicable, charge registration forms ("Forms 10") and pledge notices in acceptable form for filing with the Registrar of Companies, the Registrar of Pledges and the Registrar of Patents (as applicable) and powers of attorney, in each case, as required by Requirements of Law or reasonably requested by the Administrative Agent to be filed, registered or recorded to evidence the Liens intended to be created by the Security Documents and perfect such Liens to the extent required by, and with the priority required by, the Security Documents and the other provisions of the definition of the term "Collateral and Guarantee Requirement," shall have been filed, registered or recorded or delivered to the Administrative Agent for filing, registration or recording; and

(e) the Administrative Agent shall have received (i) counterparts of a Mortgage with respect to each Mortgaged Property duly executed and delivered by the Loan Party that is the record owner of such Mortgaged Property, (ii) other than with respect to any Mortgaged Property located in the State of Israel, a policy or policies of title insurance issued by a nationally recognized title insurance company insuring the Lien of each such Mortgage as a valid and enforceable first Lien on the Mortgaged Property described therein, free of any other Liens except as permitted under Section 6.02, together with such endorsements and affirmative coverage as the Administrative Agent may reasonably request, (iii) a (a) "Life-of-Loan" Federal Emergency Management Agency Standard Flood Hazard Determination with respect to each Mortgaged Property, and (b) in the event any such property is located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a special flood hazard area, (x) a notice about special flood hazard area status and flood disaster assistance, duly executed by the Borrower, and (y) evidence of such flood insurance as may be required under applicable law or regulations, including the Flood Insurance Regulations, and in any event in form, substance and amount reasonably satisfactory to the Administrative Agent, (iv) a survey as may exist and in the possession of a Loan Party at such time with respect to any such Mortgaged Property, (v) with respect to any Mortgaged Property located in the State of Israel or owned by Parent, all documents and instruments required by Requirements of Law or reasonably requested by the Administrative Agent to be filed, registered or recorded with any Governmental Authority (including for the purpose of perfection) and (vi) legal opinions as the Administrative Agent may reasonably request with respect to any such Mortgage and with respect to the enforceability, due authorization, execution and delivery of such Mortgage.

Notwithstanding the foregoing provisions of this definition or anything in this Agreement or any other Loan Document to the contrary, (a) the Loan Parties shall have the time periods specified in (x) Section 5.16 to satisfy the Collateral and Guarantee Requirement with respect to the items specified in Schedule 5.16 and (y) Section 5.11 to satisfy the Collateral and Collateral Requirement with respect to Designated Subsidiaries newly acquired or formed (or which first become Designated Subsidiaries) after the Closing Date or Section 5.13 to satisfy the Collateral and Guarantee Requirement with respect to any Material Real Property acquired by any Loan Party after the Closing Date, (b) the foregoing provisions of this definition shall not require the creation or perfection of pledges of or security interests in, or the obtaining of title insurance, surveys, legal opinions or other deliverables with respect to, particular assets of the Loan Parties, or the provision of Guarantees by any Subsidiary, in each case as to which the Administrative Agent and the Borrower reasonably agree in writing that the cost of creating or perfecting such pledges or security interests in such assets, or obtaining such title insurance, legal opinions or other deliverables in respect of such assets, or providing such Guarantees (taking into account any adverse tax consequences to Parent and the Subsidiaries (including the imposition of withholding or other material taxes or as the result of the operation of Section 956 of the Code or any similar law or regulation in any applicable jurisdiction)), shall be excessive in relation to the benefits to be obtained by the Lenders therefrom, (c) Liens required to be granted from time to time pursuant to the definition of the term "Collateral and Guarantee Requirement" shall be subject to exceptions and limitations set forth in the Security Documents and, to the extent appropriate in the applicable jurisdiction, as reasonably agreed between the Administrative Agent and the Borrower, (d) in no event shall the Collateral (directly or indirectly, including by way of an offset or otherwise) include any Excluded Assets. The Administrative Agent may, without the consent of any Lender, grant extensions of time for the creation and perfection of security interests in or the obtaining of title insurance, legal opinions or other deliverables with respect to particular assets or the provision of any Guarantee by any Designated Subsidiary (including extensions beyond the Closing Date and the time periods set forth in Schedule 5.16 or in connection with assets acquired, or Designated Subsidiaries formed or acquired, after the Closing Date) if it and the Borrower reasonably agree that such action cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required to be accomplished by this Agreement or the Security

Documents. In addition, in no event shall (a) control agreements or control or similar arrangements be required with respect to cash deposit, securities accounts or commodity accounts, (b) notice be required to be sent to account debtors or other contractual third parties prior to the occurrence and absent the continuance of an Event of Default, (c) landlord lien waivers, estoppels or collateral access letters or similar rights and agreements be required to be delivered, (d) perfection be required with respect to letter of credit rights and commercial tort claims (except to the extent perfected through the filing of Uniform Commercial Code financing statements or registration with the Registrar of Companies or Registrar of Pledges), (e) security documents, pledge agreements, deeds, charges or other collateral documents governed by the laws of a jurisdiction other than Israel or the United States or any State thereof or the District of Columbia be required (it being understood and agreed that notwithstanding anything herein to the contrary, security interests in any IIA-Funded Know-How shall be subject to the immediately following paragraph and shall be granted solely under security documents governed by Israeli law and subject to the exclusive jurisdiction of Israeli courts) or (f) the Borrower or the Parent be required to take any action to grant or perfect a security interest in any asset located in a jurisdiction other than Israel, the United States or any State thereof or the District of Columbia.

The Secured Parties hereby acknowledge that any security interest in any IIA-Funded Know-How, to the extent applicable, and the realization thereof is subject to the Research Law. In addition, the Secured Parties hereby acknowledge that (a) the grant of the security interest in any IIA-Funded Know-How will require and will be subject to the approval of the Israeli Innovation Authority and to the execution and delivery by the Administrative Agent, on behalf of itself and the other Secured Parties, of an undertaking towards the Israeli Innovation Authority, in the form attached hereto as Exhibit M or any similar form requested by the Israeli Innovation Authority which does not adversely affect the Lenders in their capacity as Secured Parties in respect of the IIA-Funded Know-How (the "IIA Undertaking"), prior to the creation of such security interest, (b) any realization of a security interest in IIA-Funded Know-How, including the sale, assignment or license of the IIA-Funded Know-How and its transfer within the framework of realization procedures under the Loan Documents will require and be subject to the approval of the Israeli Innovation Authority and to the conditions of the IIA Approval and of the Research Law. In addition, any realization of the IIA-Funded Know-How may be subject to receiving an undertaking of the grantee, potential buyer or any other transferee to assume the applicable obligations in respect of such IIA-Funded Know-How in accordance with the Research Law and in accordance with the terms of the program pursuant to which grants were provided to the applicable Loan Party. This paragraph is referred to herein as the "IIA Provision." The Secured Parties hereby authorize the Administrative Agent to take, or refrain from taking, any actions or to enter into any necessary undertakings or agreements on behalf of the Secured Parties that the Administrative Agent shall determine in its sole discretion are necessary to comply with the IIA Provision or any other requirements of the Israeli Innovation Authority with respect to IIA-Funded Know-How and any ancillary or related property.

"Commitment" means with respect to any Lender, such Lender's Incremental Term Commitment of any Series, Revolving Commitment or any combination thereof (as the context requires). Additional Revolving Commitments may be established pursuant to Sections 2.22 and 2.23.

"Commitment Fee Rate" means 0.25% per annum; provided that solely during an IG Rating Period, such percentage shall equal 0.20%.

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Companies Law" means the Israeli Companies Law, 5759-1999, and any regulations promulgated thereunder.

"Compliance Certificate" means a Compliance Certificate substantially in the form of Exhibit D or any other form approved by the Administrative Agent.

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

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

(a)

(i) Consolidated Interest Expense for such period (including imputed interest expense in respect of Capital Lease Obligations),

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

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

(iv) any extraordinary, unusual or nonrecurring losses or charges for such period, determined on a consolidated basis,

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

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

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

(viii) proceeds of, and expenses and charges associated with, liability or casualty event or business interruption insurance to the extent actually received or, so long as Parent has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is (A) not denied by the applicable carrier in writing within 180 days and (B) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within such 365 days),

(ix) charges, losses or expenses to the extent indemnified, reimbursable or insured to the extent actually received or, so long as Parent has made a determination that

there exists reasonable evidence that such amount will in fact be reimbursed by the applicable counterparty and only to the extent that such amount is (A) not denied by the applicable counterparty in writing within 180 days and (B) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within such 365 days), plus

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

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

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

(xiii) restructuring charges, accruals or reserves (including restructuring and integration costs related to acquisitions and closure of facilities and adjustments to existing reserves) whether or not classified as restructuring expense on the consolidated financial statements, plus

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

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

(b) Pro Forma Adjustments in connection with Permitted Acquisitions consummated during such period (or, for purposes of determining whether such Permitted Acquisition and any related Investment or incurrence of Indebtedness or Lien is permitted, after the end of such period) and other Initiatives; provided that (i) such Pro Forma Adjustments shall be calculated net of the amount of actual benefits realized and (ii) the aggregate amount of all amounts under this clause (b) that increase Consolidated EBITDA in any Test Period shall not exceed, and shall be limited to, 20% of Consolidated EBITDA in respect of such Test Period (calculated after giving effect to such adjustments and all other adjustments to Consolidated EBITDA); and minus

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

(i) any extraordinary gains for such period, determined on a consolidated basis,

(ii) any non-cash gains for such period, including with respect to write-ups of assets or goodwill, determined on a consolidated basis in accordance with GAAP,

(iii) any gains attributable to the early extinguishment of Indebtedness or obligations under any Hedging Agreement, determined on a consolidated basis in accordance with GAAP,

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

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

(vi) actual net gains resulting from discontinued operations.

provided further that, Consolidated EBITDA for any period shall be calculated so as to exclude (without duplication of any adjustment referred to above) non-cash foreign translation gains and losses. For purposes of calculating Consolidated EBITDA for any period to determine the First Lien Net Leverage Ratio, the Total Net Leverage Ratio or the Secured Net Leverage Ratio, if during such period Parent or any Subsidiary shall have consummated a Permitted Acquisition, any Initiative, any Subsidiary shall have been designated an Unrestricted Subsidiary or any Unrestricted Subsidiary shall have been designated as a Subsidiary, Consolidated EBITDA for such period shall be calculated after giving pro forma effect thereto in accordance with Section 1.04(c).

"Consolidated Interest Expense" means, for any period, total interest expense (including that attributable to Capital Lease Obligations) of Parent and its Subsidiaries for such period with respect to all outstanding Indebtedness of Parent and its Subsidiaries (including all commissions, discounts and other fees, expenses and charges owed with respect to borrowed money, letters of credit and bankers' acceptance financing and net costs under Hedging Agreements in respect of interest rates to the extent such net costs are allocable to such period in accordance with GAAP), but excluding, however, any amounts referred to in Section 2.13 payable to the Administrative Agent and Lenders on or before the Closing Date.

"Consolidated Net Income" means, for any period, the net income or loss of Parent and its consolidated Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP; provided that there shall be excluded (a) the income of any Person (other than Parent) that is not, or prior to the date it becomes, a consolidated Subsidiary except to the extent of the amount of cash dividends or other cash distributions actually paid by such Person to Parent or, subject to clauses (b) and (c) of this proviso, any consolidated Subsidiary during such period, (b) the income of, and any amounts referred to in clause (a) of this proviso paid to any Subsidiary (other than a Loan Party) to the extent that, on the date of determination, the declaration or payment of cash dividends or other cash distributions by such Subsidiary of that income is not at the time permitted by a Requirement of Law or any agreement or instrument applicable to such Subsidiary, unless such restrictions with respect to the payment of cash dividends and other cash distributions have been legally and effectively waived and (c) the income or loss of, and any amounts referred to in clause (a) of this proviso paid to, any consolidated Subsidiary that is not wholly-owned by Parent to the extent such income or loss or such amounts are attributable to the noncontrolling interest in such consolidated Subsidiary. Notwithstanding the foregoing, the amount of any cash dividends paid by any Unrestricted Subsidiary and received by Parent or the Subsidiaries during any such period shall be included, without duplication and subject to clauses (b) and (c) of the proviso in the immediately preceding sentence, in the calculation of Consolidated Net Income for such period. For purposes of calculating Consolidated Net Income for any period to determine the First Lien Net Leverage Ratio, the Total Net Leverage Ratio or the Secured Net Leverage Ratio, if during such period Parent or any Subsidiary shall have consummated a Permitted Acquisition, an Initiative or a Subsidiary

Designation, Consolidated Net Income for such period shall be calculated after giving pro forma effect thereto in accordance with Section 1.04(c).

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Core Intellectual Property" means any Intellectual Property owned by Parent relating to the Cognigy platform.

"Corresponding Tenor" means, with respect to any Available Tenor, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"Covered Entity" means any of the following:

(i) "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Covered Party" has the meaning set forth in Section 9.23.

"Credit Party" means the Administrative Agent, each Issuing Lender, the Swingline Lender and each Lender.

"Cumulative Consolidated Net Income" means, as of any date of determination, the cumulative amount of Consolidated Net Income for the period (taken as one accounting period) commencing on January 1, 2026 and ending on the last day of the most recent fiscal quarter for which financial statements have been delivered pursuant to Section 5.01(a) or (b).

"Customary Bridge Loans" has the meaning set forth in Section 2.22(b).

"Customary Term A Loans" means any term loans that are syndicated primarily to Persons regulated as banks in the primary syndication thereof, that, when made, have scheduled amortization of at least 2.5% per year prior to maturity, and that contain other provisions customary for "term A loans," as reasonably determined by the Initial Borrower; provided, that no Customary Term A Loans may mature earlier than the Revolving Termination Date or have scheduled amortization of greater than 10% per annum prior to the Revolving Termination Date.

"Customary Term B Loans" means any term loans other than Customary Term A Loans that, when made, have scheduled amortization of not greater than 1.00% per annum prior to maturity and contain other provisions customary for "term B loans," as reasonably determined by the Initial Borrower; provided that no Customary Term B Loans may mature earlier than the Revolving Termination Date.

"Daily Simple SOFR" means, for any day (a "SOFR Rate Day"), a rate per annum equal to SOFR for the day (such day "SOFR Determination Date") that is five (5) U.S. Government Securities

Business Days prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower.

"Default" means any event or condition that constitutes, or upon notice, lapse of time or both would constitute, an Event of Default.

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"Defaulting Lender" means any Lender that (a) has failed, within two Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in Letters of Credit or Swingline Loans, or (iii) pay over to any Credit Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified in such writing, including, if applicable, by reference to a specific Default) has not been satisfied, (b) has notified the Borrower or any Credit Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender's good faith determination that a condition precedent to funding (specifically identified in such writing, including, if applicable, by reference to a specific Default) cannot be satisfied), (c) has failed, within three Business Days after request by a Credit Party, made in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations to fund prospective Loans and participations in then outstanding Letters of Credit and Swingline Loans under this Agreement; provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Credit Party's receipt of such written certification, (d) has become the subject of a (A) Bankruptcy Event or (B) a Bail-In Action or (e) has had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or its Lender Parent by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (e) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.21) upon delivery of written notice of such determination to the Borrower and each Lender.

"Designated Non-Cash Consideration" means the fair market value of non-cash consideration received by Parent or one of its Subsidiaries in connection with a Disposition that is so designated as Designated Non-Cash Consideration pursuant to an officer's certificate of an Authorized Officer, setting forth the basis of such valuation, less the amount of cash and Permitted Investments received in connection with a subsequent sale of such Designated Non-Cash Consideration within 180 days of receipt thereof.

"Designated Subsidiary" means each Subsidiary that is not an Excluded Subsidiary.

"Disposition" has the meaning set forth in Section 6.05.

"Disqualified Equity Interest" means, with respect to any Person, any Equity Interest in such Person that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, either mandatorily or at the option of the holder thereof), or upon the happening of any event or condition:

(a) matures or is mandatorily redeemable (other than solely for Equity Interests in such Person that do not constitute Disqualified Equity Interests and cash in lieu of fractional shares of such Equity Interests), whether pursuant to a sinking fund obligation or otherwise;

(b) is convertible or exchangeable, either mandatorily or at the option of the holder thereof, for Indebtedness or Equity Interests (other than solely for Equity Interests in such Person that do not constitute Disqualified Equity Interests and cash in lieu of fractional shares of such Equity Interests); or

(c) is redeemable (other than solely for Equity Interests in such Person that do not constitute Disqualified Equity Interests and cash in lieu of fractional shares of such Equity Interests) or is required to be repurchased by Parent or any Subsidiary, in whole or in part, at the option of the holder thereof;

in each case, on or prior to the date that is 91 days after the Latest Maturity Date (determined as of the date of issuance thereof or, in the case of any such Equity Interests outstanding on the Effective Date, the Effective Date); provided, however, that (i) an Equity Interest in any Person that would not constitute a Disqualified Equity Interest but for terms thereof giving holders thereof the right to require such Person to redeem or purchase such Equity Interest upon the occurrence of an "asset sale" or a "change of control" (or similar event, however denominated) shall not constitute a Disqualified Equity Interest if any such requirement becomes operative only after repayment in full of all the Loans and all other Loan Document Obligations that are accrued and payable and the termination or expiration of the Commitments and (ii) an Equity Interest in any Person that is issued to any employee or to any plan for the benefit of employees or by any such plan to such employees shall not constitute a Disqualified Equity Interest solely because it may be required to be repurchased by such Person or any of its Subsidiaries in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death or disability.

"Disqualified Institutions" means (a) any persons that are engaged as principals primarily in private equity, mezzanine financing or venture capital and certain banks, financial institutions, other institutional lenders and other entities, in each case, that have been specified by name to the Arrangers by the Borrower from time to time in writing, subject to the written consent of the Arrangers (not to be unreasonably withheld or delayed), (b) competitors of Parent, the Borrower and their respective Subsidiaries (including Unrestricted Subsidiaries) in each case identified by name in writing by the Initial Borrower to the Administrative Agent from time to time, (c) any Israeli non-bank financial institutions and (d) as to any entity referenced in each case of clauses (a), (b) and (c) above (the "Primary Disqualified Institution"), any of such Primary Disqualified Institution's known Affiliates readily identifiable solely by similarity of name, but excluding any Affiliate that is primarily engaged in, or that advises funds or other investment vehicles that are engaged in, making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit or securities in the ordinary course and with respect to which the Primary Disqualified Institution does not, directly or indirectly, possess the power to direct or cause the direction of the investment policies of such entity. For the avoidance of doubt (i) the Administrative Agent shall, and shall be permitted to, provide such list of Disqualified

Institutions to the Lenders and prospective Lenders, (ii) any addition or other modification to the list of Disqualified Institutions pursuant to clause (b) above will not become effective until three Business Days after such addition or other modification has been provided to the Administrative Agent and (iii) any supplementation permitted by the foregoing shall not apply retroactively for any prior or pending assignment or participation. In no event shall the Administrative Agent be obligated to ascertain, monitor or inquire as to whether any prospective assignee is a Disqualified Institution or have any liability for compliance with the provisions relating to Disqualified Institutions. Any such list of Disqualified Institutions and any updates to the list shall be delivered to the email address titled JPMDQ_Contact@jpmorgan.com**.**

"Domestic Subsidiary" means any Subsidiary incorporated or organized under the laws of the United States of America, any State thereof or the District of Columbia.

"Domestic Subsidiary Loan Party" means any Loan Party that is a Domestic Subsidiary.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"Effective Date" means the first date on which each of the conditions precedent under Section 4.01 has been satisfied or waived in accordance with the terms of this Agreement.

"Electronic Signature" means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

"Eligible Assignee" means (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund, (d) any bank and (e) any other financial institution or investment fund engaged as a primary activity in the ordinary course of its business in making or investing in commercial loans or debt securities, other than, in each case, (i) a natural person or (ii) Parent, any Subsidiary or any other Affiliate of Parent, in each case other than any Disqualified Institution.

"Environmental Laws" means all Requirements of Law relating to pollution or the protection of the environment or natural resources (or, as it relates to exposure to hazardous or toxic substances, human health and safety matters).

"Environmental Liability" means any liability, obligation, loss, claim, lawsuit or order, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties and indemnities) directly or indirectly resulting or arising from (a) the violation of any Environmental Law or Environmental Permit, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) the Release or threatened Release of any Hazardous

Materials, (d) exposure to any Hazardous Materials or (e) any contract or agreement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Environmental Permits" means any and all permits, licenses, approvals, registrations, notifications, exemptions and any other authorization issued or required under Environmental Laws.

"Equity Interests" means shares of capital stock, partnership interests, membership interests, beneficial interests in a trust or other equity ownership interests (whether voting or non-voting) in, or interests in the income or profits of, a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any of the foregoing.

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

"ERISA Affiliate" means any trade or business (whether or not incorporated) that, together with Parent, is treated as a single employer under Section 4001(b)(1) of ERISA or Section 414(b) or 414(c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414(m) or 414(o) of the Code.

"ERISA Event" means (a) the existence, with respect to any Plan of Parent, of a non-exempt Prohibited Transaction; (b) any Reportable Event; (c) any failure by any Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Plan, in each case whether or not waived; (d) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (e) a determination that any Plan is, or is expected to be, in "at-risk" status (as defined in Section 430(i)(4) of the Code or Section 303(i)(4) of ERISA); (f) the incurrence by Parent or any ERISA Affiliate of any liability under Title IV of ERISA with respect to the termination of any Plan; (g) the receipt by Parent or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (h) the incurrence by Parent or any ERISA Affiliate of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; (i) the receipt by Parent or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from Parent or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent, in "endangered" or "critical" status (within the meaning of Section 432 of the Code or Section 305 of ERISA) or terminated (within the meaning of Section 4041A of ERISA); (j) the failure by Parent or any ERISA Affiliate to pay when due (after expiration of any applicable grace period) any installment payment with respect to Withdrawal Liability under Section 4201 of ERISA or (k) a Foreign Plan Event.

"EU Bail-In Legislation Schedule" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"Event of Default" has the meaning set forth in Article VII.

"Exchange Act" means the United States Securities Exchange Act of 1934.

"Excluded Assets" means (a) any fee-owned real property with a fair market value of less than $15,000,000; (b) any leasehold interests in real property; (c) motor vehicles and other assets subject to certificates of title (other than to the extent a security interest in such assets can be perfected by filing a Uniform Commercial Code financing statement or a similar filing in a non-U.S. jurisdiction); (d) any assets if, to the extent, and for so long as, the grant of a Lien thereon to secure the Obligations is

effectively prohibited or restricted by any Requirements of Law; provided that such asset shall cease to be an Excluded Asset at such time as such prohibition ceases to be in effect; (e) any lease, license or other agreement or any property subject to a purchase money security interest or similar arrangement to the extent that a grant of a security interest therein would violate or invalidate such lease, license or agreement or purchase money security interest or similar arrangement or create a right of termination in favor of any other party thereto (other than Parent or any Subsidiary), in each case, after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code or analogous law of any non-U.S. jurisdiction, and other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code or analogous law of any non-U.S. jurisdiction notwithstanding such prohibition or right of termination; (f) (A) any asset to the extent that a grant of a security interest therein would require the consent (other than a consent that has been obtained and other than with respect to IIA-Funded Know-How, which shall be subject to the IIA Provision) of a third Person (other than Parent or any Subsidiary) in each case pursuant to an agreement relating to secured Indebtedness permitted by clause (b), (e), (f), (g), (h), (i), (j), (k), (l), (n), (o), (p), (q), (u) or (v) of Section 6.01 so long as such consent requirement applies only to the assets securing such Indebtedness and (B) any lease, license or other agreement which requires the consent (other than a consent that has been obtained and other than with respect to IIA-Funded Know-How, which shall be subject to the IIA Provision) of a third Person (other than Parent or any Subsidiary) in order for such lease, license or other agreement (or rights thereunder) to be part of the Collateral, in each case, after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code or analogous law of any non-U.S. jurisdiction, and other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code or analogous law of any non-U.S. jurisdiction notwithstanding such consent requirement; (g) those assets as to which the Administrative Agent and the Borrower reasonably agree in writing that the cost of obtaining such a security interest or perfection thereof are excessive in relation to the benefit to the Lenders of the security interest to be afforded thereby; (h) "intent-to-use" trademark applications filed pursuant to Section 1(b) of the Lanham Act (15 U.S.C. 1051, et seq.), unless and until acceptable evidence of use of the trademark has been filed with and accepted by the United States Patent and Trademark Office pursuant to Section 1(c) or Section 1(d) of the Lanham Act (15 U.S.C. 1051, et seq.), to the extent that granting a lien in such trademark application prior to such filing would adversely affect the enforceability or validity of such trademark application; (i) any governmental licenses or state or local franchises, charters and authorizations, to the extent security interests in such licenses, franchises, charters or authorizations are prohibited or restricted thereby or require governmental approval or consent (other than an approval or consent that has been obtained and, to the extent relevant, other than with respect to IIA-Funded Know-How, which shall be subject to the IIA Provision), in each case, after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code or analogous law of any non-U.S. jurisdiction, and other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code or analogous law of any non-U.S. jurisdiction notwithstanding such prohibition, restriction or consent requirement; (j) any Excluded Equity Interests; (k) other customary exclusions under applicable local law or in applicable local jurisdictions as mutually agreed by the Administrative Agent and the Borrower; (l) margin stock; (m) assets in any CFC or any CFC Holding Company and other assets to the extent a security interest in such assets would result in material adverse tax consequences (including, without limitation, as a result of the operation of Section 956 of the Code or any similar law or regulation in any applicable jurisdiction) or material adverse regulatory consequences, in each case, as reasonably determined in good faith by the Borrower; (n) any payroll accounts, employee wage and benefit accounts, tax accounts, escrow accounts, or fiduciary or trust accounts; (o) cash or other assets restricted that are subject to Liens permitted under Section 6.02(l) or Hedging Agreements entered into in the ordinary course of business with relationship banks of Parent or any of its Subsidiaries; and (p) any asset that is the target or subject of Sanctions.

"Excluded Equity Interests" means (a) any Equity Interests that consist of voting stock of a Subsidiary that is a CFC or a CFC Holding Company in excess of 65% of the outstanding voting stock (or 65% of the outstanding Equity Interests in the case of an entity that is not a corporation for U.S. tax purposes) of such Subsidiary, (b) any Equity Interests if, to the extent, and for so long as, the grant of a Lien thereon to secure the Obligations is effectively prohibited or restricted by any Requirements of Law; provided that such Equity Interest shall cease to be an Excluded Equity Interest at such time as such prohibition ceases to be in effect, (c) Equity Interests in any Person that is not a wholly-owned Subsidiary directly owned by a Loan Party; provided that such Equity Interest shall cease to be an Excluded Equity Interest if such Person becomes a wholly-owned Subsidiary directly owned by a Loan Party and (d) Equity Interests as to which the Administrative Agent and the Borrower reasonably agree in writing that the cost of obtaining such a security interest or perfection thereof are excessive in relation to the benefit to the Lenders of the security interest to be afforded thereby.

"Excluded Subsidiary" means (a) any Subsidiary that is not a wholly-owned Significant Subsidiary, (b) any Subsidiary that is a Foreign Subsidiary, (c) any Subsidiary (other than the Borrower) that is a CFC or a CFC Holding Company (and accordingly, in no event shall a CFC or a CFC Holding Company be required to enter into any Security Document or pledge any assets hereunder), (d) any Subsidiary that is prohibited or restricted by Requirements of Law or by contractual obligations existing on the Effective Date (or, in the case of any newly acquired Subsidiary, in existence at the time of acquisition but not entered into in contemplation thereof) from Guaranteeing the Loan Document Obligations or if guaranteeing the Obligations (i) would require governmental (including regulatory) consent, approval, license or authorization in order to provide such guarantee or (ii) could result in material adverse tax consequences as reasonably determined by the Borrower, (e) a special purpose securitization vehicle (or similar entity), (f) a not for profit Subsidiary, (g) a captive insurance Subsidiary, (h) any Unrestricted Subsidiary or (i) any other Subsidiary with respect to, in the reasonable judgment of the Borrower and the Administrative Agent, the burden or cost of a Guarantee shall be excessive in view of the benefits to be obtained by the Lenders therefrom; provided that any Subsidiary shall cease to be an Excluded Subsidiary at such time as none of foregoing clauses apply to such Subsidiary.

"Excluded Swap Obligation" means, with respect to any Loan Party, any Swap Obligation if, and to the extent that, and only for so long as, all or a portion of the guarantee by such Loan Party of, or the grant by such Loan Party of a security interest to secure, as applicable, such Swap Obligation (or any guarantee thereof) is or becomes illegal or unlawful under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) (determined after giving effect to any applicable keepwell, support, or other agreement for the benefit of such Loan Party and any and all applicable guarantees of such Loan Party's swap obligations by the other Loan Parties) by virtue of Loan Party's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the guarantee of such Loan Party or the grant by any Loan Party of a security interest, as applicable, becomes effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one Swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to Swaps for which such guarantee or security interest is or becomes illegal.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. Federal withholding Taxes imposed on amounts payable to or for the account of such Lender with

respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 2.20(b)) or (ii) such Lender changes its lending or branch office, except in each case to the extent that, pursuant to Section 2.18, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender acquired the applicable interest in such Loan or Commitment or to such Lender immediately before it changed its lending or branch office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.18(f) and (d) any Taxes imposed under FATCA. For clarity, under no circumstance shall any Israeli VAT or Israeli withholding Tax be considered an Excluded Tax.

"Facility" means each of (a) the Revolving Facility and (b) any Incremental Term Facility.

"FATCA" means Sections 1471 through 1474 of the Code, as of the Effective Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code, any intergovernmental agreements entered into in connection with the implementation of such Sections of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to such intergovernmental agreement.

"Federal Funds Effective Rate" means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depositary institutions, as determined in such manner as the NYFRB shall set forth on the NYFRB's Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate, provided that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

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

"Fee Payment Date" means, (a) the 15th calendar day following the last day of each March, June, September and December and (b) the last day of the Revolving Commitment Period.

"Financial Officer" means, with respect to any Person, the chief financial officer, principal accounting officer, treasurer, corporate vice president of finance or controller of such Person (or other persons holding similar duties).

"First Lien Intercreditor Agreement" has the meaning set forth in the definition of the term "Intercreditor Agreement".

"First Lien Net Leverage Ratio" means, on any date of determination, the ratio of (a) an amount equal to (x) Total First Lien Indebtedness as of the last day of the Test Period most recently ended on or prior to such date less (y) Unrestricted Cash of Parent and its Subsidiaries as of the last day of the Test Period most recently ended on or prior to such date to (b) Consolidated EBITDA for the Test Period most recently ended on or prior to such date.

"Fixed Amount" has the meaning set forth in Section 1.04(d).

"Flood Insurance Regulations" means, collectively, (i) the National Flood Insurance Reform Act of 1994 (which comprehensively revised the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973) as now or hereafter in effect or any successor statute thereto, (ii)

the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto and (iii) the Biggert-Waters Flood Insurance Reform Act of 2012 as now or hereafter in effect or any successor statute thereto.

"Floor" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the Term SOFR Rate or the Daily Simple SOFR. For the avoidance of doubt the initial Floor for each of Term SOFR Rate and Daily Simple SOFR interest shall be 0.00%.

"Foreign Lender" means any Lender that is not a U.S. Person.

"Foreign Plan" means each employee benefit plan (within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA), program or agreement that is not subject to US law and is maintained or contributed to by, or entered into with, Parent, any of its Affiliates, or any other entity to the extent any Loan Party could have any liability in respect of its current or former employees, other than any employee benefit plan, program or agreement that is sponsored or maintained exclusively by a Governmental Authority.

"Foreign Plan Event" means, with respect to any Foreign Plan, (a) the failure to make or, if applicable, accrue in accordance with normal accounting practices, any contributions or payments required by applicable law or by the terms of such Foreign Plan; (b) the failure to register or loss of good standing with applicable Governmental Authorities of any such Foreign Plan required to be registered with such Governmental Authorities; or (c) the failure of any Foreign Plan to comply with any material provisions of applicable law and regulations or with the material terms of such Foreign Plan.

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"Funding Lenders" means, at any time, all Lenders other than any Lenders that at such time are Non-Funding Lenders.

"Funding Office" means such office as may be specified from time to time by the Administrative Agent as its funding office by written notice to the Initial Borrower and the Lenders.

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

"Governmental Approvals" means all authorizations, consents, approvals, permits, licenses and exemptions of, registrations and filings with, and reports to, Governmental Authorities.

"Governmental Authority" means the government of the United States of America, the State of Israel, any other nation or government, or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including the Bank of Israel, the Commissioner of Capital Markets, Insurance and Savings Department in the Israeli Ministry of Finance and including any supra-national body exercising such powers or functions, such as the European Union or the European Central Bank).

"Guarantee" of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or

advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or other obligation; provided that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The amount, as of any date of determination, of any Guarantee shall be the principal amount outstanding on such date of the Indebtedness or other obligation guaranteed thereby (or, in the case of (i) any Guarantee the terms of which limit the monetary exposure of the guarantor or (ii) any Guarantee of an obligation that does not have a principal amount, the maximum monetary exposure as of such date of the guarantor under such Guarantee (as determined, in the case of clause (i), pursuant to such terms or, in the case of clause (ii), reasonably and in good faith by a Financial Officer of Parent)). The term "Guarantee" used as a verb has a corresponding meaning.

"Guarantee Agreement" means the Guarantee Agreement among the Initial Borrower, the other Loan Parties and the Administrative Agent, substantially in the form of Exhibit K.

"Hazardous Materials" means petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, mercury, lime solids, radon gas and all other substances, wastes or other pollutants (including explosive, radioactive, hazardous or toxic substances or wastes) that are regulated pursuant to any Environmental Law due to their potential harmful or deleterious effects on human health or the environment.

"Hedging Agreement" means any agreement with respect to any swap, forward, future or derivative transaction, or any option or similar agreement, involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt securities or instruments, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value, or any similar transaction or any combination of the foregoing transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of Parent or any Subsidiary shall be a Hedging Agreement.

"Hedging Obligations" means, with respect to any Person, the obligations of such Person under any Hedging Agreements.

"IG Rating Period" shall mean the period (i) starting on the third Business Day following the date on which the Parent's corporate credit rating is rated by any two of S&P, Moody's and Fitch BBB-, Baa3 and/or BBB- (or higher) and (ii) ending on the third Business Day following the date on which the Parent's corporate credit rating is not rated by at least two of S&P, Moody's and Fitch BBB-, Baa3 and/or BBB- (or higher).

"IIA Approval" means the Initial IIA Approval and any other approval (substantially similar to the Initial IIA Approval or in form and substance reasonably satisfactory to the Administrative Agent) of the Israeli Innovation Authority granted in connection with the transactions contemplated by the Loan Documents.

"IIA-Funded Know-How" means the Intellectual Property forming part of the Collateral that was developed with the support of the Israeli Innovation Authority, including any rights derived therefrom.

"IIA Provision" has the meaning set forth in the definition of the term "Collateral and Guarantee Requirement".

"IIA Undertaking" has the meaning set forth in the definition of the term "Collateral and Guarantee Requirement."

"Incremental Acquisition Term Facility" means Incremental Term Commitments designated as an "Incremental Acquisition Term Facility" by the Borrower, the Administrative Agent and the applicable Incremental Term Lenders in the applicable Incremental Facility Amendment, the making of which is conditioned upon the consummation of, and the proceeds of which will be used to finance, a Permitted Acquisition or other acquisition or Investment permitted hereunder (including the refinancing of Indebtedness in connection therewith (to the extent required in connection with such Permitted Acquisition, acquisition or Investment) and the payment of related fees and expenses).

"Incremental Commitments" means the Incremental Term Commitments and the Incremental Revolving Commitments.

"Incremental Equivalent Debt" has the meaning set forth in Section 6.01(h).

"Incremental Facility Amendment" means an amendment to this Agreement, in form and substance reasonably satisfactory to the Administrative Agent, among the Borrower, the Administrative Agent and one or more Incremental Lenders, establishing Incremental Commitments and effecting such other amendments hereto and to the other Loan Documents as are contemplated by Section 2.22.

"Incremental Junior Debt" has the meaning set forth in Section 6.01(h).

"Incremental Lenders" means the Incremental Term Lenders and the Incremental Revolving Lenders.

"Incremental Pari Passu Debt" has the meaning set forth in Section 6.01(h).

"Incremental Revolving Commitment" means, with respect to any Lender, the commitment, if any, of such Lender, established pursuant to an Incremental Facility Amendment and Section 2.22, to make additional Revolving Commitments available hereunder, expressed as an amount representing the maximum principal amount of the Revolving Loans to be made by such Lender in respect thereof.

"Incremental Revolving Lender" means a Lender providing Incremental Revolving Commitments.

"Incremental Term Commitment" means, with respect to any Lender, the commitment, if any, of such Lender, established pursuant to an Incremental Facility Amendment and Section 2.22, to make Incremental Term Loans of any Series hereunder, expressed as an amount representing the maximum principal amount of the Incremental Term Loans of such Series to be made by such Lender.

"Incremental Term Facility" means an incremental facility established hereunder pursuant to an Incremental Facility Amendment providing for Incremental Term Commitments.

"Incremental Term Lender" means a Lender with an Incremental Term Commitment or an outstanding Incremental Term Loan.

"Incremental Term Loan" means a Loan made by an Incremental Term Lender to the Borrower pursuant to Section 2.22.

"Incremental Term Maturity Date" means, with respect to Incremental Term Loans of any Series, the scheduled date on which such Incremental Term Loans shall become due and payable in full hereunder, as specified in the applicable Incremental Facility Amendment.

"Incurrence-Based Amount" has the meaning set forth in Section 1.04(d).

"Indebtedness" of any Person means, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person (excluding, for the avoidance of doubt, trade accounts payable incurred in the ordinary course of business), (d) all obligations of such Person in respect of the deferred purchase price of property or services (excluding trade accounts payable, deferred compensation arrangements for employees, directors and officers and other accrued obligations, in each case in the ordinary course of business), (e) all Capital Lease Obligations of such Person, (f) the maximum aggregate amount that would be available for drawing under all letters of credit issued for the account of such Person, together without duplication, the amount of all honored but unpaid drawings and/or unreimbursed payments thereunder and all obligations, contingent or otherwise, of such Person as an account party in respect of letters of guaranty, (g) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances, (h) all Disqualified Equity Interests in such Person, valued, as of the date of determination, at the greater of (x) the maximum aggregate amount that would be payable upon maturity, redemption, repayment or repurchase thereof (or of Disqualified Equity Interests or Indebtedness into which such Disqualified Equity Interests are convertible or exchangeable) and (y) the maximum liquidation preference of such Disqualified Equity Interests, (i) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed by such Person, and (j) all Guarantees by such Person of Indebtedness of others. The Indebtedness of any Person shall include the Indebtedness of any other Person (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such other Person, except to the extent the terms of such Indebtedness expressly provide that such Person is not liable therefor. Notwithstanding the foregoing, the term "Indebtedness" shall not include (i) purchase price adjustments, earnouts, holdbacks or deferred payments of a similar nature (including deferred compensation representing consideration or other contingent obligations incurred in connection with an acquisition), except in each case to the extent that such amount payable is more than 90 days overdue and such amount would otherwise be required to be reflected on a balance sheet prepared in accordance with GAAP; (ii) current accounts payable incurred in the ordinary course of business; (iii) obligations in respect of non-competes and similar agreements; (iv) Hedging Obligations; (v) obligations in respect of Cash Management Services; and (vi) licenses and operating leases. The amount of Indebtedness of any Person for purposes of clause (i) above shall (unless such Indebtedness has been assumed by such Person or such Person has otherwise become liable for the payment thereof) be deemed to be equal to the lesser of (x) the aggregate unpaid amount of such Indebtedness and (y) the fair market value of the property encumbered thereby as determined by such Person in good faith.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), VAT imposed on or with respect to any payment made by Parent under any Loan Document and Other Taxes.

"Indemnitee" has the meaning set forth in Section 9.04(b).

"Initial Borrower" has the meaning set forth in the preamble hereto.

"Initial IIA Approval" has the meaning set forth in Schedule 5.16.

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

"Intellectual Property" has the meaning set forth in the U.S. Collateral Agreement.

"Intercompany Note" means an intercompany note among the Loan Parties and the Subsidiaries party thereto, substantially in the form of Exhibit L or any other form approved by the Administrative Agent.

"Intercreditor Agreement" means (a) in respect of Indebtedness intended to be secured by some or all of the Collateral on a pari passu basis with the Obligations, an intercreditor agreement in a form reasonably acceptable to the Administrative Agent (pursuant to Required Lenders Negative Consent) and the Borrower (a "First Lien Intercreditor Agreement"), and (b) in respect of Indebtedness intended to be secured by some or all of the Collateral on a junior priority basis with the Obligations, an intercreditor agreement in a form reasonably acceptable to the Administrative Agent (pursuant to Required Lenders Negative Consent) and the Borrower (a "Junior Lien Intercreditor Agreement").

"Interest Election Request" means a request by the Borrower to convert or continue a Borrowing in accordance with Section 2.08, which shall be, in the case of any such written request, substantially in the form of Exhibit E or any other form approved by the Administrative Agent.

"Interest Payment Date" means (a) with respect to any ABR Loan (other than any Swingline Loan), the last day of each March, June, September and December and the final maturity date of such Loan, (b) with respect to any Term Benchmark Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Term Benchmark Borrowing with an Interest Period of more than three months' duration, such day or days prior to the last day of such Interest Period as shall occur at intervals of three months' duration after the first day of such Interest Period and the final maturity date of such Loan and (c) as to any Swingline Loan, the day that such Loan is required to be repaid.

"Interest Period" means, with respect to any Term Benchmark Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three, six months thereafter (or, if agreed by the Administrative Agent (in its sole discretion), 12 months thereafter or a shorter period thereafter), as the Borrower may elect; provided that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (b) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period and (c) no tenor that has been removed from this definition pursuant to Section 2.15(e) shall be available for specification in such Borrowing Request or Interest Election Request. For purposes hereof, the date of a Borrowing initially

shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

"Investment" means, with respect to a specified Person, (a) any purchase of Equity Interests, bonds, notes, debentures or other securities (including any option, warrant or other right to acquire any of the foregoing) of any other Person (other than any Loan Party), or any capital contribution or loans or advances (other than advances made in the ordinary course of business that would be recorded as accounts receivable on the balance sheet of the specified Person prepared in accordance with GAAP) to, Guarantees of any Indebtedness of or other obligations of, or any other investment in, any other Person that are held or made by the specified Person and (b) the purchase or acquisition (in one transaction or a series of related transactions) of all or substantially all the property and assets or business of another Person or assets constituting a business unit, line of business, division or product line of such other Person. The amount, as of any date of determination, of (i) any Investment in the form of a loan or an advance shall be the principal amount thereof outstanding on such date (excluding any portion thereof representing paid-in-kind interest or principal accretion), without any adjustment for write-downs or write-offs (including as a result of forgiveness of any portion thereof) with respect to such loan or advance after the date thereof, (ii) any Investment in the form of a Guarantee shall be determined in accordance with the definition of the term "Guarantee", (iii) any Investment in the form of a transfer of Equity Interests or other non-cash property by the investor to the investee, including any such transfer in the form of a capital contribution, shall be the fair value (as determined reasonably and in good faith by Parent in accordance with GAAP) of such Equity Interests or other property as of the time of the transfer, minus any payments actually received in cash, or other property that has been converted into cash or is readily marketable for cash, by such specified Person representing a return of capital of such Investment, but without any adjustment for increases or decreases in value of, or write-ups, write-downs or write-offs with respect to, such Investment after the date of such transfer, (iv) any Investment (other than any Investment referred to in clause (i), (ii) or (iii) above) by the specified Person in the form of a purchase or other acquisition for value of any Equity Interests, evidences of Indebtedness, other securities or assets of any other Person shall be the original cost of such Investment (including any Indebtedness assumed in connection therewith), plus the cost of all additions, as of such date, thereto, and minus the amount, as of such date, of any portion of such Investment repaid to the investor in cash as a repayment of principal or a return of capital, as the case may be, but without any other adjustment for increases or decreases in value of, or write-ups, write-downs or write-offs with respect to, such Investment after the date of such Investment, and (v) any Investment (other than any Investment referred to in clause (i), (ii), (iii) or (iv) above) by the specified Person in any other Person resulting from the issuance by such other Person of its Equity Interests to the specified Person shall be the fair value (as determined reasonably and in good faith by a Financial Officer of Parent) of such Equity Interests at the time of the issuance thereof. For purposes of Section 6.04, if an Investment involves the acquisition of more than one Person, the amount of such Investment shall be allocated among the acquired Persons in accordance with GAAP; provided that pending the final determination of the amounts to be so allocated in accordance with GAAP, such allocation shall be as reasonably determined by a Financial Officer of Parent. Any basket in this Agreement used to make an Investment by any Loan Party on or after the Effective Date in any Person that is not a Loan Party on the date such Investment is made but subsequently becomes a Loan Party in accordance with the terms of this Agreement shall be refreshed by the amount of the Investment so made on the date such Person so becomes a Loan Party.

"Investment Company Act" means the U.S. Investment Company Act of 1940, as amended.

"IP Security Agreement" has the meaning set forth in the U.S. Collateral Agreement.

"IRS" means the United States Internal Revenue Service.

"ISDA Definitions" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

"Israeli Collateral Agreements" means the Israeli Fixed Charge, the Israeli Floating Charge and any other pledge, charge, mortgage, security and/or collateral agreements, assignments or other documents securing the Obligations, between Parent or any other Loan Party organized in the State of Israel or any other Loan Party that owns Collateral located in the State of Israel (including Equity Interests in any Significant Subsidiary organized in the State of Israel (other than Excluded Equity Interests) and Intellectual Property) and the Administrative Agent entered into from time to time, in each case in form and substance reasonably satisfactory to the Administrative Agent.

"Israeli Companies Law" means the Israeli Companies Law, 1999, and any regulations promulgated thereunder, as amended from time to time.

"Israeli Fixed Charge" means a first ranking Israeli law fixed charge debenture to be entered into on the Closing Date, by Parent in favor of the Administrative Agent, over Core Intellectual Property.

"Israeli Floating Charge" means a first ranking Israeli law floating charge debenture to be entered into on the Closing Date by the Parent in favor of the Administrative Agent, creating an Israeli law floating charge over all of such pledgor's assets.

"Israeli Innovation Authority" means the Israeli National Authority for Technological Innovation (formerly known as the Office of the Chief Scientist of the Israeli Ministry of the Economy, or any successor Governmental Authority.

"Israeli Insolvency Law" means the Israeli Insolvency and Economic Rehabilitation Law, 2018, and any regulations promulgated thereunder, as amended from time to time.

"Israeli Lender" means a Lender subject to the Bank of Israel guidelines and directives.

"Israeli Regulatory Guidelines" has the meaning set forth in Section 9.20.

"Issuing Lender" means each of JPMorgan Chase Bank, N.A. and any other Revolving Lender approved by the Administrative Agent and the Initial Borrower that has agreed in its sole discretion to act as an "Issuing Lender" hereunder, or any of their respective Affiliates, in each case in its capacity as issuer of any Letter of Credit. Each reference herein to "the Issuing Lender" shall be deemed to be a reference to the relevant Issuing Lender.

"Joint Venture" means, with respect to any Person, any other Person in which such Person owns Equity Interests (other than any Subsidiary), and including, for the avoidance of doubt, any other Person in which such Person owns less than a majority of the Equity Interests thereof. Unless otherwise specified, "Joint Venture" shall refer to a Joint Venture of Parent or any Subsidiary.

"Judgment Currency" has the meaning set forth in Section 9.19(b).

"Junior Lien Intercreditor Agreement" has the meaning set forth in the definition of the term "Intercreditor Agreement".

"L/C Commitment" means $50,000,000.

"L/C Exposure" means, at any time, the total L/C Obligations. The L/C Exposure of any Revolving Lender at any time shall be its Revolving Percentage of the total L/C Exposure at such time; provided that, in the case of Section 2.04(a) when a Non-Funding Lender shall exist, the L/C Exposure of any Revolving Lender shall be adjusted to give effect to any reallocation effected pursuant to Section 2.21.

"L/C Obligations" means, at any time, an amount equal to the sum of (a) the aggregate then undrawn and unexpired amount of the then outstanding Letters of Credit and (b) the aggregate amount of drawings under Letters of Credit that have not then been reimbursed pursuant to Section 2.06(e).

"L/C Participants" means, the collective reference to all the Revolving Lenders other than the Issuing Lender.

"Latest Maturity Date" means, at any date of determination, the latest Maturity Date applicable to any Loan or Commitment hereunder at such time, including in respect of any Incremental Term Facility and including any Maturity Date that has been extended from time to time in accordance with this Agreement.

"Lender Parent" means, with respect to any Lender, any Person in respect of which such Lender is a Subsidiary.

"Lender-Related Person" has the meaning set forth in Section 9.04(d).

"Lenders" means the Persons listed in Schedule 1.01(a) and any other Person that shall have become a party hereto pursuant to an Assignment and Assumption, an Incremental Facility Amendment or a Refinancing Facility Agreement, other than any such Person that shall have ceased to be a party hereto pursuant to an Assignment and Assumption. Unless the context otherwise requires, the term "Lenders" includes the Swingline Lender.

"Letters of Credit" has the meaning set forth in Section 2.06(a).

"Liabilities" means any losses, claims (including intraparty claims), demands, damages or liabilities of any kind.

"Lien" means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, charge, assignment by way of pledge, security interest or other encumbrance on, in or of such asset, including any agreement to provide any of the foregoing, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

"Loan Document Obligations" means (a) the due and punctual payment by the Borrower of (i) the principal of and interest (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Loans and Reimbursement Obligations, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise and (ii) all other monetary obligations of the Borrower under this Agreement and each of the other Loan Documents, including

obligations to pay fees, expense reimbursement obligations (including with respect to attorneys' fees) and indemnification obligations, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), (b) the due and punctual performance of all other obligations of the Borrower under or pursuant to this Agreement and each of the other Loan Documents and (c) the due and punctual payment and performance of all the obligations of each other Loan Party under or pursuant to each of the Loan Documents (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding).

"Loan Documents" means this Agreement, the Guarantee Agreement, any Incremental Facility Amendment, any Refinancing Facility Agreement, any Intercreditor Agreement, any Loan Modification Agreement, the Collateral Agreements, the other Security Documents, and, except for purposes of Section 9.03, any promissory notes delivered pursuant to Section 2.10(c) (and, in each case, any amendment, restatement, waiver, supplement or other modification to any of the foregoing).

"Loan Modification Agreement" means a Loan Modification Agreement, in form and substance reasonably satisfactory to the Administrative Agent and Parent, among the Borrower and the Administrative Agent and one or more Accepting Lenders, effecting one or more Permitted Amendments and such other amendments hereto and to the other Loan Documents as are contemplated by Section 2.24.

"Loan Modification Offer" has the meaning set forth in Section 2.24(a).

"Loan Parties" means Parent, the Initial Borrower, any Additional Borrower and each Subsidiary that is a party to the Guarantee Agreement.

"Loans" means the loans made by the Lenders to the Borrower pursuant to this Agreement, including pursuant to any Incremental Facility Amendment or any Refinancing Facility Agreement.

"Local Time" means New York City time.

"Majority in Interest", when used in reference to Lenders of any Class, means, at any time, Lenders other than Non-Funding Lenders holding outstanding Loans of such Class (or, in respect of any Class of revolving commitments, Commitments of such Class) representing more than 50% of the aggregate principal amount of all Loans (or the aggregate amount of Commitments) of such Class outstanding at such time (other than (i) Loans or Commitments of Non-Funding Lenders and (ii) in respect of Section 2.08(d) and Section 2.15(b), Loans or Commitments of Non-Funding Lenders).

"Market Capitalization" means, at any date of determination pursuant to Section 1.04(e), the amount equal to (a) the total number of then issued and outstanding shares of common Equity Interests of Parent multiplied by (b) the arithmetic mean of the closing prices per share of such common Equity Interests on the principal securities exchange on which such common Equity Interests is traded for the 30 consecutive trading days immediately preceding such date.

"Material Adverse Effect" means a material adverse effect on (a) the business, assets, operations or financial condition of Parent and the Subsidiaries, in each case, taken as a whole, (b) the ability of the Loan Parties, taken as a whole, to perform their payment obligations under the Loan Documents or (c) the rights and remedies of the Administrative Agent and the Lenders under the Loan Documents.

"Material Indebtedness" means Indebtedness (other than the Loans and Guarantees under the Loan Documents) or Hedging Obligations of any one or more of Parent and the Subsidiaries in an aggregate principal amount of $100,000,000 or more. For purposes of determining Material Indebtedness, the "principal amount" of any Hedging Obligation at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that Parent or such Subsidiary would be required to pay if the applicable Hedging Agreement were terminated at such time.

"Material Intellectual Property" means Intellectual Property owned by, exclusively licensed or exclusively sublicensed to, Parent or any of its Subsidiaries that is material to the business of Parent and its Subsidiaries, taken as a whole (as determined by Parent in good faith).

"Material Real Property" means any and all parcel or real property owned in fee by any Loan Party, other than any Excluded Asset.

"Maturity Date" means the Incremental Term Maturity Date with respect to Incremental Term Loans of any Series, the Revolving Termination Date or any extended maturity date with respect to all or a portion of any Class of Loans or Commitments hereunder pursuant to a Refinancing Facility Agreement or a Loan Modification Agreement, as the context requires.

"Maximum Incremental Amount" means an amount represented by Incremental Commitments to be incurred pursuant to Section 2.22 that would not, immediately after giving effect to the incurrence thereof (excluding from such pro forma calculation the Net Proceeds of any Loans made in respect thereof and assuming that the full amount of such Incremental Commitments is drawn), cause the First Lien Net Leverage Ratio, calculated on a Pro Forma Basis as of the date of incurrence of such Indebtedness, to exceed 2.50 to 1.00.

"Maximum Rate" has the meaning set forth in Section 9.14.

"Minimum Extension Condition" has the meaning set forth in Section 2.24(a).

"MNPI" means material information concerning Parent, any Subsidiary or any Affiliate of any of the foregoing or their securities that has not been disseminated in a manner making it available to investors generally, within the meaning of Regulation FD under the Securities Act and the Exchange Act. For purposes of this definition, "material information" means information concerning Parent, any Subsidiary or any Affiliate of any of the foregoing, or any of their securities, that could reasonably be expected to be material for purposes of the United States Federal and State securities laws.

"Moody's" means Moody's Investors Service, Inc., and any successor to its rating agency business.

"Mortgage" means a mortgage, deed of trust, deed to secure debt, trust deed or other similar security document granting a Lien on any Mortgaged Property to secure the Obligations. Each Mortgage shall be in form and substance reasonably satisfactory to the Administrative Agent.

"Mortgaged Property" means collectively, any and all Material Real Property covered by a Mortgage delivered pursuant to Section 5.11, Section 5.13 or Section 5.16 (subject to the limitations in the definition of the term "Collateral and Guarantee Requirement"), together with, in each case, all easements, hereditaments and appurtenances relating thereto, all improvements and appurtenant fixtures and equipment, all general intangibles and contract rights and other property and rights incidental to the ownership thereof. For the avoidance of doubt, no Excluded Asset shall be Mortgaged Property.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Net Proceeds" means, with respect to any event, (a) the cash proceeds (including, in the case of any casualty, condemnation or similar proceeding, insurance, condemnation or similar proceeds) received in respect of such event, including any cash received in respect of any noncash proceeds, but only as and when received, net of (b) the sum, without duplication, of (i) all fees and out-of-pocket expenses paid in connection with such event by Parent and the Subsidiaries, (ii) in the case of a Disposition (including pursuant to a Sale/Leaseback Transaction or a casualty or a condemnation or similar proceeding) of an asset, (A) the amount of all payments required to be made by Parent and the Subsidiaries as a result of such event to repay Indebtedness (other than Loans, any Permitted First Priority Refinancing Indebtedness, any Permitted Second Priority Refinancing Indebtedness and any Permitted Unsecured Refinancing Indebtedness) secured by such asset, (B) the pro rata portion of net cash proceeds thereof (calculated without regard to this subclause (B)) attributable to minority interests and not available for distribution to or for the account of Parent and the Subsidiaries as a result thereof, and (C) the amount of any liabilities directly associated with such asset and retained by Parent or any Subsidiary and (iii) the amount of all taxes paid (or reasonably estimated to be payable) by Parent and the Subsidiaries (including any taxes paid or payable in connection with transferring or distributing any such amounts to Parent or any other Loan Party), and the amount of any reserves established by Parent and the Subsidiaries in accordance with GAAP to fund purchase price adjustment, indemnification and similar contingent liabilities (other than any earnout, holdback or similar obligations) reasonably estimated to be payable, that in each case are directly attributable to the occurrence of such event (as determined reasonably and in good faith by a Financial Officer of Parent). For purposes of this definition, in the event any taxes estimated to be payable with respect to any event as described in clause (b)(iii) above are determined by Parent or the applicable Subsidiary not to be payable or any contingent liability reserve established with respect to any event as described in clause (b)(iii) above shall be reduced, in an aggregate amount equal to or greater than $500,000, the amount of such estimated taxes not payable or reduction shall, except to the extent such reduction is made as a result of a payment having been made in respect of the contingent liabilities with respect to which such reserve has been established, be deemed to be receipt, on the date of such determination or reduction, of cash proceeds in respect of such event.

"Non-Cash Charges" means any non-cash charges, including (a) any write-off for impairment of long lived assets (including goodwill, intangible assets and fixed assets such as property, plant and equipment), or of deferred financing fees or investments in debt and equity securities, in each case, pursuant to GAAP, (b) non-cash expenses resulting from the grant of stock options, restricted stock awards or other equity-based incentives to any director, officer or employee of Parent or any Subsidiary (excluding, for the avoidance of doubt, any cash payments of income taxes made for the benefit of any such Person in consideration of the surrender of any portion of such options, stock or other incentives upon the exercise or vesting thereof), (c) any non-cash charges resulting from (i) the application of purchase accounting or (ii) investments in minority interests in a Person, to the extent that such investments are subject to the equity method of accounting; provided that Non-Cash Charges shall not include additions to bad debt reserves or bad debt expense and any noncash charge that results from the write-down or write-off of accounts receivable, (d) the non-cash impact of accounting changes or restatements, (e) non-cash charges and expenses resulting from pension adjustments and (f) any non-cash expenses and costs that result from the issuance of stock-based awards, partnership interest-based awards and similar incentive based compensation awards or arrangements.

"Non-Consenting Lender" has the meaning set forth in Section 9.03(c).

"Non-Funding Lender" means any Defaulting Lender and any Restricted Israeli Lender.

"NYFRB" means The Federal Reserve Bank of New York.

"NYFRB Rate" means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term "NYFRB Rate" means the rate for a federal funds transaction quoted at 11:00 a.m. New York City time on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates shall be less than zero percent (0%), such rate shall be deemed to be zero percent (0%) for purposes of this Agreement.

"NYFRB's Website" means the website of the NYFRB at http://www.newyorkfed.org, or any successor source.

"Obligations" means, collectively, (a) the Loan Document Obligations, (b) the Secured Cash Management Obligations and (c) the Secured Hedging Obligations.

"Organizational Documents" means (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction), (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction), and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and, if applicable, any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan Document).

"Other Revolving Commitments" means one or more Classes of Revolving Commitments hereunder or extended Revolving Commitments that result from a Refinancing Facility Agreement.

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.20).

"Outbound Investment Rules" means the regulations administered and enforced, together with any related public guidance issued, by the United States Treasury Department under U.S. Executive Order 14105 of August 9, 2023; as of the date of this Agreement, and as codified at 31 C.F.R. § 850.101 et seq.

"Overnight Bank Funding Rate" means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar transactions denominated in Dollars by U.S.-managed banking offices of depository institutions (as such composite rate shall be determined by the NYFRB as set forth on the NYFRB's Website from time to time) and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

"Parent" has the meaning set forth in the preamble hereto.

"Participant" has the meaning set forth in Section 9.05(c).

"Participant Register" has the meaning set forth in Section 9.05(c).

"Payment" has the meaning set forth in Section 9.22(a).

"Payment Notice" has the meaning set forth in Section 9.22(b).

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA or any successor entity performing similar functions.

"Perfection Certificate" means a certificate substantially in the form of Exhibit F or any other form approved by the Administrative Agent.

"Permitted Acquisition" means the purchase or other acquisition, by merger or otherwise, by Parent or any Subsidiary of substantially all the Equity Interests in, or all or substantially all the assets of (or all or substantially all the assets constituting a business unit, division, product line or line of business of), any Person; provided that, in each case, (i) the business of such Person, or such assets, as the case may be, constitute a business permitted under Section 6.03(b), (ii) with respect to each such purchase or other acquisition, all actions required to be taken (if any) with respect to each newly created or acquired Subsidiary or assets in order to satisfy the requirements set forth in the definition of the term "Collateral and Guarantee Requirement" shall be taken within the required time periods for satisfaction of such requirements set forth therein, (iii) at the applicable time elected by the Initial Borrower in accordance with Section 1.04(e), no Specified Event of Default shall have occurred and be continuing and (iv) at the applicable time elected by the Initial Borrower in accordance with Section 1.04(e), Parent and its Subsidiaries shall be in Pro Forma Compliance with the then-applicable financial covenant level set forth in Section 6.13; which, for the avoidance of doubt, in the case of a Qualifying Acquisition shall be calculated after giving effect to any Permitted Financial Covenant Step-Up.

"Permitted Amendment" means an amendment to this Agreement and the other Loan Documents, effected in connection with a Loan Modification Offer pursuant to Section 2.24, providing for an extension of the Maturity Date and/or amortization applicable to the Loans and/or Commitments of the Accepting Lenders of a relevant Class and, in connection therewith, may also provide for (a)(i) a change in the Applicable Rate with respect to the Loans and/or Commitments of the Accepting Lenders subject to such Permitted Amendment and/or (ii) a change in the fees payable to, or the inclusion of new fees to be payable to, the Accepting Lenders in respect of such Loans and/or Commitments, (b) in the case of Incremental Term Loans, changes to any prepayment premiums with respect to the applicable Loans and Commitments of a relevant Class, (c) such amendments to this Agreement and the other Loan Documents as shall be appropriate, in the reasonable judgment of the Administrative Agent, to provide the rights and benefits of this Agreement and other Loan Documents to each new "Class" of loans and/or commitments resulting therefrom and (d) additional amendments to the terms of this Agreement applicable only to the applicable Loans and/or Commitments of the Accepting Lenders that either are (i) less favorable to such Accepting Lenders than the terms of this Agreement prior to giving effect to such

Permitted Amendments or (ii) only apply after the Latest Maturity Date in effect immediately prior to giving effect to such Permitted Amendments and, in each case, that are reasonably acceptable to the Administrative Agent.

"Permitted Amount" means, as of any date, (a) the greater of (i) $240,000,000 and (ii) 25% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period as of such date less (b) the sum of, without duplication, (i) the aggregate outstanding amount of loans or advances made by Loan Parties to Subsidiaries (including Unrestricted Subsidiaries) that are not Loan Parties under Section 6.04(e) as of such date and (ii) the aggregate outstanding amount of Indebtedness of Subsidiaries (including Unrestricted Subsidiaries) that are not Loan Parties guaranteed by Loan Parties under Section 6.04(f) as of such date.

"Permitted Encumbrances" means:

(a) Liens imposed by law for Taxes that are not yet due or delinquent or are being contested in compliance with Section 5.05;

(b) carriers', warehousemen's, mechanics', materialmen's, repairmen's, landlords' and other like Liens imposed by law (other than any Lien imposed pursuant to Section 430(k) of the Code or Section 303(k) of ERISA or a violation of Section 436 of the Code or any analogous laws), arising in the ordinary course of business that secure amounts not overdue for a period of more than 60 days or, if more than 60 days overdue, that are being contested in compliance with Section 5.05;

(c) (i) Liens (including pledges and deposits) arising in the ordinary course of business in connection with worker's compensation, unemployment insurance, old age pensions and social security benefits and similar statutory obligations and (ii) pledges and deposits in respect of letters of credit, bank guarantees or similar instruments issued for the account of Parent or any Subsidiary in the ordinary course of business supporting obligations of the type set forth in clause (c)(i) above;

(d) pledges and deposits made (i) to secure the performance of bids, trade and commercial contracts (other than for payment of Indebtedness), leases (other than Capital Lease Obligations), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business and (ii) in respect of letters of credit, bank guarantees or similar instruments issued for the account of Parent or any Subsidiary in the ordinary course of business supporting obligations of the type set forth in clause (d)(i) above;

(e) judgment liens in respect of judgments that do not constitute an Event of Default under clause (k) of Article VII;

(f) encroachments, easements, zoning restrictions, rights-of-way and similar encumbrances on real property, and other minor title imperfections and defects with respect to real property, that in any case do not secure any monetary obligations and do not materially interfere with the use, occupancy or ordinary conduct of business of Parent or any Subsidiary at such real property;

(g) Liens deemed to arise from repurchase agreements that constitute Permitted Investments;

(h) Liens arising solely by virtue of any contractual, statutory or common law provisions, banker's liens, rights of setoff or similar rights and remedies as to deposit accounts or other funds maintained with depository institutions and securities accounts and other financial assets maintained with a securities intermediary; provided that such deposit accounts or funds and securities accounts or other financial assets are not established or deposited for the purpose of providing collateral for any Indebtedness;

(i) Liens arising by virtue of Uniform Commercial Code financing statement filings (or similar filings under applicable law) regarding operating leases or consignment of goods entered into by Parent and the Subsidiaries in the ordinary course of business;

(j) Liens of a collecting bank arising in the ordinary course of business under Section 4-208 (or the applicable corresponding section) of the Uniform Commercial Code in effect in the relevant jurisdiction covering only the items being collected upon (or similar provisions under applicable law);

(k) Liens representing any interest or title of a licensor, lessor or sublicensor or sublessor, or a licensee, lessee or sublicensee or sublessee, in the personal property subject to any lease, license or sublicense or concession agreement, in each case which are entered into in the ordinary course of business;

(l) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(m) Liens that are contractual rights of setoff;

(n) with respect to any Mortgaged Property, such exceptions appearing in Schedule B to the title insurance policies delivered to the Administrative Agent pursuant to the terms of this Agreement, all of which exceptions must be acceptable to the Administrative Agent in its reasonable judgment or expressly permitted pursuant to the terms of this Agreement;

(o) customary rights of first refusal or first offer, and tag, drag and similar rights in joint venture agreements;

(p) Liens arising from grants of non-exclusive licenses or non-exclusive sublicenses in Intellectual Property made in the ordinary course of business and that do not interfere in any material respect with the business of Parent and its Subsidiaries, taken as a whole; provided that such Liens do not secure any Indebtedness; and

(q) with respect to any non-Domestic Subsidiary not organized in the State of Israel, other Liens and privileges arising mandatorily by any Requirements of Law in the ordinary course of business;

provided that the term "Permitted Encumbrances" shall not include any Lien securing Indebtedness, other than Liens referred to in clauses (c) and (d) above securing obligations under letters of credit, bank guarantees or similar instruments.

"Permitted Financial Covenant Step-Up" has the meaning specified in Section 6.13.

"Permitted First Priority Refinancing Indebtedness" means Indebtedness of Parent or any other Loan Party in the form of bonds, debentures, notes or similar instruments or loans (a) that is secured

by Liens on the Collateral on a pari passu basis (but without regard to the control of remedies except to the extent set forth in the Incremental Facility Amendment) to the Liens on the Collateral securing the Obligations and any other Permitted First Priority Refinancing Indebtedness and is not secured by any property or assets of Parent or any of the Subsidiaries other than the Collateral (or property or assets that substantially concurrently become Collateral), (b) the proceeds of which, substantially concurrently with the incurrence thereof, are applied to the repayment or prepayment of then outstanding Incremental Term Loan Borrowings of any Class; provided that the principal amount of such Permitted First Priority Refinancing Indebtedness shall not exceed the amount of the Incremental Term Loan Borrowings so refinanced (plus the aggregate amount of accrued and unpaid interest with respect to such outstanding Incremental Term Loan Borrowings, fees, expenses, commissions, underwriting discounts and premiums payable in connection therewith), (c) that does not mature earlier than the Maturity Date of the Class of Incremental Term Loans so refinanced, and has a weighted average life to maturity no shorter than the Class of Incremental Term Loans so refinanced, (d) that, as determined by the Borrower, contains covenants, events of default and other terms that are customary for similar Indebtedness in light of then-prevailing market conditions or, when taken as a whole (other than interest rates, rate floors, fees and optional prepayment or redemption terms), are no more restrictive with respect to Parent or any Subsidiary than those set forth in the Loan Documents (other than covenants or other provisions applicable only to periods after the Maturity Date of the Loans and Commitments being refinanced by such Permitted First Priority Refinancing Indebtedness); provided that such Permitted First Priority Refinancing Indebtedness may contain financial maintenance covenants, so long as any such financial maintenance covenant shall not be more restrictive with respect to Parent and its Subsidiaries than (or in addition to) the financial maintenance covenant set forth in Section 6.13 (unless such financial maintenance covenants are also added to this Agreement for the benefit of the Lenders), (e) the security agreements relating to which are substantially the same as the Security Documents (with such differences as are reasonably satisfactory to the Administrative Agent), (f) that is not guaranteed by any Persons other than the Loan Parties and (g) in respect of which a trustee, collateral agent, security agent or similar Person, acting on behalf of the holders thereof, shall have become party to an Intercreditor Agreement. Permitted First Priority Refinancing Indebtedness will include any Registered Equivalent Notes issued in exchange therefor.

"Permitted Investments" means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency or instrumentality thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of acquisition thereof;

(b) investments in commercial paper or corporate demand notes maturing within 270 days from the date of acquisition thereof and having, at such date of acquisition, (i) a short-term credit rating of "P-1" or higher from Moody's or "A-1" or higher from S&P or (ii) a long-term rating of "A2" or higher from Moody's or "A" or higher from S&P;

(c) investments in certificates of deposit, banker's acceptances and demand or time deposits, in each case maturing within 365 days from the date of acquisition thereof, issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, (i) any commercial bank that is a Lender or (ii) any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof that has a combined capital and surplus and undivided profits of not less than $500,000,000;

(d) repurchase agreements with a term of not more than 90 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above;

(e) "money market funds" that (i) comply with the criteria set forth in Rule 2a-7 under the Investment Company Act, (ii) with (A) a short-term credit rating of "P-1" or higher from Moody's or "A-1" or higher from S&P or (B) a long-term rating of "A2" or higher from Moody's or "A" or higher from S&P and (iii) have portfolio assets of at least $5,000,000,000;

(f) investments in Indebtedness that is (x) issued by Persons with (i) a short-term credit rating of "P-1" or higher from Moody's or "A-1" or higher from S&P or (ii) a long-term rating of "A2" or higher from Moody's or "A" or higher from S&P, in each case for clauses (i) and (ii) with maturities not more than 12 months after the date of acquisition and (y) of a type customarily used by companies for cash management purposes;

(g) investments in accordance with Parent's cash management and investment policy or guidelines as provided to the Administrative Agent and as in effect on the Effecitve Date (as may be modified by Parent after the Effective Date in a manner reasonably satisfactory to the Administrative Agent); and

(h) in the case of Parent or any Foreign Subsidiary, other short-term investments that are analogous to the foregoing, are of comparable credit quality and are customarily used by companies in the jurisdiction of such Foreign Subsidiary for cash management purposes.

"Permitted Payee" has the meaning set forth in Section 6.08(a).

"Permitted Reorganization" means (x) any reorganization and other activities related to tax planning and tax reorganization by Parent and its Subsidiaries, so long as, after giving effect thereto, (i) the Loan Parties shall comply with the Collateral and Guarantee Requirements and Section 5.11 and (ii) the Liens of the Administrative Agent in favor of the Administrative Agent for the benefit of the Secured Parties under the Security Documents are not materially impaired or (y) any reorganization and other activities in anticipation of a Disposition permitted hereunder involving assets that are subject to such Disposition and any reorganization or other activities advisable or necessary to facilitate such Disposition so long as such reorganization or other activities are not materially adverse to the Lenders (provided that Parent shall have delivered to the Administrative Agent an officer's certificate of a Responsible Officer of Parent certifying compliance with the requirement set forth in this sub-clause (y)).

"Permitted Second Priority Refinancing Indebtedness" means Indebtedness of Parent or any other Loan Party in the form of term loans (other than, for the avoidance of doubt, Incremental Term Loans) or bonds, debentures, notes or similar instruments (a) that is secured by Liens on the Collateral on a junior basis to the Liens on the Collateral securing the Obligations and any Permitted First Priority Refinancing Indebtedness and is not secured by any property or assets of Parent or any of the Subsidiaries other than the Collateral (or property or assets that substantially concurrently become Collateral), (b) the proceeds of which, substantially concurrently with the incurrence thereof, are applied to the repayment or prepayment of then outstanding Incremental Term Loan Borrowings of any Class; provided that the principal amount of such Permitted Second Priority Refinancing Indebtedness shall not exceed the amount of the Incremental Term Loan Borrowings so refinanced (plus the aggregate amount of accrued and unpaid interest with respect to such outstanding Incremental Term Loan Borrowings, fees, expenses, commissions, underwriting discounts and premiums payable in connection therewith), (c) that does not mature earlier than the Maturity Date of the Class of Incremental Term Loans so refinanced, and has a weighted average life to maturity no shorter than the Class of Incremental Term Loans so refinanced, (d)

that, as determined by the Borrower, contains covenants, events of default and other terms that are customary for similar Indebtedness in light of then-prevailing market conditions or, when taken as a whole (other than interest rates, rate floors, fees and optional prepayment or redemption terms), are no more restrictive with respect to Parent or any Subsidiary than those set forth in the Loan Documents (other than covenants or other provisions applicable only to periods after the Maturity Date of the Loans and Commitments being refinanced by such Permitted Second Priority Refinancing Indebtedness); provided that such Permitted Second Priority Refinancing Indebtedness may contain financial maintenance covenants, so long as any such financial maintenance covenant shall not be more restrictive with respect to Parent and its Subsidiaries than (or in addition to) the financial maintenance covenant set forth in Section 6.13 (unless such financial maintenance covenants are also added to this Agreement for the benefit of the Lenders), (e) the security agreements relating to which are substantially the same as the Security Documents (with such differences as are satisfactory to the Administrative Agent), (f) that is not guaranteed by any Persons other than the Loan Parties and (g) in respect of which a trustee, collateral agent, security agent or similar Person, acting on behalf of the holders thereof, shall have become party to an Intercreditor Agreement. Permitted Second Priority Refinancing Indebtedness will include any Registered Equivalent Notes issued in exchange therefor.

"Permitted Unsecured Refinancing Indebtedness" means Indebtedness of Parent or any other Loan Party in the form of unsecured term loans (other than, for the avoidance of doubt, Incremental Term Loans) or unsecured bonds, debentures, notes or similar instruments (a) the proceeds of which, substantially concurrently with the incurrence thereof, are applied to the repayment or prepayment of then outstanding Incremental Term Loan Borrowings of any Class; provided that the principal amount of such Permitted Unsecured Refinancing Indebtedness shall not exceed the amount of the Incremental Term Loan Borrowings so refinanced (plus the aggregate amount of accrued and unpaid interest with respect to such outstanding Incremental Term Loan Borrowings, fees, expenses, commissions, underwriting discounts and premiums payable in connection therewith), (b) that does not mature earlier than the Maturity Date of the Class of Incremental Term Loans so refinanced, and has a weighted average life to maturity no shorter than the Class of Incremental Term Loans so refinanced, (c) that, as determined by the Borrower, contains covenants, events of default and other terms that are customary for similar Indebtedness in light of then-prevailing market conditions or, when taken as a whole (other than interest rates, rate floors, fees and optional prepayment or redemption terms), are no more restrictive with respect to Parent or any Subsidiary than those set forth in the Loan Documents (other than covenants or other provisions applicable only to periods after the Maturity Date of the Loans and Commitments being refinanced by such Permitted Unsecured Refinancing Indebtedness); provided that such Permitted Unsecured Refinancing Indebtedness may contain financial maintenance covenants, so long as any such financial maintenance covenant shall not be more restrictive with respect to Parent and its Subsidiaries than (or in addition to) the financial maintenance covenant set forth in Section 6.13 (unless such financial maintenance covenants are also added to this Agreement for the benefit of the Lenders); and (d) that is not guaranteed by any Persons other than the Loan Parties. Permitted Unsecured Refinancing Indebtedness will include any Registered Equivalent Notes issued in exchange therefor.

"Person" means any natural person, corporation, company, limited liability company, trust, joint venture, association, partnership, Governmental Authority or other entity.

"Plan" means any "employee pension benefit plan," as defined in Section 3(2) of ERISA (other than a Multiemployer Plan), that is subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which Parent or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Post-Transaction Period" means, (a) with respect to any Specified Transaction, the period beginning on the date such Specified Transaction is consummated and ending on the last day of the eighth full consecutive fiscal quarter immediately following the date on which such Specified Transaction is consummated and (b) with respect to any other Initiative, the period beginning on the date on which such Initiative commences and ending on the last day of the eighth full consecutive fiscal quarter following the date on which such Initiative commences.

"Primary Disqualified Institution" has the meaning set forth in the definition of the term "Disqualified Institution".

"Prime Rate" means the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

"Private Side Lender Representatives" means, with respect to any Lender, representatives of such Lender that are not Public Side Lender Representatives.

"Pro Forma Adjustment" means, with respect to any Initiative, for any Test Period, the pro forma increase or decrease (for the avoidance of doubt, net of any such increase or decrease actually realized) in Consolidated EBITDA (including the portion thereof attributable to any assets (including Equity Interests) sold or acquired) from cost savings, operating expense reductions, business optimization projects and other cost synergies (in each case net of amounts actually realized and costs incurred to achieve the same), in each case, related to such Initiative that are reasonably identifiable, factually supportable and projected by Parent in good faith to result within the Post-Transaction Period from actions taken or with respect to which substantial steps have been taken or are expected to be taken (in the good faith determination of Parent) within (x) in the case of any Specified Transaction, 24 months after the date of consummation of such Specified Transaction and (y) in the case of any other Initiative, 24 months after commencement of such Initiative, as applicable; provided that, the cost savings and cost synergies related to such actions or such additional costs, as applicable, may be assumed, for purposes of projecting such pro forma increase or decrease to such Consolidated EBITDA to be realized on a "run-rate" basis during the entirety, or, in the case of, additional costs, as applicable, to be incurred during the entirety of any fiscal quarters of Parent included in such Test Period; provided further that any such pro forma increase or decrease to Consolidated EBITDA shall be (i) without duplication for cost savings, cost synergies or additional costs already included in Consolidated EBITDA for such Test Period and (ii) made in any fiscal quarter that does not commence after the Post-Transaction Period.

"Pro Forma Basis" and "Pro Forma Compliance" means, with respect to compliance with any test or covenant hereunder required by the terms of this Agreement to be made on a Pro Forma Basis, that (a) to the extent applicable, the Pro Forma Adjustment shall have been made (subject, for the avoidance of doubt, to the limitations set forth in clause (b) of the definition of the term "Consolidated EBITDA") and (b) all Initiatives and the following transactions in connection therewith shall be deemed to have occurred as of (or commencing with) the first day of the applicable period of measurement in such test or covenant: (i) income statement items (whether positive or negative) attributable to the property or Person subject to such Initiative (A) in the case of a Disposition of all or substantially all Equity Interests in any Subsidiary or any division, product line, or facility used for operations of Parent or any of the Subsidiaries or the designation of a Subsidiary as an Unrestricted Subsidiary, shall be excluded, and (B) in the case of an acquisition or Investment described in the definition of the term "Specified Transaction"

or designation of an Unrestricted Subsidiary as a Subsidiary, shall be included, (ii) any prepayment, repayment, retirement, redemption or satisfaction of Indebtedness, and (iii) any Indebtedness incurred or assumed by Parent or any of the Subsidiaries in connection therewith; provided that, without limiting the application of the Pro Forma Adjustment pursuant to clause (a) above, the foregoing pro forma adjustments may be applied to any such test or covenant solely to the extent that such adjustments are consistent with (and subject to applicable limitations included in) the definition of the term "Consolidated EBITDA" and give effect to operating expense reductions that are (i) (x) directly attributable to such transaction, (y) expected to have a continuing impact on Parent and the Subsidiaries and (z) factually supportable or (ii) otherwise consistent with the definition of the term "Pro Forma Adjustment".

"Prohibited Transaction" has the meaning assigned to such term in Section 406 of ERISA and Section 4975(c) of the Code.

"Prohibition on Money Laundering Law" means the Israeli Prohibition on Money Laundering Law 5760-2000 and the regulations, rules, circulars and guidelines promulgated or published thereunder.

"Proposed Change" has the meaning set forth in Section 9.03(c).

"Public Side Lender Representatives" means, with respect to any Lender, representatives of such Lender that do not wish to receive MNPI.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"QFC Credit Support" has the meaning set forth in Section 9.23.

"Qualified Equity Interests" means Equity Interests of Parent other than Disqualified Equity Interests.

"Qualifying Acquisition" means any acquisition or series of related acquisitions consummated within a six-month period by the Parent or any Restricted Subsidiary the aggregate consideration for which is at least $250,000,000.

"Recipient" means the Administrative Agent and any Lender, or any combination thereof (as the context requires).

"Reclassifiable Item" has the meaning set forth in Section 1.03(b).

"Reference Time" means, with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the Term SOFR Rate, 5:00 a.m. (Chicago time) on the day that is two U.S. Government Securities Business Days preceding the date of such setting or (2) if such Benchmark is not the Term SOFR Rate, the time determined by the Administrative Agent in its reasonable discretion.

"Refinancing Commitments" has the meaning set forth in Section 2.23(a).

"Refinancing Facility Agreement" means an amendment to this Agreement, in form and substance reasonably satisfactory to the Administrative Agent and the Borrower, among the Borrower, the Administrative Agent and one or more Refinancing Lenders, establishing Refinancing Commitments and effecting such other amendments hereto and to the other Loan Documents as are contemplated by Section 2.23.

"Refinancing Indebtedness" means, in respect of any Indebtedness (the "Original Indebtedness"), any Indebtedness that extends, renews or refinances such Original Indebtedness (or any Refinancing Indebtedness in respect thereof); provided that (a) the principal amount (or accreted value or committed amount, if applicable) of such Refinancing Indebtedness shall not exceed the principal amount (or accreted value or committed amount, if applicable) of such Original Indebtedness except by an amount no greater than accrued and unpaid interest with respect to such Original Indebtedness and any reasonable fees, premiums and expenses relating to such extension, renewal or refinancing; (b) the stated final maturity of such Refinancing Indebtedness shall not be earlier than that of such Original Indebtedness; (c) such Refinancing Indebtedness shall not be required to be repaid, prepaid, redeemed, repurchased or defeased, whether on one or more fixed dates, upon the occurrence of one or more events or at the option of any holder thereof (except, in each case, upon the occurrence of an event of default or a change in control, fundamental change, or upon conversion or exchange in the case of convertible or exchangeable Indebtedness or as and to the extent such repayment, prepayment, redemption, repurchase or defeasance would have been required pursuant to the terms of such Original Indebtedness) prior to the maturity of such Original Indebtedness; provided that, notwithstanding the foregoing, scheduled amortization payments (however denominated) of such Refinancing Indebtedness shall be permitted so long as the weighted average life to maturity of such Refinancing Indebtedness shall be longer than the shorter of the weighted average life to maturity of such Original Indebtedness remaining as of the date of such extension, renewal or refinancing; (d) such Refinancing Indebtedness shall not constitute an obligation (including pursuant to a Guarantee) of any Subsidiary, in each case that shall not have been (or, in the case of after-acquired Subsidiaries, shall not have been required to become pursuant to the terms of the Original Indebtedness) an obligor in respect of such Original Indebtedness, and shall not constitute an obligation of the Borrower if the Borrower shall not have been an obligor in respect of such Original Indebtedness, and, in each case, shall constitute an obligation of such Subsidiary or of the Borrower only to the extent of their obligations in respect of such Original Indebtedness; (e) if such Original Indebtedness shall have been subordinated in right of payment or otherwise to the Loan Document Obligations, such Refinancing Indebtedness shall also be subordinated to the Loan Document Obligations on terms not less favorable in any material respect to the Lenders; and (f) such Refinancing Indebtedness shall not be secured by any Lien on any asset other than the assets that secured such Original Indebtedness (or would have been required to secure such Original Indebtedness pursuant to the terms thereof) or, in the event Liens securing such Original Indebtedness shall have been contractually subordinated to any Lien securing the Loan Document Obligations, by any Lien that shall not have been contractually subordinated to at least the same extent.

"Refinancing Lenders" means the Refinancing Term Lenders and the Refinancing Revolving Lenders.

"Refinancing Loans" means the Refinancing Term Loans and the Refinancing Revolving Loans.

"Refinancing Revolving Commitments" has the meaning set forth in Section 2.23(a).

"Refinancing Revolving Lender" has the meaning set forth in Section 2.23(a).

"Refinancing Revolving Loans" means any Loans made under the Refinancing Revolving Commitments.

"Refinancing Term Lender" has the meaning set forth in Section 2.23(a).

"Refinancing Term Loan" has the meaning set forth in Section 2.23(a).

"Refinancing Term Loan Commitments" has the meaning set forth in Section 2.23(a).

"Refunded Swingline Loans" has the meaning set forth in Section 2.05(b).

"Register" has the meaning set forth in Section 9.05(b)(iv).

"Registered Equivalent Notes" means, with respect to any bonds, notes, debentures or similar instruments originally issued in a Rule 144A or other private placement transaction under the Securities Act, substantially identical notes (having the same Guarantees) issued in a dollar-for-dollar exchange therefor pursuant to an exchange offer registered with the SEC.

"Registrar of Companies" means the Israeli Registrar of Companies.

"Registrar of Patents" means the Israeli Ministry of Justice, Israel Patent Office or any such successor entity.

"Registrar of Pledges" means the Israeli Registrar of Pledges.

"Regulatory Authority" has the meaning set forth in Section 9.13.

"Reimbursement Obligation" means the obligation of the Borrower to reimburse the Issuing Lenders pursuant to Section 2.06(e) for amounts drawn under Letters of Credit.

"Related Parties" means, with respect to any specified Person, such Person's Affiliates and the directors, officers, partners, trustees, employees, agents, administrators, managers, representatives and advisors of such Person and of such Person's Affiliates.

"Release" means any release, spill, emission, leaking, dumping, injection, pouring, deposit, disposal, discharge, dispersal, leaching or migration into or through the indoor or outdoor environment.

"Relevant Governmental Body" means the Federal Reserve Board or the NYFRB, or a committee officially endorsed or convened by the Federal Reserve Board or the NYFRB, or any successor thereto.

"Reportable Event" means any "reportable event," as defined in Section 4043(c) of ERISA or the regulations issued thereunder, with respect to a Plan, other than those events as to which notice is waived pursuant to DOL Reg. § 4043.

"Required Financials" has the meaning set forth in Section 3.04(a).

"Required Lenders" means, at any time, the holders of more than 50% of (a) until the Closing Date, the Commitments then in effect and (b) thereafter, the sum of (i) the aggregate principal amount of the Incremental Term Loans then outstanding and (ii) the Total Revolving Commitments then in effect or, if the Revolving Commitments have been terminated, the Total Revolving Extensions of Credit then outstanding (provided that if the Revolving Commitments of any Class hereunder have been terminated at a time when there are other Revolving Commitments outstanding, but the Lenders in respect thereof have Revolving Extensions of Credit outstanding, for purposes of this definition only, such Lenders shall be deemed to have Revolving Commitments in the amount of their Revolving Extensions of Credit).

"Required Revolving Lenders" means, at any time, the holders of more than 50% of the Total Revolving Commitments then in effect or, if the Revolving Commitments have been terminated, the Total Revolving Extensions of Credit then outstanding (provided that if the Revolving Commitments of any Class hereunder have been terminated at a time when there are other Revolving Commitments outstanding, but the Lenders in respect thereof have Revolving Extensions of Credit outstanding, for purposes of this definition only, such Lenders shall be deemed to have Revolving Commitments in the amount of their Revolving Extensions of Credit).

"Required Lenders Negative Consent" means, with respect to any instrument, agreement, term or condition provided for in this Agreement or any other Loan Document, that such instruction, agreement, term or condition has been presented to the Lenders by the Administrative Agent and the same has not been objected to in writing by the Required Lenders within five Business Days following the Administrative Agent's delivery of notice thereof. Following such five Business Days period without objection by the Required Lenders, the Administrative Agent and the applicable Loan Parties shall be permitted to enter into, execute and deliver such instrument or agreement, and/or such term or condition shall be deemed satisfied, in each case under this Agreement and the other Loan Documents.

"Requirements of Law" means, with respect to any Person, (a) the Organizational Documents of such Person and (b) any law (including common law), statute, ordinance, treaty, rule, regulation, code, judgment, order, decree, writ, injunction, settlement agreement or determination of any arbitrator or court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"Research Committee" means the research committee established in accordance with the Research Law.

"Research Law" means the Israeli Encouragement of Research, Development and Technological Innovation in Industry Law, 5744-1984 and the regulations, rules, circulars and guidelines promulgated or published thereunder.

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

"Restricted Indebtedness" has the meaning set forth in Section 6.08(b).

"Restricted Israeli Lender" means, at any time, any Israeli Lender that is at such time (or after giving effect to the making of any requested extension of credit hereunder, would be) in violation of Israeli Regulatory Guidelines.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in Parent or any Subsidiary, or any payment or distribution (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, exchange, conversion, cancelation or termination of, or any other return of capital with respect to, any Equity Interests in Parent or any Subsidiary.

"Restricted Subsidiary" means any Subsidiary that is not an Unrestricted Subsidiary.

"Revolving Commitment" means, with respect to each Lender, the obligation of such Lender, if any, to make Revolving Loans and participate in Swingline Loans and Letters of Credit, as such commitment may be (a) reduced from time to time pursuant to Section 2.09 and Section 9.03(b) or

reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.05. The initial amount of each Lender's Revolving Commitment is set forth on Schedule 1.01(a) or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Revolving Commitment, as applicable. The initial aggregate amount of the Lender's Revolving Commitments is $300,000,000.

"Revolving Commitment Period" means the period from and including the Closing Date to the Revolving Termination Date.

"Revolving Extensions of Credit" means, as to any Revolving Lender at any time, an amount equal to the sum of (a) the aggregate principal amount of all Revolving Loans held by such Lender then outstanding, (b) such Lender's Revolving Percentage of the L/C Obligations then outstanding and (c) such Lender's Revolving Percentage of the aggregate principal amount of Swingline Loans then outstanding.

"Revolving Facility" means the Revolving Commitments and the extensions of credit made thereunder.

"Revolving Lender" means each Lender that has a Revolving Commitment or that holds Revolving Loans.

"Revolving Loans" has the meaning set forth in Section 2.01(b).

"Revolving Percentage" means, as to any Revolving Lender at any time, the percentage which such Lender's Revolving Commitment then constitutes of the Total Revolving Commitments or, at any time after the Revolving Commitments shall have expired or terminated, the percentage which the aggregate principal amount of such Lender's Revolving Loans then outstanding constitutes of the aggregate principal amount of the Revolving Loans then outstanding, provided that, in the event that the Revolving Loans are paid in full prior to the reduction to zero of the Total Revolving Extensions of Credit, the Revolving Percentages shall be determined in a manner designed to ensure that the other outstanding Revolving Extensions of Credit shall be held by the Revolving Lenders on a comparable basis. Notwithstanding the foregoing, when a Non-Funding Lender shall exist, (i) in the case of Section 2.21, Revolving Percentages shall be determined without regard to any Non-Funding Lender's Revolving Commitment and (ii) in the case of the defined term "Revolving Extensions of Credit" (other than as used in Section 2.21(c)), Section 2.01(b), Section 2.05(b), Section 2.05(c) and Section 2.06(d), Revolving Percentages shall be adjusted to give effect to any reallocation effected pursuant to Section 2.21(c).

"Revolving Termination Date" means the date that is the earlier of (i) the date that is five Business Days after the Effective Date if the Closing Date has not occurred on or prior to such date (as such date under this clause (i) may be extended with the consent of all Revolving Lenders) and (ii) the date that is three years after the Closing Date; provided, however if any such date is not a Business Day, the Revolving Termination Date shall be the next preceding Business Day.

"RFR Borrowing" means, as to any Borrowing, the RFR Loans comprising such Borrowing.

"RFR Loan" means a Loan that bears interest based on the Daily Simple SOFR.

"S&P" means Standard & Poor's Financial Services LLC.

"Sale/Leaseback Transaction" means an arrangement relating to property owned by Parent or any Subsidiary whereby Parent or such Subsidiary sells or transfers such property to any Person that is not Parent or any Subsidiary and Parent or any Subsidiary leases such property, or other property that it intends to use for substantially the same purpose or purposes as the property sold or transferred, from such Person or its Affiliates.

"Sanctioned Country" means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (as of the Effective Date, this includes but is not limited to, Crimea, the so-called "Donetsk People's Republic" and the so-called "Luhansk People's Republic" regions of Ukraine, Cuba, Iran, North Korea and, prior to July 1, 2025, Syria).

"Sanctioned Person" means, at any time, any Person the subject or target of Sanctions, including (a) any Person listed in any Sanctions-related list of designated Persons maintained by the U.S. government, (including OFAC and the U.S. Department of State), the United Nations Security Council, the European Union or any member state, His Majesty's Treasury of the United Kingdom or the State of Israel (including by the Israeli Ministry of Defense and the Israeli Ministry of Finance), (b) any Person located, organized, or resident in a Sanctioned Country or (c) any Person 50% or more owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

"Sanctions" means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, (b) the State of Israel (including by the Israeli Ministry of Defense and the Israeli Ministry of Finance) or (c) the United Nations Security Council, the European Union or any member state, His Majesty's Treasury of the United Kingdom or any other relevant sanctions authority.

"SEC" means the United States Securities and Exchange Commission, any successor thereto and any analogous Governmental Authority.

"Secured Cash Management Obligations" means the due and punctual payment and performance of any and all obligations of Parent and each Subsidiary (whether absolute or contingent and however and whenever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor)) arising in respect of Cash Management Services that (a) are owed pursuant to a Cash Management Agreement in effect on the Closing Date, entered into with a party that was a Lender as of the Closing Date or an Affiliate thereof, (b) are owed pursuant to a Cash Management Agreement entered into after the Closing Date with a party that was a Lender or the Administrative Agent or an Affiliate of a Lender or the Administrative Agent, in each case at the time such Cash Management Agreement was entered into or (c) are owed pursuant to a Cash Management Agreement entered into with a financial institution that is not a Lender, the Administrative Agent or an Affiliate of the foregoing at the time such Cash Management Agreement was entered into, and, in the case of any such Cash Management Agreement referred to in clause (a), (b) or (c) above, has been designated by Parent in a written notice given to the Administrative Agent as a Cash Management Agreement the obligations under which are to constitute Secured Cash Management Obligations for purposes of the Loan Documents; provided that in the case of Cash Management Agreements referred to in clause (c) above, the aggregate amount of Secured Cash Management Obligations in respect thereof, together with the Secured Hedging Obligations described in clause (c) of the definition of the term "Secured Hedging Obligations", shall not exceed $100,000,000.

"Secured Hedging Obligations" means the due and punctual payment and performance of any and all obligations of Parent and each Subsidiary arising under each Hedging Agreement that (a) was in effect on the Closing Date with a counterparty that was a Lender as of the Closing Date or an Affiliate

thereof, (b) is entered into after the Closing Date with a counterparty that was a Lender or the Administrative Agent or an Affiliate of a Lender or the Administrative Agent, in each case at the time such Hedging Agreement was entered into, or (c) is entered into with a counterparty that is not a Lender, the Administrative Agent or an Affiliate of the foregoing at the time such Hedging Agreement was entered into, and, in the case of any such Hedging Agreement referred to in clause (a), (b) or (c) above has been designated by Parent in a written notice given to the Administrative Agent as a Hedging Agreement the obligations under which are to constitute Secured Hedging Obligations for purposes of the Loan Documents; provided that in the case of Hedging Agreements referred to in clause (c) above, the aggregate amount of Secured Hedging Obligations in respect thereof, together with Secured Cash Management Obligations described in clause (c) of the definition of the term "Secured Cash Management Obligations", shall not exceed $100,000,000; provided, further, that for purposes of determining any Secured Hedging Obligations of a Loan Party, "Secured Hedging Obligations" shall not create any guarantee by a Loan Party of any Excluded Swap Obligation of such Loan Party.

"Secured Net Leverage Ratio" means, on any date of determination, the ratio of (a) an amount equal to (x) Total Secured Indebtedness as of the last day of the Test Period most recently ended on or prior to such date less (y) Unrestricted Cash of Parent and its Subsidiaries as of the last day of the Test Period most recently ended on or prior to such date to (b) Consolidated EBITDA for the Test Period most recently ended on or prior to such date.

"Secured Parties" means, collectively, (a) the Lenders, (b) the Administrative Agent, (c) the Arrangers, (d) the Issuing Lenders, (e) the Swingline Lender, (f) each provider of Cash Management Services under a Cash Management Agreement the obligations under which constitute Secured Cash Management Obligations, (g) each counterparty to any Hedging Agreement the obligations under which constitute Secured Hedging Obligations, (h) the beneficiaries of each indemnification obligation undertaken by any Loan Party under this Agreement or any other Loan Document and (i) the successors and permitted assigns of each of the foregoing.

"Securities Act" means the United States Securities Act of 1933.

"Security Documents" means the Collateral Agreements, the Mortgages, the Intercompany Note, any IP Security Agreements and each other security agreement or other instrument or document executed and delivered pursuant to Section 5.03, 5.11 or 5.16 or clauses (a)(i)(B), (a)(ii)(B) or (d) of the definition of the term "Collateral and Guarantee Requirement" to secure the Obligations.

"Series" has the meaning set forth in Section 2.22(b).

"Significant Subsidiary" means each Subsidiary (i) with total assets (including the value of Equity Interests of its Subsidiaries and excluding intercompany assets), for the Test Period most recently ended, equal to or greater than 5.0% of Total Assets (or, solely for purposes of clauses (h), (i) and (j) of Article VII, equal to or greater than 10.0% of Total Assets) and/or (ii) the Consolidated EBITDA of which, for the Test Period most recently ended, is equal to or greater than 5.0% of the Consolidated EBITDA of Parent and its Subsidiaries (or, solely for purposes of clauses (h), (i) and (j) of Article VII, equal to or greater than 10.0% of Consolidated EBITDA of Parent and its Subsidiaries) and; provided that, if at the end of any Test Period during the term of this Agreement, the combined aggregate amount of total assets (excluding intercompany assets) as of the last day of any fiscal quarter for which financial statements have been delivered pursuant to Section 5.01(a) or 5.01(b) or combined aggregate amount of Consolidated EBITDA for the Test Period most recently ended of all Subsidiaries that are not Significant Subsidiaries shall have exceeded 10.0% of the Total Assets of Parent and its Subsidiaries or 10.0% of the Consolidated EBITDA of Parent and its Subsidiaries, in each case, for the Test Period most recently ended, then one or more of the Subsidiaries that are not Significant Subsidiaries shall be

designated by Parent in writing to the Administrative Agent as a Significant Subsidiary until such excess has been eliminated (it being understood that no Subsidiary that is not wholly-owned or is otherwise an Excluded Subsidiary pursuant to the operation of clauses (b) through (i) of the definition thereof shall be designated a Significant Subsidiary pursuant to this proviso).

"Similar Business" means any business in which the Parent and its Subsidiaries are engaged on the date of this Agreement or that are reasonably related, ancillary, similar, incidental, complementary or synergistic thereto or reasonable extensions, development or expansion thereof.

"SOFR" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the NYFRB (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the NYFRB's website, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"SOFR Determination Date" has the meaning set forth in the definition of the term "Daily Simple SOFR".

"SOFR Rate Day" has the meaning set forth in the definition of the term "Daily Simple SOFR".

"Specified Event of Default" means an Event of Default arising under clause (a), (b), (h) or (i) of Article VII.

"Specified Permitted Acquisition Agreement Representations" means, with respect to any Permitted Acquisition or other acquisition or Investment permitted hereunder, such of the representations and warranties made by, or with respect to, the applicable entity to be acquired and its Subsidiaries in the applicable acquisition or investment agreement as are material to the interests of the Lenders, but only to the extent that Parent (or its applicable Affiliates) have the right to terminate its (or their) obligations under such agreement or to decline to consummate such transaction as a result of a breach of any one or more of such representations and warranties in such agreement.

"Specified Representations" means the representations and warranties made in Sections 3.01 (as it relates solely to the Loan Parties), 3.02, 3.03(b) (as it relates to the entering into and the performance of the Loan Documents, the establishment of the Commitments, the incurrence of the Loans and granting of Liens hereunder), 3.09, 3.14, 3.16 (after giving effect to the second to last paragraph of Section 4.02), 3.17, 3.18 (with respect to use of proceeds of the Letters of Credit and Loans), 3.19 and 3.20.

"Specified Transaction" means, with respect to any period, any Investment, acquisition, Disposition, incurrence, assumption or repayment of Indebtedness (including the incurrence of Incremental Term Facilities), Restricted Payment, designation of a Subsidiary as an Unrestricted Subsidiary or of an Unrestricted Subsidiary as a Subsidiary or other event that by the terms of this Agreement requires Pro Forma Compliance with a test or covenant hereunder or requires such test or covenant to be calculated on a Pro Forma Basis.

"Starter Basket" has the meaning set forth in the definition of the term "Available Amount".

"Subordinated Indebtedness" of any Person means any Indebtedness of such Person that is contractually subordinated in right of payment to any other Indebtedness of such Person (other than Indebtedness among the Parent and/or its Subsidiaries).

"Subsidiary" means, with respect to any Person (the "parent") at any date, (a) any Person the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP and (b) any other Person (i) of which Equity Interests representing more than 50% of the equity value or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (ii) that is, as of such date, otherwise Controlled, by the parent or one or more Subsidiaries of the parent or by the parent and one or more Subsidiaries of the parent. Unless otherwise qualified, all references to a "Subsidiary" or to "Subsidiaries" in this Agreement shall refer to a Subsidiary or Subsidiaries of Parent; provided, however, that Unrestricted Subsidiaries shall be deemed not to be Subsidiaries for any purpose of this Agreement or the other Loan Documents, unless otherwise specified in this Agreement.

"Subsidiary Designation" has the meaning set forth in Section 1.04(c).

"Supplemental Perfection Certificate" means a certificate substantially in the form of Exhibit G or any other form approved by the Administrative Agent.

"Supported QFC" has the meaning set forth Section 9.23.

"Swap" means any agreement, contract, or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"Swap Obligation" means, with respect to any Loan Party, any obligation to pay or perform under any Swap.

"Swingline Commitment" means the obligation of the Swingline Lender to make Swingline Loans pursuant to Section 2.04 in an aggregate principal amount at any one time outstanding not to exceed $50,000,000.

"Swingline Exposure" means, at any time, the sum of the aggregate amount of all outstanding Swingline Loans at such time. The Swingline Exposure of any Revolving Lender at any time shall be the sum of, after giving effect to any repayments of Swingline Loans upon the borrowing of a Revolving Loan, (a) its Revolving Percentage of the total Swingline Exposure at such time related to Swingline Loans other than any Swingline Loans made by such Lender in its capacity as a Swingline Lender and (b) if such Lender shall be a Swingline Lender, the principal amount of all Swingline Loans made by such Lender outstanding at such time (to the extent that the other Revolving Lenders shall not have funded their participations in such Swingline Loans); provided that in the case of Section 2.01(b) and Section 2.04(a) when a Non-Funding Lender shall exist, the Swingline Exposure of any Revolving Lender shall be adjusted to give effect to any reallocation effected pursuant to Section 2.21(c).

"Swingline Lender" means JPMorgan Chase Bank, N.A. in its capacity as the lender of Swingline Loans.

"Swingline Loans" has the meaning set forth in Section 2.04.

"Swingline Participation Amount" has the meaning set forth in Section 2.05(c).

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Benchmark" when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Term SOFR Rate.

"Term SOFR Determination Day" has the meaning set forth in the definition of the term "Term SOFR Reference Rate".

"Term SOFR Rate" means, with respect to any Term Benchmark Borrowing and for any tenor comparable to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two U.S. Government Securities Business Days prior to the commencement of such tenor comparable to the applicable Interest Period, as such rate is published by the CME Term SOFR Administrator.

"Term SOFR Reference Rate" means, for any day and time (such day, the "Term SOFR Determination Day"), with respect to any Term Benchmark Borrowing denominated in Dollars and for any tenor comparable to the applicable Interest Period, the rate per annum published by the CME Term SOFR Administrator and identified by the Administrative Agent as the forward-looking term rate based on SOFR. If by 5:00 pm (New York City time) on such Term SOFR Determination Day, the "Term SOFR Reference Rate" for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Rate has not occurred, then, so long as such day is otherwise a U.S. Government Securities Business Day, the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the CME Term SOFR Administrator, so long as such first preceding U.S. Government Securities Business Day is not more than five (5) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

"Termination Date" has the meaning assigned to such term in the lead-in to Article 5.

"Test Period" means each period of four consecutive fiscal quarters of Parent for which financial statements are available.

"Total Assets" means, as of any date, the total assets of Parent and its Subsidiaries on a consolidated basis, as shown on the most recent consolidated balance sheet of Parent and its Subsidiaries, determined on a Pro Forma Basis.

"Total First Lien Indebtedness" means, as of any date, the aggregate amount of Total Indebtedness as of such date that is secured by a Lien on any property or assets of Parent and the Subsidiaries that is not expressly subordinated or junior to the Liens securing the Obligations.

"Total Indebtedness" means, on any date, the aggregate principal amount of Indebtedness of Parent and the Subsidiaries outstanding as of such date, in the amount that would be reflected on a balance sheet prepared as of such date on a consolidated basis in accordance with GAAP (but without giving effect to any election to value any Indebtedness at "fair value," as described in Section 1.04(a), or any other accounting principle that results in the amount of any such Indebtedness (other than zero

coupon Indebtedness) as reflected on such balance sheet to be below the stated principal amount of such Indebtedness) consisting of indebtedness for borrowed money, drawn but unreimbursed obligations under letters of credit (and in the case of trade letters of credit, unreimbursed for more than three Business Days) and the principal portion of obligations in respect of Capital Lease Obligations.

"Total Net Leverage Ratio" means, on any date of determination, the ratio of (a) an amount equal to (x) Total Indebtedness as of the last day of the Test Period most recently ended on or prior to such date less (y) Unrestricted Cash of Parent and its Subsidiaries as of the last day of the Test Period most recently ended on or prior to such date to (b) Consolidated EBITDA for the Test Period most recently ended on or prior to such date.

"Total Revolving Commitments" means, at any time, the aggregate amount of the Revolving Commitments then in effect.

"Total Revolving Extensions of Credit" means, at any time, the aggregate amount of the Revolving Extensions of Credit of the Revolving Lenders outstanding at such time.

"Total Secured Indebtedness" means, as of any date, the aggregate amount of Total Indebtedness as of such date that is secured by a Lien on any property or assets of Parent and the Subsidiaries (but only, for the avoidance of doubt, to the extent so secured).

"Transaction Costs" means the fees, costs and expenses incurred in connection with the Transactions.

"Transactions" means, collectively, (a) the execution, delivery and performance by each Loan Party of the Loan Documents (including this Agreement) to which it is to be a party, (b) the creation and perfection of the security interests provided for in the Security Documents and (c) the payment of the Transaction Costs.

"Type", when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Term SOFR Rate or the Alternate Base Rate.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"Unrestricted Cash" means cash and Permitted Investments of Parent and its Subsidiaries which Cash and Permitted Investments (a) are (or would be) included on the balance sheet of such Person as of such day and which are not identified on the balance sheet of such Person as "restricted", as determined in accordance with GAAP or (b) are pledged in favor of the Lenders (including cash and

Permitted Investments that are pledged in favor of the Lenders which also secures other Indebtedness permitted hereunder that is permitted to be secured by a Lien on the Collateral).

"Unrestricted Subsidiary" means (a) any Subsidiary of Parent that is designated as an Unrestricted Subsidiary by Parent on the Effective Date or pursuant to Section 5.15 subsequent to the Effective Date and (b) any Subsidiary of an Unrestricted Subsidiary.

"USA PATRIOT Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001.

"U.S. Collateral Agreement" means the Collateral Agreement among the Borrower, the other Loan Parties and the Administrative Agent, substantially in the form of Exhibit C.

"U.S. Dollars" or "$" refers to lawful money of the United States of America.

"U.S. Government Securities Business Day" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Person" means (i) for purposes of Sections 3.21 and 6.14 hereof, any United States citizen, lawful permanent resident, entity organized under the laws of the United States or any jurisdiction within the United States, including any foreign branch of any such entity, or any person in the United States and (ii) for all other purposes, any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"U.S. Special Resolution Regimes" has the meaning set forth in Section 9.23.

"U.S. Tax Compliance Certificate" has the meaning set forth in Section 2.18(f)(ii)(B)(3).

"VAT" means the Israeli value added tax imposed pursuant to the Israel Value Added Tax Law of 1975 (including any successor law).

"Voluntary Prepayment Amount" means, as of any date, an amount equal to (a) the sum of (i) the aggregate principal amount of all optional prepayments of Incremental Equivalent Debt in the form of term loans made prior to such date (excluding prepayments made with the proceeds of long-term Indebtedness) and (ii) the aggregate principal amount all optional prepayments of Revolving Loans or Incremental Equivalent Debt in the form of revolving loans made prior to such date (excluding prepayments made with the proceeds of long-term Indebtedness), solely to the extent accompanied by an equivalent permanent reduction of Revolving Commitments or the revolving commitments under such Incremental Equivalent Debt, as applicable, less (b) the sum of (i) the aggregate amount of all Incremental Commitments extended prior to such date in reliance on the Voluntary Prepayment Amount and (ii) the aggregate principal amount of all Incremental Equivalent Debt incurred prior to such date in reliance on the Voluntary Prepayment Amount.

"wholly-owned", when used in reference to a Subsidiary of any Person, means that all the Equity Interests in such Subsidiary (other than directors' qualifying shares and other nominal amounts of Equity Interests that are required to be held by other Persons under applicable law) are owned, beneficially and of record, by such Person, another wholly-owned Subsidiary of such Person or any combination thereof.

"Withdrawal Liability" means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

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

SECTION 1.02 Classification of Loans and Borrowings. For purposes of this Agreement, Loans and Borrowings may be classified and referred to by Class (e.g., a "Revolving Loan" or "Revolving Borrowing") or by Type (e.g., a "Term Benchmark Loan" or "Term Benchmark Borrowing") or by Class and Type (e.g., a "Term Benchmark Revolving Loan" or "Term Benchmark Revolving Borrowing").

SECTION 1.03 Terms Generally.

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." The words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all real and personal, tangible and intangible assets and properties, including cash, securities, accounts and contract rights. The word "law" shall be construed as referring to all statutes, rules, regulations, codes and other laws (including official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply), and all judgments, orders, writs and decrees, of all Governmental Authorities. Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document (including this Agreement and the other Loan Documents) shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, amended and restated, extended, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, amendment and restatements, extensions, supplements or modifications set forth herein), (b) any definition of or reference to any statute, rule or regulation shall be construed as referring thereto as from time to time amended, consolidated, replaced, interpreted, supplemented or otherwise modified (including by succession of comparable successor laws), (c) any reference herein to any Person shall be construed to include such Person's successors and assigns (subject to any restrictions on assignment set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all functions thereof, (d) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (f) the fair market value of any asset or property shall be determined by the Parent, the Borrower or any applicable Subsidiary in good faith. In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including," the words "to" and "until" each mean "to but excluding," and the word "through" means "to and including."

(b) For purposes of determining compliance with Sections 6.01, 6.02, 6.03, 6.04, 6.05, 6.06 and 6.08, (i) in the event that an item of Indebtedness, Lien, Restricted Payment, Restricted Indebtedness, Investment or Disposition (or any portion thereof), as applicable, meets the criteria of more than one of the categories of transactions or items permitted pursuant to any clause of such Sections 6.01 (other than Section 6.01(a) (in the case of Indebtedness incurred on the Closing Date)), 6.02 (other than Sections 6.02(a)), 6.03, 6.04, 6.05, 6.06 and/or 6.08 (each of the foregoing, a "Reclassifiable Item"), the Initial Borrower, in its sole discretion, may, from time to time, divide, classify or reclassify such Reclassifiable Item (or portion thereof) under one or more clauses of each such Section and will only be required to include such Reclassifiable Item (or portion thereof) in any one category; provided that, upon delivery of any financial statements pursuant to Section 5.01(a) or (b) following the initial incurrence or making of any such Reclassifiable Item, if such Reclassifiable Item could, based on such financial statements, have been incurred or made in reliance on Section 6.01(h) (in the case of Indebtedness and Liens) or any "ratio- based" basket or exception (in the case of all other Reclassifiable Items), such Reclassifiable Item shall automatically be reclassified as having been incurred or made under the applicable provisions of Section 6.01(h) or such "ratio-based" basket or exception, as applicable (in each case, subject to any other applicable provision of Section 6.01(h) or such "ratio-based" basket or exception, as applicable). It is understood and agreed that any Indebtedness, Lien, Restricted Payment, Restricted Indebtedness, Investment, Disposition and/or Affiliate Transaction need not be permitted solely by reference to one category of permitted Indebtedness, Lien, Restricted Payment, Restricted Indebtedness, Investment, Disposition and/or Affiliate Transaction under Sections 6.01, 6.02, 6.03, 6.04, 6.05, 6.08 or 6.09, respectively, but may instead be permitted in part under any combination thereof or under any other available exception.

(c) In this Agreement, where it relates to a Person incorporated or having its center of main interests in Israel, a reference to insolvency, bankruptcy, liquidation, receivership, administration, reorganization, dissolution, winding-up, relief of debtors, or similar proceedings in respect of such person hereunder shall also include proceedings under the laws of the State of Israel relating to:

(i) liquidation, winding-up, dissolution, administration or a debt arrangement, as such terms are understood under the Israeli Companies Law and the Israeli Insolvency Law;

(ii) the appointment of a receiver or trustee or other authorized functionary ("*baal tafkid*"), as such term is understood under the Israeli Insolvency Law;

(iii) a reorganisation order, freeze order, stay of proceedings ("*Ikuv Halichim*") (or other similar remedy), protection from creditors, relief of debtors, an order for commencing proceedings ("*Tzav Ptichat Halichim*"), an order for financial rehabilitation ("*Hafala Leshem Shikum Calcali*") or an order for liquidation ("*Tzav Piruk*"); and

(iv) the recognition of a foreign proceeding with respect to an insolvency of a company ("*Hakara be Halich Zar*"), as such term is understood under the Israeli Insolvency Law.

SECTION 1.04 Accounting Terms; GAAP; Pro Forma Calculations. (a) Except as otherwise expressly provided herein, all terms of an accounting or financial nature used herein shall be construed in accordance with GAAP as in effect from time to time; provided that (i) if the Borrower, by notice to the Administrative Agent, shall request an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent or the Required Lenders, by notice to the Initial Borrower, shall request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then

such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith and (ii) notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to (A) any election under Accounting Standards Codification 825-10-25 (previously referred to as Statement of Financial Accounting Standards 159, The Fair Value Option for Financial Assets and Financial Liabilities), or any successor thereto (including pursuant to the Accounting Standards Codification), to value any Indebtedness of Parent or any Subsidiary at "fair value," as defined therein and (B) any treatment of Indebtedness relating to convertible or equity-linked securities under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) requiring the valuation of any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof. For purposes of the foregoing, any change by Parent in its accounting principles and standards to adopt International Financial Reporting Standards, regardless of whether required by applicable laws and regulations, will be deemed a change in GAAP.

(b) Notwithstanding anything to the contrary contained in paragraph (a) above, unless the Initial Borrower elects otherwise, all obligations of any Person that are or would have been classified and accounted for as an operating leases for purposes of GAAP prior to the issuance by the Financial Accounting Standards Board (IASB) on December 31, 2017 of an Accounting Standards Update (the "ASU"), shall continue to be accounted for as operating leases (and not be treated as financing or capital lease obligations or Indebtedness) for purposes of all financial definitions, calculations and deliverables under this Agreement or any other Loan Document (including the calculation of Consolidated Net Income and Consolidated EBITDA) (whether or not such operating lease obligations were in effect on such date) notwithstanding the fact that such obligations are required in accordance with the ASU or any other change in accounting treatment or otherwise (on a prospective or retroactive basis or otherwise) to be treated as or to be recharacterized as financing or capital lease obligations or otherwise accounted for as liabilities in financial statements.

(c) For purposes of determining compliance with any test or covenant contained in this Agreement with respect to any period during which any Initiative occurs or during which any designation of any Subsidiary as an Unrestricted Subsidiary and any Unrestricted Subsidiary as a Subsidiary in accordance with Section 5.15 occurs (a "Subsidiary Designation"), or for purposes of determining whether any Initiative or Subsidiary Designation is permitted hereunder, Consolidated EBITDA, the First Lien Net Leverage Ratio, the Total Net Leverage Ratio and the Secured Net Leverage Ratio shall be calculated with respect to such period on a Pro Forma Basis, giving effect to such Initiative or Subsidiary Designation; provided that, notwithstanding the foregoing, when calculating the Total Net Leverage Ratio for purposes of Section 6.13 (other than for the purpose of determining pro forma compliance with Section 6.13 as a condition to taking any action under this Agreement), the events described in the immediately preceding paragraph that occurred subsequent to the end of the applicable Test Period shall not be given pro forma effect.

(d) Notwithstanding anything to the contrary herein, unless the Initial Borrower otherwise notifies the Administrative Agent, with respect to any amount incurred or transaction entered into (or consummated) in reliance on a provision of this Agreement (other than a non-concurrent borrowing under the Revolving Facility) that does not require compliance with a financial ratio or financial test (including Section 6.13 hereof, any First Lien Net Leverage Ratio test, any Secured Net Leverage Ratio test and/or any Total Net Leverage Ratio test) (any such amount, including any concurrent drawing under the Revolving Facility, and any cap expressed as a percentage of Total Assets, Consolidated Net Income or Consolidated EBITDA, a "Fixed Amount") substantially concurrently with

any amount incurred or transaction entered into (or consummated) in reliance on a provision of this Agreement that requires compliance with a financial ratio or financial test (including Section 6.13 hereof, any First Lien Net Leverage Ratio test, any Secured Net Leverage Ratio test and/or any Total Net Leverage Ratio test) (any such amount, an "Incurrence-Based Amount"), it is understood and agreed that (i) the incurrence of the Incurrence-Based Amount shall be calculated first without giving effect to any Fixed Amount but giving full pro forma effect to the use of proceeds of such Fixed Amount and the related transactions and (ii) the incurrence of the Fixed Amount shall be calculated thereafter. Unless it elects otherwise, the Initial Borrower shall be deemed to have used amounts under an Incurrence-Based Amount then available to the Initial Borrower prior to utilization of any amount under a Fixed Amount then available to the Initial Borrower. In calculating any Incurrence-Based Amount, any amounts concurrently-incurred under the Revolving Facility shall not be given effect.

(e) Notwithstanding anything to the contrary herein (including in connection with any calculation made on a Pro Forma Basis), to the extent that the terms of this Agreement (i) require compliance with any financial ratio or financial test (including, without limitation, any pro forma compliance requirement with respect to Section 6.13 hereof, any First Lien Net Leverage Ratio incurrence test, any Secured Net Leverage Ratio incurrence test and any Total Net Leverage Ratio incurrence test) and/or any cap expressed as a percentage of Total Assets, Consolidated Net Income or Consolidated EBITDA, (ii) except in the case of the Revolving Facility, require accuracy of any representation or warranty and/or the absence of a Default or Event of Default (or any type of default or event of default),(iii) require compliance with any basket or other condition or (iv) provide that a condition to utilizing a basket is not applicable if a financial ratio is satisfied (including, without limitation, the requirement in Section 6.05(l)(ii) related to the receipt of at least 75% of the total consideration for any such Disposition received by Parent and its Subsidiaries being in the form of cash or Permitted Investments), as a condition to (A) the consummation of any Permitted Acquisition or other Investment permitted hereunder, (B) the making of any Restricted Payment, (C) the making of any Restricted Indebtedness payment (D) the consummation of any Disposition, the determination of whether the relevant condition is satisfied (or inapplicable due to a financial ratio or financial test being satisfied) may be made, at the election of the Initial Borrower, (1) in the case of any Permitted Acquisition or other Investment permitted hereunder, any Disposition, any incurrence of Indebtedness or any transaction relating thereto, at the time of (or on the basis of the financial statements for the most recently ended Test Period at the time of) either (x) the execution of the definitive agreement with respect to such acquisition, consolidation, business combination, other Investment or Disposition (or, solely in connection with an acquisition, consolidation or business combination to which the United Kingdom City Code on Takeovers and Mergers applies, the date on which a "Rule 2.7 Announcement" of a firm intention to make an offer is made) or the establishment of a commitment with respect to such Indebtedness or (y) the consummation of such Permitted Acquisition or other Investment permitted hereunder, (2) in the case of any Restricted Payment, at the time of (or on the basis of the financial statements for the most recently ended Test Period at the time of) (x) the declaration of such Restricted Payment or (y) the making of such Restricted Payment and (3) in the case of any Restricted Indebtedness payment, at the time of (or on the basis of the financial statements for the most recently ended Test Period at the time of) (x) delivery of any required notice of redemption or prepayment with respect to such Restricted Indebtedness payment or (y) the making of such Restricted Indebtedness payment, in each case, after giving effect on a Pro Forma Basis to the relevant Permitted Acquisition or other Investment permitted hereunder, Restricted Payment and/or Restricted Indebtedness payment (including the intended use of proceeds of any Indebtedness to be incurred in connection therewith), and no Default or Event of Default shall be deemed to have occurred solely as a result of an adverse change in such ratio, test or condition occurring after the time such election is made (but any subsequent improvement in the applicable ratio, test or amount may be utilized by the Initial Borrower or any Restricted Subsidiary if the Initial Borrower makes such election). If the Initial Borrower shall have elected to test the permissibility of any transaction as provided above prior to the consummation of such transaction, then prior to the completion of such transaction (or the

abandonment of such transaction), all future incurrence tests shall be made on a pro forma basis for such transaction and all related transactions. For the avoidance of doubt, if the Initial Borrower shall have elected the option set forth in clause (x) of any of the preceding clauses (1), (2) or (3) in respect of any transaction, then the Initial Borrower or the applicable Restricted Subsidiary shall be permitted to consummate such transaction even if any applicable test or condition shall cease to be satisfied subsequent to the Initial Borrower's election of such option. The provisions of this paragraph (e) shall also apply in respect of the incurrence of any Incremental Facility.

SECTION 1.05 Excluded Swap Obligations. Notwithstanding any provision of this Agreement or any other Loan Document, no Guarantee by any Loan Party under any Loan Document shall include a Guarantee of any Obligation that, as to such Loan Party, is an Excluded Swap Obligation and no Collateral provided by any Loan Party shall secure any Obligation that, as to such Loan Party, is an Excluded Swap Obligation. In the event that any payment is made by, or any collection is realized from, any Loan Party as to which any Obligations are Excluded Swap Obligations, or from any Collateral provided by such Loan Party, the proceeds thereof shall be applied to pay the Obligations of such Loan Party as otherwise provided herein without giving effect to such Excluded Swap Obligations and each reference in this Agreement or any other Loan Document to the ratable application of such amounts as among the Obligations or any specified portion of the Obligations that would otherwise include such Excluded Swap Obligations shall be deemed so to provide.

SECTION 1.06 [Reserved].

SECTION 1.07 Interest Rates; Benchmark Notification. Upon the occurrence of a Benchmark Transition Event, Section 2.15(b) provides a mechanism for determining an alternative rate of interest. The Administrative Agent will promptly notify the Borrower, pursuant to Section 2.15(d), of any change to the reference rate upon which the interest rate on Term Benchmark Loans is based. However, the Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to any interest rate used in this Agreement, or with respect to any alternative or successor rate thereto, or replacement rate thereof (including, without limitation, (i) any such alternative, successor or replacement rate implemented pursuant to Section 2.15, whether upon the occurrence of a Benchmark Transition Event and (ii) the implementation of any Benchmark Replacement Conforming Changes pursuant to Section 2.15(c)), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the existing interest rate being replaced or have the same volume or liquidity as did any existing interest rate prior to its discontinuance or unavailability.

SECTION 1.08 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized and acquired on the first date of its existence by the holders of its Equity Interests at such time.

SECTION 1.09 Delayed Draw Term Loans. If any delayed draw term loan Indebtedness is incurred in reliance on a provision of any Loan Document that requires compliance with a First Lien Net Leverage Ratio, Secured Net Leverage Ratio or Total Net Leverage Ratio incurrence test, such applicable leverage ratio shall be calculated assuming the full amount of such Indebtedness has been drawn on the date of testing thereof, and with respect to any subsequent calculation of the First Lien Net Leverage Ratio, the Secured Net Leverage Ratio or the Total Net Leverage Ratio for purposes of

incurrence of any other Indebtedness (but not, for the avoidance of doubt, for purposes of testing compliance with Section 6.13), such delayed draw term loan Indebtedness shall be deemed drawn until the earlier of (i) the full drawing thereof and (ii) the date of termination of any remaining unused commitments in respect thereof.

SECTION 1.10 Additional Borrowers; Initial Borrower as Representative.

(a) From time to time on or after the Closing Date, and with 10 Business Days' notice to the Administrative Agent (or such shorter period as the Administrative Agent may agree), subject to (i) completion of customary "know your customer" procedures and delivery of related information reasonably requested by the Administrative Agent (including, if such Additional Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, a Beneficial Ownership Certification as to such Additional Borrower) (ii) the delivery of customary joinder and related deliverables, including without limitation corporate ancillary and legal opinions, in each case as the Administrative Agent may reasonably request, the Initial Borrower may designate any Restricted Subsidiary as an additional Borrower (each such person, an "Additional Borrower") hereunder in respect of any specified Class or Classes of Obligations, provided that (x) the Additional Borrower shall be an entity organized or existing under the law of the U.S., any state thereof or the District of Columbia, (y) such Additional Borrower is approved by the Administrative Agent and each affected Lender (it being understood that an Additional Borrower may be designated as such pursuant to the terms of any Incremental Facility Amendment or Refinancing Facility Agreement) and (z) such Additional Borrower is required to become a Guarantor.

(b) Upon satisfaction of the requirements set forth clause (a) above, such Additional Borrower shall be a "Borrower" hereunder and will have the right to request Incremental Term Loans, Revolving Loans or Letters of Credit, as the case may be, in accordance with Article II hereof until the earlier to occur of the applicable Maturity Date or the date on which such Additional Borrower resigns as an Additional Borrower in accordance with clause (c) below.

(c) An Additional Borrower may elect to resign as an Additional Borrower; provided that: (i) no Default or Event of Default is continuing or would result from the resignation of such Additional Borrower, (ii) such resigning Additional Borrower has delivered to the Administrative Agent a written notice of resignation, (iii) all outstanding Revolving Loans, together with all accrued and unpaid interest, unpaid fees and other unpaid amounts with respect to such Revolving Loans, extended to it hereunder as a Borrower (in each case, solely if any) shall be deemed to be assigned to the Initial Borrower, and the Initial Borrower shall be deemed to have assumed such unpaid Revolving Loans, and unpaid interest, unpaid fees and other unpaid amounts with respect to such Revolving Loans (in each case, if any), as its primary obligations as Borrower, and (iv) its obligations in its capacity as Guarantor (if required to become a Guarantor) continue to be legal, valid, binding and enforceable and in full force and effect. Upon satisfaction of the requirements in sub-clauses (i), (ii), (iii) and (iv) of this clause (c), the relevant Additional Borrower shall cease to be an Additional Borrower and a Borrower.

(d) Each Borrower from time to time hereby designates the Initial Borrower as its agent and representative. The Initial Borrower shall act as the agent and/or representative of any Borrower for the purposes of (i) delivering Borrowing Requests, continuation or conversion notices and other notices pursuant to Article II hereof (and for the purpose of giving instructions with respect to the disbursement of the proceeds of any such Loans or the issuance of any Letters of Credit), (ii) delivering and receiving all other notices, consents, certificates and similar instruments contemplated hereunder or under any of the other Loan Documents and (iii) taking all other actions (including in respect of compliance with covenants and certifications) on behalf of any Borrower under any Loan Document. The Initial Borrower hereby accepts such appointment.

ARTICLE II

THE CREDITS

SECTION 2.01 Commitments. (a) [Reserved].

(b) Subject to the terms and conditions set forth herein, each Revolving Lender agrees to make revolving credit loans ("Revolving Loans") in U.S. Dollars to the Borrower from time to time during the Revolving Commitment Period in an aggregate principal amount at any one time outstanding which, when added (after giving effect to any application of proceeds of such Revolving Loans pursuant to Section 2.04) to the sum of, after giving effect to any repayments of Swingline Loans upon the borrowing of a Revolving Loan, (i) such Lender's Revolving Percentage of the L/C Obligations then outstanding and (ii) such Lender's Swingline Exposure then outstanding, does not exceed the amount of such Lender's Revolving Commitment. During the Revolving Commitment Period the Borrower may use the Revolving Commitments by borrowing, prepaying the Revolving Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof.

SECTION 2.02 Loans and Borrowings. (a) Each Revolving Loan shall be made as part of a Borrowing made by the Lenders ratably in accordance with their Revolving Commitments. The failure of any Revolving Lender to make any Revolving Loan required to be made by it shall not relieve any other Revolving Lender of its obligations hereunder; provided that the Revolving Commitments of the Revolving Lenders are several and no Revolving Lender shall be responsible for any other Revolving Lender's failure to make Loans as required.

(b) Subject to Section 2.15, each Borrowing shall be comprised entirely of ABR Loans or Term Benchmark Loans as the Borrower may request in accordance herewith. Each Lender at its option may make any Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Term Benchmark Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of the Borrowing Multiple and not less than the Borrowing Minimum; provided that a Term Benchmark Borrowing that results from a continuation of an outstanding Term Benchmark Borrowing may be in an aggregate amount that is equal to such outstanding Borrowing. At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of the Borrowing Multiple and not less than $1,000,000 (provided that the Swingline Lender may request, on behalf of the Borrower, borrowings under the Revolving Commitments that are ABR Loans in other amounts pursuant to Section 2.05(a)). Borrowings of more than one Type and Class may be outstanding at the same time; provided that there shall not at any time be more than a total of 10 (or such greater number as may be agreed to by the Administrative Agent) Term Benchmark Borrowings outstanding.

(d) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert to or continue, any Term Benchmark Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date applicable thereto.

SECTION 2.03 Requests for Borrowings. To request a Borrowing (other than a Borrowing of Swingline Loans), the Borrower shall notify the Administrative Agent of such request by delivery of an executed written Borrowing Request in accordance with the notice provisions set forth in Section 9.01(a) in the case of a Term Benchmark Borrowing, not later than 11:00 a.m., Local Time, three U.S. Government Securities Days before the date of the proposed Borrowing (or such shorter period of

time as may be agreed to by the Administrative Agent and the Lenders) or in the case of an ABR Borrowing, not later than 11:00 a.m., Local Time, on the day of the proposed Borrowing (or such shorter period of time as may be agreed to by the Administrative Agent and the Lenders). Each such Borrowing Request shall be irrevocable, except that a Borrowing Request may be conditioned on the occurrence of any subsequent event (including a Permitted Acquisition or other Investment), in which case, such notice may be revoked by the Borrower (by written notice to the Administrative Agent on or prior to the date of such funding) if such event does not occur. Each such written Borrowing Request shall specify the following information in compliance with Section 2.02:

(i) the Borrower requesting such Borrowing;

(ii) whether the requested Borrowing is to be an Incremental Term Loan Borrowing of a particular Series or a Revolving Loan Borrowing;

(iii) the aggregate amount of such Borrowing;

(iv) the date of such Borrowing, which shall be a Business Day;

(v) whether such Borrowing is to be an ABR Borrowing or a Term Benchmark Borrowing;

(vi) in the case of a Term Benchmark Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period," and

(vii) the Applicable Funding Account.

If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Term Benchmark Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section 2.03, the Administrative Agent shall advise each Lender of the applicable Class of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

SECTION 2.04 Swingline Commitments. (a) Subject to the terms and conditions set forth herein, from time to time during the Revolving Commitment Period, the Swingline Lender agrees to make a portion of the credit otherwise available to the Borrower under the Revolving Commitments by making swing line loans ("Swingline Loans") to the Borrower; provided that (i) the sum of (x) the Swingline Exposure of such Swingline Lender (in its capacity as a Revolving Lender), (y) the aggregate principal amount of outstanding Revolving Loans made by such Swingline Lender (in its capacity as a Revolving Lender) and (z) the L/C Exposure of such Swingline Lender (in its capacity as a Revolving Lender) shall not exceed its Revolving Commitment then in effect, (ii) the sum of the outstanding Swingline Loans shall not exceed the Swingline Commitment and (iii) the Borrower shall not request, and no Swingline Lender shall make, any Swingline Loan if, after giving effect to the making of such Swingline Loan, the aggregate amount of the Available Revolving Commitments would be less than zero. During the Revolving Commitment Period, the Borrower may use the Swingline Commitment by borrowing, repaying and reborrowing, all in accordance with the terms and conditions hereof. Swingline Loans shall be ABR Loans only.

(b) The Borrower shall repay to the Swingline Lender the then unpaid principal amount of each Swingline Loan on the earlier of the Revolving Termination Date and five Business Days

after such Swingline Loan is made; provided that on each date that a Revolving Loan is borrowed, the Borrower shall repay all Swingline Loans then outstanding and the proceeds of any such Revolving Loans shall be applied by the Administrative Agent to repay any Swingline Loans outstanding.

SECTION 2.05 Procedure for Swingline Borrowing; Refunding of Swingline Loans. (a) Whenever the Borrower desires that the Swingline Lender make Swingline Loans it shall give the Swingline Lender irrevocable telephonic notice confirmed promptly in writing (which telephonic notice must be received by the Swingline Lender not later than 1:00 p.m., Local Time, on the date of the proposed Borrowing), substantially in the form of Exhibit B-2 or any other form approved by the Swingline Lender, specifying (i) the amount to be borrowed and (ii) the requested date of Borrowing (which shall be a Business Day during the Revolving Commitment Period). Each borrowing under the Swingline Commitment shall be in an amount equal to $500,000 or a whole multiple of $100,000 in excess thereof. Not later than 3:00 p.m., Local Time, on the proposed Borrowing date specified in a notice in respect of Swingline Loans, the Swingline Lender shall make available to the Administrative Agent at the Funding Office an amount in immediately available funds equal to the requested Swingline Loan. The Administrative Agent shall make the proceeds of such Swingline Loan available to the Borrower on such Borrowing date by depositing such proceeds in the account of the Borrower with the Administrative Agent on such Borrowing date in immediately available funds.

(b) The Swingline Lender, at any time and from time to time in its sole and absolute discretion may, on behalf of the Borrower (which hereby irrevocably directs the Swingline Lender to act on its behalf), on one Business Day's notice given by such Swingline Lender no later than 12:00 Noon, Local Time, request each Revolving Lender to make, and each Revolving Lender hereby agrees to make, a Revolving Loan, in an amount equal to such Revolving Lender's Revolving Percentage of the aggregate amount of the Swingline Loans (the "Refunded Swingline Loans") outstanding on the date of such notice, to repay the Swingline Lender. Each Revolving Lender shall make the amount of such Revolving Loan available to the Administrative Agent at the Funding Office in immediately available funds, not later than 10:00 a.m., Local Time, one Business Day after the date of such notice. The proceeds of such Revolving Loans shall be immediately made available by the Administrative Agent to the Swingline Lender for application by the Swingline Lender to the repayment of the Refunded Swingline Loans. The Borrower irrevocably authorizes the Swingline Lender to charge the Borrower's accounts with the Administrative Agent (up to the amount available in each such account) in order to immediately pay the amount of such Refunded Swingline Loans to the extent amounts received from the Revolving Lenders are not sufficient to repay in full such Refunded Swingline Loans.

(c) If prior to the time a Revolving Loan would have otherwise been made pursuant to Section 2.05(b), one of the events described in clause (h) or (i) of Article VII shall have occurred and be continuing with respect to the Borrower or if for any other reason, as determined by any Swingline Lender in its sole discretion, Revolving Loans may not be made as contemplated by Section 2.05(b), each Revolving Lender shall, on the date such Revolving Loan was to have been made pursuant to the notice referred to in Section 2.05(b), purchase for cash an undivided participating interest in the then outstanding Swingline Loans by paying to the Swingline Lender an amount (the "Swingline Participation Amount") equal to (i) such Revolving Lender's Revolving Percentage times (ii) the sum of the aggregate principal amount of Swingline Loans of the Swingline Lender then outstanding that were to have been repaid with such Revolving Loans.

(d) Whenever, at any time after the Swingline Lender has received from any Revolving Lender such Lender's Swingline Participation Amount, the Swingline Lender receives any payment on account of the Swingline Loans, the Swingline Lender will distribute to such Lender its ratable portion of such payment (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's participating interest was outstanding and funded and, in the

case of principal and interest payments, to reflect such Lender's pro rata portion of such payment if such payment is not sufficient to pay the principal of and interest on all Swingline Loans then due); provided, however, that in the event that such payment received by the Swingline Lender is required to be returned, such Revolving Lender will return to the Swingline Lender any portion thereof previously distributed to it by the Swingline Lender.

(e) Each Revolving Lender's obligation to make the Loans referred to in Section 2.05(b) and to purchase participating interests pursuant to Section 2.05(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (i) any setoff, counterclaim, recoupment, defense or other right that such Revolving Lender or the Borrower may have against the Swingline Lender, the Borrower or any other Person for any reason whatsoever, (ii) the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in Article IV, (iii) any adverse change in the condition (financial or otherwise) of the Borrower, (iv) any breach of this Agreement or any other Loan Document by the Borrower, any other Loan Party or any other Revolving Lender or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

SECTION 2.06 Letters of Credit. (a) L/C Commitment. Subject to the terms and conditions hereof, each Issuing Lender, in reliance on the agreements of the other Revolving Lenders set forth in Section 2.06(d)(i), agrees to issue letters of credit ("Letters of Credit") for the account of Parent or any Subsidiary (including, to the extent not prohibited by Section 6.04, Unrestricted Subsidiaries) on any Business Day during the Revolving Commitment Period in such form as may be approved from time to time by such Issuing Lender; provided that such Issuing Lender shall have no obligation to issue any Letter of Credit if, after giving effect to such issuance, (i) the L/C Obligations would exceed the L/C Commitment or (ii) the aggregate amount of the Available Revolving Commitments would be less than zero. Each Letter of Credit shall (i) be denominated in U.S. Dollars and (ii) expire no later than the earlier of (x) the first anniversary of its date of issuance and (y) the date that is five Business Days prior to the Revolving Termination Date, provided that any Letter of Credit with a one-year term may provide for the renewal thereof for additional one-year periods (which shall in no event extend beyond the date referred to in clause (y) above). No Issuing Lender shall at any time be obligated to issue any Letter of Credit if such issuance would conflict with, or cause such Issuing Lender or any L/C Participant to exceed any limits imposed by, any applicable Requirement of Law.

(b) Procedure for Issuance of Letter of Credit. The Borrower may from time to time request that an Issuing Lender issue a Letter of Credit by delivering to such Issuing Lender at its address for notices specified herein an Application therefor, completed to the satisfaction of such Issuing Lender, and such other certificates, documents and other papers and information as such Issuing Lender may request. Upon receipt of any Application, the applicable Issuing Lender will process such Application and the certificates, documents and other papers and information delivered to it in connection therewith in accordance with its customary procedures and shall promptly issue the Letter of Credit requested thereby (but in no event shall such Issuing Lender be required to issue any Letter of Credit earlier than three Business Days after its receipt of the Application therefor and all such other certificates, documents and other papers and information relating thereto) by issuing the original of such Letter of Credit to the beneficiary thereof or as otherwise may be agreed to by such Issuing Lender and the Borrower. The applicable Issuing Lender shall furnish a copy of such Letter of Credit to the Borrower promptly following the issuance thereof. The applicable Issuing Lender shall promptly furnish to the Administrative Agent, which shall in turn promptly furnish to the Lenders, notice of the issuance of each Letter of Credit (including the amount thereof).

(c) Fees and Other Charges. The Borrower will pay a fee on all outstanding Letters of Credit at a per annum rate equal to the Applicable Rate then in effect with respect to Term Benchmark

Loans under the Revolving Facility on the face amount of each such Letter of Credit, shared ratably among the Revolving Lenders and payable quarterly in arrears on each Fee Payment Date after the issuance date. In addition, the Borrower shall pay to each Issuing Lender for its own account a fronting fee of 0.125% per annum on the undrawn and unexpired amount of each Letter of Credit, payable quarterly in arrears on each Fee Payment Date after the issuance date.

(i) In addition to the foregoing fees, the Borrower shall pay or reimburse each Issuing Lender for such normal and customary costs and expenses as are incurred or charged by such Issuing Lender in issuing, negotiating, effecting payment under, amending or otherwise administering any Letter of Credit.

(d) L/C Participations. Each Issuing Lender irrevocably agrees to grant and hereby grants to each L/C Participant, and, to induce such Issuing Lender to issue Letters of Credit, each L/C Participant irrevocably agrees to accept and purchase and hereby accepts and purchases from such Issuing Lender, on the terms and conditions set forth below, for such L/C Participant's own account and risk an undivided interest equal to such L/C Participant's Revolving Percentage in such Issuing Lender's obligations and rights under and in respect of each Letter of Credit and the amount of each draft paid by such Issuing Lender thereunder. Each L/C Participant agrees with each such Issuing Lender that, if a draft is paid under any Letter of Credit for which such Issuing Lender is not reimbursed in full by the Borrower in accordance with the terms of this Agreement (or in the event that any reimbursement received by such Issuing Lender shall be required to be returned by it at any time), such L/C Participant shall pay to such Issuing Lender upon demand at such Issuing Lender's address for notices specified herein an amount equal to such L/C Participant's Revolving Percentage of the amount that is not so reimbursed (or is so returned). Each L/C Participant's obligation to pay such amount shall be absolute and unconditional and shall not be affected by any circumstance, including (i) any setoff, counterclaim, recoupment, defense or other right that such L/C Participant may have against such Issuing Lender, the Borrower or any other Person for any reason whatsoever, (ii) the occurrence or continuance of a Default or an Event of Default or the failure to satisfy any of the other conditions specified in Article IV, (iii) any adverse change in the condition (financial or otherwise) of the Borrower, (iv) any breach of this Agreement or any other Loan Document by the Borrower, any other Loan Party or any other L/C Participant or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

(i) If any amount required to be paid by any L/C Participant to an Issuing Lender pursuant to Section 2.06(d)(i) in respect of any unreimbursed portion of any payment made by such Issuing Lender under any Letter of Credit is paid to such Issuing Lender within three Business Days after the date such payment is due, such L/C Participant shall pay to such Issuing Lender on demand an amount equal to the product of (x) such amount, times (y) the daily average Federal Funds Effective Rate during the period from and including the date such payment is required to the date on which such payment is immediately available to such Issuing Lender, times (z) a fraction the numerator of which is the number of days that elapse during such period and the denominator of which is 360. If any such amount required to be paid by any L/C Participant pursuant to Section 2.06(d)(i) is not made available to the applicable Issuing Lender by such L/C Participant within three Business Days after the date such payment is due, such Issuing Lender shall be entitled to recover from such L/C Participant, on demand, such amount with interest thereon calculated from such due date at the rate per annum applicable to ABR Loans under the Revolving Facility. A certificate of any Issuing Lender submitted to any L/C Participant with respect to any amounts owing under this Section shall be conclusive in the absence of manifest error.

(ii) Whenever, at any time after an Issuing Lender has made payment under any Letter of Credit and has received from any L/C Participant its pro rata share of such payment in accordance with Section 2.06(d)(i), such Issuing Lender receives any payment related to such Letter of Credit (whether directly from the Borrower or otherwise, including proceeds of collateral applied thereto by such Issuing Lender), or any payment of interest on account thereof, such Issuing Lender will distribute to such L/C Participant its pro rata share thereof; provided, however, that in the event that any such payment received by such Issuing Lender shall be required to be returned by such Issuing Lender, such L/C Participant shall return to such Issuing Lender the portion thereof previously distributed by such Issuing Lender to it.

(e) Reimbursement Obligation of the Borrower. If any draft is paid under any Letter of Credit, the Borrower shall reimburse the applicable Issuing Lender for the amount of (i) the draft so paid and (ii) any taxes, fees, charges or other costs or expenses incurred by such Issuing Lender in connection with such payment, not later than 12:00 Noon, Local Time, on (x) the Business Day that the Borrower receives notice of such draft, if such notice is received on such day prior to 10:00 a.m., Local Time, or (y) if clause (x) above does not apply, two Business Days following the day that the Borrower receives such notice. Each such payment shall be made to the applicable Issuing Lender at its address for notices referred to herein in U.S. Dollars and in immediately available funds. Interest shall be payable on any such amounts from the date on which the relevant draft is paid until payment in full at the rate set forth in (A) until the Business Day next succeeding the date of the relevant notice, Section 2.14(a) and (B) thereafter, Section 2.14(d).

(f) Obligations Absolute. The Borrower's obligations under this Section 2.06 shall be absolute, unconditional and irrevocable under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment that the Borrower may have or have had against any Issuing Lender, any beneficiary of a Letter of Credit or any other Person. The Borrower also agrees with the Issuing Lenders that no Issuing Lenders shall be responsible for, and the Borrower's Reimbursement Obligations under Section 2.06(e) shall not be affected by, among other things, (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be invalid, fraudulent or forged in any respect or any statement therein being untrue or inaccurate in any respect, (iii) any dispute between or among the Borrower and any beneficiary of any Letter of Credit or any other party to which such Letter of Credit may be transferred or any claims whatsoever of the Borrower against any beneficiary of such Letter of Credit or any such transferee, (iv) payment by an Issuing Lender under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit or (v) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. No Issuing Lender shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or message or advice, however transmitted, in connection with any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of any Issuing Lender; provided that the foregoing shall not be construed to excuse any Issuing Lender from liability to the Borrower to the extent of any direct damages (as opposed to special, indirect, consequential or punitive damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by such Issuing Lender's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of any Issuing Lender (as finally determined by a court of competent jurisdiction), such Issuing

Lender shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, an Issuing Lender may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Letter of Credit Payments. If any draft shall be presented for payment under any Letter of Credit, the applicable Issuing Lender shall promptly notify the Borrower of the date and amount thereof. The responsibility of any Issuing Lender to the Borrower in connection with any draft presented for payment under any Letter of Credit shall, in addition to any payment obligation expressly provided for in such Letter of Credit, be limited to determining that the documents (including each draft) delivered under such Letter of Credit in connection with such presentment are substantially in conformity with such Letter of Credit.

(h) Applications. To the extent that any provision of any Application related to any Letter of Credit is inconsistent with the provisions of this Section 2.06, the provisions of this Section 2.06 shall apply.

(i) Replacement of an Issuing Lender. An Issuing Lender may be replaced at any time by written agreement among the Borrower, the Administrative Agent, the replaced Issuing Lender and the successor Issuing Lender. The Administrative Agent shall notify the Revolving Lenders of any such replacement of the Issuing Lender. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Lender pursuant to Section 2.06(c). From and after the effective date of any such replacement, (i) the successor Issuing Lender shall have all the rights and obligations of the Issuing Lender under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Lender" shall be deemed to refer to such successor or to any previous Issuing Lender, or to such successor and all previous Issuing Lenders, as the context shall require. After the replacement of an Issuing Lender hereunder, the replaced Issuing Lender shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Lender under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(j) Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued hereunder is in support of obligations of, or is for the account of, a Subsidiary (including, to the extent not prohibited by Section 6.04, Unrestricted Subsidiaries) of the Borrower, the Borrower or Parent shall be a co-applicant thereunder and jointly and severally liable to reimburse the L/C Obligations for any and all drawings under such Letter of Credit and to pay any and all other Obligations arising in respect of such Letter of Credit.

SECTION 2.07 Funding of Borrowings. (a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds in U.S. Dollars by 2:00 p.m., Local Time, to the Administrative Agent at the Funding Office. The Administrative Agent will make such Loans available to the Borrower by promptly remitting the amounts so received, in like funds, to the Applicable Funding Account.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section 2.07 and

may, in reliance on such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of a payment to be made by such Lender, the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of a payment to be made by the Borrower, the interest rate applicable to ABR Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

SECTION 2.08 Interest Elections. (a) Each Borrowing (other than a Borrowing of Swingline Loans) initially shall be of the Type and, in the case of a Term Benchmark Borrowing, shall have an initial Interest Period as specified in the applicable Borrowing Request or as otherwise provided in Section 2.03. Thereafter, the Borrower may elect to convert such Borrowing to a Borrowing of a different Type or to continue such Borrowing and, in the case of a Term Benchmark Borrowing, may elect Interest Periods therefor, all as provided in this Section 2.08. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section 2.08, the Borrower shall notify the Administrative Agent of such election by telephone by the time that a Borrowing Request would be required under Section 2.03 if the Borrower was requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election (it being understood and agreed that such an election may be made prior to the Closing Date). Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by delivery to the Administrative Agent of an executed written Interest Election Request in accordance with the notice provisions set forth in Section 9.01. Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.02:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Term Benchmark Borrowing; and

(iv) if the resulting Borrowing is to be a Term Benchmark Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Term Benchmark Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(c) Promptly following receipt of an Interest Election Request in accordance with this Section 2.08, the Administrative Agent shall advise each Lender of the applicable Class of the details thereof and of such Lender's portion of each resulting Borrowing.

(d) If the Borrower fails to deliver a timely Interest Election Request with respect to a Term Benchmark Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be continued as a Term Benchmark Borrowing for an additional Interest Period of one month. Notwithstanding any contrary provision hereof, if an Event of Default under clause (h) or (i) of Article VII has occurred and is continuing with respect to Parent or the Borrower, or if any other Event of Default has occurred and is continuing and the Administrative Agent, at the request of a Majority in Interest of Lenders of any Class, has notified the Borrower of the election to give effect to this sentence on account of such other Event of Default, then, in each such case, so long as such Event of Default is continuing, (i) no outstanding Borrowing of such Class may be converted to or continued as a Term Benchmark Borrowing and (ii) unless repaid, each Term Benchmark Borrowing of such Class shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

SECTION 2.09 Termination and Reduction of Commitments. (a) Unless previously terminated, the Revolving Commitments shall automatically terminate on the Revolving Termination Date.

(b) The Initial Borrower may at any time terminate, or from time to time permanently reduce, the Commitments of any Class; provided that each partial reduction of the Commitments of any Class shall be in an amount that is an integral multiple of $1,000,000 and not less than $5,000,000; provided further, that no such termination or reduction of Revolving Commitments shall be permitted if, after giving effect thereto and to any prepayments of the Revolving Loans and Swingline Loans made on the effective date thereof, the Revolving Extensions of Credit of any Revolving Lender would exceed its Revolving Commitments.

(c) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Commitments under paragraph (b) of this Section 2.09 at least three Business Days prior to the effective date of such termination or reduction, specifying the effective date thereof. Promptly following receipt of any such notice, the Administrative Agent shall advise the Lenders of the applicable Class of the contents thereof. Each notice delivered by the Borrower pursuant to this Section 2.09 shall be irrevocable. Any termination or reduction of the Commitments of any Class shall be permanent. A notice of termination of the Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities being funded, the occurrence of a Specified Transaction or other contingent event, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied.

SECTION 2.10 Repayment of Loans; Evidence of Debt. (a) The Borrower hereby unconditionally promises to pay (i) to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Incremental Term Loan of such Lender on the Maturity Date applicable to such Incremental Term Loans and (ii) to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Revolving Loan of such Lender on the Revolving Termination Date.

(b) The records maintained by the Administrative Agent and the Lenders shall be prima facie evidence of the existence and amounts of the obligations of the Borrower in respect of Loans, interest and fees due or accrued hereunder; provided that the failure of the Administrative Agent or any Lender to maintain such records or any error therein shall not in any manner affect the obligation of the Borrower to pay any amounts due hereunder in accordance with the terms of this Agreement.

(c) Any Lender may request that Loans of any Class made by it be evidenced by a promissory note. In such event, the Borrower shall prepare, execute and deliver to such Lender a promissory note payable to such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in a form approved by the Administrative Agent. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 9.05) be represented by one or more promissory notes in such form payable to the payee named therein (or to such payee and its registered assigns).

SECTION 2.11 Amortization of Incremental Term Loans. The Borrower shall repay Incremental Term Loans of any Series in such amounts and on such date or dates as shall be specified therefor in the Incremental Facility Amendment establishing the Incremental Term Commitments of such Series (as such amount shall be adjusted pursuant to paragraph (c) of this Section 2.11 or pursuant to such Incremental Facility Amendment).

(a) To the extent not previously paid, all Incremental Term Loans of any Series shall be due and payable on the applicable Incremental Term Maturity Date.

(b) Any optional prepayment of Incremental Term Loans of any Class pursuant to Section 2.12(a) shall be applied to reduce the subsequent scheduled repayments of the Incremental Term Loans of such Class to be made pursuant to this Section 2.11 as directed by the Borrower (and absent such direction, in direct order of maturity thereof) and may be applied to any Incremental Term Loans as directed by the Borrower (and absent such direction, in direct order of maturity thereof).

SECTION 2.12 Prepayment of Loans. (a) The Borrower shall have the right at any time and from time to time to prepay any Borrowing, in whole or in part, subject to the requirements of this Section 2.12.

(b) [Reserved].

(c) Prior to any optional prepayment of Borrowings under this Section 2.12, the Borrower shall, subject to the next sentence, specify the Borrowing or Borrowings to be prepaid in the notice of such prepayment delivered pursuant to paragraph (d) of this Section 2.12.

(d) The Borrower shall notify the Administrative Agent by telephone (confirmed in writing) of any optional prepayment hereunder (i) in the case of prepayment of a Term Benchmark Borrowing, not later than 1:00 p.m., Local Time, three Business Days before the date of prepayment, or (ii) in the case of prepayment of an ABR Borrowing, not later than 11:00 a.m., Local Time, on the Business Day of the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date, the principal amount of each Borrowing or portion thereof to be prepaid; provided that a notice of optional prepayment of Loans pursuant to paragraph (a) of this Section 2.12 may state that such notice is conditioned upon the occurrence of one or more events specified therein, in which case such notice of prepayment may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified date of prepayment) if such condition is not satisfied. Promptly following receipt of any such notice, the Administrative Agent shall advise the Lenders of the applicable Class of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the

case of an advance of a Borrowing of the same Type as provided in Section 2.02, except partial prepayments of Swingline Loans shall be in an aggregate principal amount of $100,000 or a whole multiple thereof. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.14.

SECTION 2.13 Fees.

(a) The Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon between the Borrower and the Administrative Agent.

(b) The Borrower agrees to pay to the Administrative Agent in U.S. Dollars for the account of each Revolving Lender a commitment fee for the period from and including the Closing Date to the last day of the Revolving Commitment Period, computed at the Commitment Fee Rate on the average daily amount of the Available Revolving Commitment of such Lender during the period for which payment is made, payable quarterly in arrears on each Fee Payment Date, commencing on the first such date to occur after the Closing Date. All commitment fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(c) All fees payable hereunder shall be paid in U.S. Dollars on the dates due, in immediately available funds, to the Administrative Agent. Fees paid shall not be refundable under any circumstances.

SECTION 2.14 Interest. (a) The Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each Term Benchmark Borrowing shall bear interest at the Term SOFR Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(c) The Loans comprising each RFR Borrowing shall bear interest at the Daily Simple SOFR plus the Applicable Rate.

(d) Notwithstanding the foregoing, during the existence and continuance of any Event of Default under Section 7.01(a) or (b) if any principal of or interest on any Loan or Reimbursement Obligation or any fee or other amount payable by the Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loan, 2.00% per annum plus the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section 2.14, (ii) in the case of Reimbursement Obligations, 2.00% per annum plus the rate applicable to ABR Loans under the Revolving Facility or (iii) in the case of interest payable on any Loan or Reimbursement Obligation or any fee or other amount payable hereunder, 2.00% per annum plus the rate applicable to ABR Loans under the relevant Facility (or, in the case of any such other amounts that do not relate to a particular Facility, 2.00% per annum plus the rate applicable to ABR Loans under the Revolving Facility); provided that no amount shall be payable pursuant to this Section 2.14(d) to any Defaulting Lender so long as such Lender is a Defaulting Lender.

(e) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan; provided that (i) interest accrued pursuant to paragraph (d) of this Section 2.14 shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan

(other than any Revolving Loan that is an ABR Loan and any Swingline Loan), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of a Term Benchmark Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion. All interest shall be payable in U.S. Dollars.

(f) All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate and Term SOFR Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

SECTION 2.15 Inability to Determine Interest Rate. (a) Subject to clauses (b), (c), (d), (e) and (f) of this Section 2.15, if at least two Business Days prior to the commencement of any Interest Period for a Term Benchmark Borrowing:

(i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Term SOFR Rate (including because the Term SOFR Reference Rate is not available or published on a current basis), for such Interest Period; provided that no Benchmark Transition Event shall have occurred at such time; or

(ii) the Administrative Agent is advised by the Required Lenders in respect of the relevant Facility that the Term SOFR Rate, for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the Initial Borrower and the Lenders by telephone, telecopy or electronic mail as promptly as practicable thereafter and, until the Administrative Agent notifies the Initial Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (A) any request for the conversion of any Loan to, or continuation of any Loan as, a Term Benchmark Loan shall be ineffective, (B) if any request is made for a borrowing of a Term Benchmark Loan, such Loan shall be made as an ABR Loan; provided that if the circumstances giving rise to such notice affect only one Type of Loans, then the other Type of Loans shall be permitted.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such

time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

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

(d) The Administrative Agent will promptly notify the Initial Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (e) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.15, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.15.

(e) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(f) Upon the Initial Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a Term Benchmark Borrowing of, conversion to or continuation of Term Benchmark Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Loan of or conversion to ABR Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

SECTION 2.16 Increased Costs. (a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for

the account of, or credit extended or participated in by, any Lender or other Credit Party (except any such reserve requirement reflected in the Term SOFR Rate);

(ii) impose on any Lender or other Credit Party or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Term Benchmark Loans made by such Lender or such other Credit Party; or

(iii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of the term "Excluded Taxes" and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Credit Party or other Recipient of making, converting to, continuing or maintaining any Loan or of maintaining its obligation to make any such Loan or issuing or participating in Letters of Credit, or to increase the cost to such Lender or such other Credit Party, or to reduce the amount of any sum received or receivable by such Lender or such other Credit Party (whether of principal, interest or any other amount) then, from time to time upon request of such Lender, the Borrower will pay to such Lender or such other Credit Party such additional amount or amounts as will compensate such Lender or such other Credit Party for such additional costs or expenses incurred or reduction suffered.

(b) If any Lender determines that any Change in Law affecting such Lender or any lending office of such Lender or such Lender's holding company, if any, regarding capital or liquidity requirements has had or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement or its obligations under any Letter of Credit, the Commitments of such Lender or the Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy or liquidity), then, from time to time upon request of such Lender, the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) A certificate of a Lender or any other Credit Party setting forth the amount or amounts necessary to compensate such Lender or such other Credit Party or such Lender's or such other Credit Party's holding company, as the case may be, as specified in paragraph (a) or (b) of this Section 2.16 delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender or such other Credit Party, as the case may be, the amount shown as due on any such certificate within 30 Business Days after receipt thereof.

(d) Failure or delay on the part of any Lender or any other Credit Party to demand compensation pursuant to this Section 2.16 shall not constitute a waiver of such Lender's or such other Credit Party's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender or such other Credit Party pursuant to this Section 2.16 for any increased costs or expenses incurred or reductions suffered more than 180 days prior to the date that such Lender or such other Credit Party notifies the Borrower of the Change in Law giving rise to such increased costs or expenses or reductions and of such Lender's or such other Credit Party's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or expenses or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

SECTION 2.17 Break Funding Payments. In the event of (a) the payment of any principal of any Term Benchmark Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert or continue any Term Benchmark Loan on the date specified in any notice delivered pursuant hereto, (d) the failure to prepay any Term Benchmark Loan on a date specified therefor in any notice of prepayment given by the Borrower (whether or not such notice may be revoked in accordance with the terms hereof) or (e) the assignment of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.20 or 9.03(c), then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. Such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest that would have accrued on the principal amount of such Loan had such event not occurred, at the Term SOFR Rate that would have been applicable to such Loan (but not including the Applicable Rate applicable thereto), for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest that would accrue on such principal amount for such period at the interest rate such Lender would bid if it were to bid, at the commencement of such period, for deposits in U.S. Dollars of a comparable amount and period from other banks in the London interbank market. A certificate of any Lender delivered to the Borrower and setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 2.17 shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 30 Business Days after receipt thereof.

SECTION 2.18 Taxes. (a) Payments Free of Taxes. Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 2.18) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by the Loan Parties. The Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Evidence of Payment. As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 2.18, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(d) Indemnification by the Loan Parties. The Loan Parties shall jointly and severally indemnify each Recipient, within 30 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.18) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such

Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. After a Recipient learns of the imposition of Indemnified Taxes or Other Taxes, such Recipient will act in good faith to promptly notify the Loan Parties of its obligations hereunder. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within 30 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 9.05(c) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Status of Lenders. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.18(f)(ii)(A), (ii)(B), (ii)(D) and (ii)(E)) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing:

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), copies of executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. Federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the

reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, copies of executed originals of IRS Form W-8BEN or Form W-8BEN-E establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or Form W-8BEN-E establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) copies of executed originals of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit I-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) copies of executed originals of IRS Form W-8BEN or Form W-8BEN-E; or

(4) to the extent a Foreign Lender is not the beneficial owner, copies of executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-2 or Exhibit I-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), copies of executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. Federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made;

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. Federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by

law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the Effective Date; and

(E) each non-Israeli Lender shall deliver to Parent, upon reasonable request from time to time, executed originals of State of Israel Ministry of Finance form A/114 (or any form that will replace it from time to time). Each Israeli Lender shall deliver to Parent, upon reasonable request from time to time, a certificate of exemption from withholding tax issued by the Israeli Tax Authority.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.18 (including by the payment of additional amounts pursuant to this Section 2.18), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 2.18 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed, and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) For purposes of this Section 2.18, the term "Lender" includes each Issuing Lender and the Swingline Lender.

(i) Any and all payments by Parent under any Loan Document is exclusive of VAT.

SECTION 2.19 Payments Generally; Pro Rata Treatment; Sharing of Setoffs. (a) Each borrowing by the Borrower from the Lenders hereunder, each payment by the Borrower on account of any commitment fee and any reduction of the Commitments of the Lenders shall be made ratably among the Lenders in accordance with their respective Commitments of the applicable Class.

(b) Each payment (including each prepayment) by the Borrower on account of principal and interest on the Incremental Term Loans of any Class shall be made pro rata according to the respective outstanding principal amounts of the Incremental Term Loans of such Class then held by the Incremental Term Lenders.

(c) Each payment (including each prepayment) by the Borrower on account of principal of and interest on the Revolving Loans shall be made pro rata according to the respective outstanding amounts of the Revolving Loans then held by the Revolving Lenders.

(d) The Borrower shall make each payment required to be made by it hereunder (whether of principal, interest or fees, or otherwise) in U.S. Dollars prior to 1:00 p.m., Local Time, on the date when due, in immediately available funds, without any setoff or counterclaim. All such payments in U.S. Dollars shall be made to the Administrative Agent at the Funding Office, except payments pursuant to Sections 2.16, 2.17, 2.18 and 9.03 shall be made directly to the Persons entitled thereto and payments pursuant to other Loan Documents shall be made to the Persons specified therein. Any amounts received after the time required to be received hereunder on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. The Administrative Agent shall distribute any such payment received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. Each Lender at its option may change its branch office for purposes of such distribution of payments hereunder to any domestic or foreign branch of such Lender by providing written notice of such change to the Administrative Agent no later than the date that is three Business Days prior to the date of the applicable payment; provided that such Lender shall have delivered to the Administrative Agent and the Borrower properly completed and executed documentation as will permit such payments to be made to such branch office without deduction or withholding for any Tax in excess of the deduction or withholding for any Tax that would be imposed if the Lender did not change its branch office. If any payment under any Loan Document shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments required to be made by any Loan Party under any Loan Document shall be made in U.S. Dollars except that any amounts payable under Section 2.16, 2.17 or 9.03 (or any indemnification or expense reimbursement provision of any other Loan Document) that are invoiced in a currency other than U.S. Dollars shall be payable in the currency so invoiced.

(e) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(f) Except to the extent that this Agreement provides for payments to be disproportionately allocated to or retained by a particular Lender or group of Lenders (including Lenders as opposed to Non-Funding Lenders or in connection with the payment of interest or fees at different rates and the repayment of principal amounts of Incremental Term Loans at different times as a result of Incremental Amendment pursuant to Section 2.22), each Lender agrees that if it shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any Obligations owing to it resulting in such Lender receiving payment of a greater proportion of its Obligations than the proportion received by any other Lender, then the Lender receiving such greater proportion shall notify the Administrative Agent of such fact and shall purchase (for cash at face value) participations in the Obligations of other Lenders to the extent necessary so that the aggregate amount of all such payments shall be shared by the Lenders ratably in accordance with the aggregate Obligations owing to the Lenders

(calculated prior to giving effect to such payment); provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (for the avoidance of doubt, as in effect from time to time), or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or Commitments to any Person that is an Eligible Assignee (as such term is defined from time to time). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation. Notwithstanding the foregoing, to the extent prohibited by applicable law as described in the definition of the term "Excluded Swap Obligation," no amounts received from, or set off with respect to, any Loan Party shall be applied to any Excluded Swap Obligations of such Loan Party.

(g) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower have made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(h) If any Lender shall fail to make any payment required to be made by it hereunder to or for the account of the Administrative Agent, then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), (i) apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations in respect of such payment until all such unsatisfied obligations have been discharged or (ii) hold any such amounts in a segregated account as cash collateral for, and application to, any future funding obligations of such Lender pursuant to Sections 2.07(a), 2.18(e), 2.19(e) and 9.03(c), in each case in such order as shall be determined by the Administrative Agent in its discretion.

SECTION 2.20 Mitigation Obligations; Replacement of Lenders. (a) If any Lender requests compensation under Section 2.16, or if any Loan Party is required to pay any Indemnified Taxes or additional amounts to any Lender or to any Governmental Authority for the account of any Lender pursuant to Section 2.18, then such Lender shall (at the request of the Borrower) use commercially reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign and delegate its rights and obligations hereunder to another of its offices, branches or Affiliates if, in the judgment of such Lender, such designation or assignment and delegation (i) would eliminate or reduce amounts payable pursuant to Section 2.16 or 2.18, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous in any material respect to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment and delegation.

(b) If (i) any Lender requests compensation under Section 2.16, (ii) the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.18 or (iii) any Lender has become a Non-

Funding Lender or Non-Consenting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.05), all its interests, rights (other than its existing rights to payments pursuant to Section 2.16 or 2.18) and obligations under this Agreement and the other Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment and delegation); provided that (A) the Borrower shall have paid to the Administrative Agent the processing and recordation fee (if any) specified in Section 9.05(b)(ii)(C), (B) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts (including, for all such Lenders other than Non-Funding Lenders, any amounts under Section 2.17) payable to it hereunder and under the other Loan Documents (if applicable, in each case only to the extent such amounts relate to its interest as a Lender of a particular Class) from the assignee (in the case of such principal and accrued interest and fees) or the Borrower (in the case of all other amounts), (C) in the case of any such assignment and delegation resulting from a claim for compensation under Section 2.16 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments and (D) such assignment does not conflict with applicable law. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver or consent by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation have ceased to apply.

SECTION 2.21 Non-Funding Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Non-Funding Lender, then, until such time as such Lender is no longer a Non-Funding Lender, to the extent permitted by applicable law:

(a) Waivers and Amendments. The Commitments, Revolving Extensions of Credit and Loans of any such Non-Funding Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder or under any other Loan Document (including any consent to any amendment, waiver or other modification pursuant to Section 9.03); provided that any amendment, waiver or other modification requiring the consent of all Lenders or all Lenders affected thereby shall, except as otherwise provided in Section 9.03, require the consent of such Non-Funding Lender in accordance with the terms hereof.

(b) Commitment Fees. Fees shall cease to accrue on the unfunded portion of the Revolving Commitment of such Non-Funding Lender pursuant to Section 2.13(b).

(c) Swingline or L/C Exposure of Non-Funding Lender. If any Swingline Exposure or L/C Exposure exists at the time such Lender becomes, or while any Lender is, a Non-Funding Lender then:

(i) all or any part of the Swingline Exposure and L/C Exposure of such Non-Funding Lender (other than the portion of such Swingline Exposure referred to in clause (b) of the definition of such term) shall be reallocated among the Funding Lenders in accordance with their respective Revolving Percentages but only to the extent the sum of all Funding Lenders' Revolving Extensions of Credit plus such Non-Funding Lenders' Swingline Exposure and L/C Exposure does not exceed the total of all Funding Lenders' Revolving Commitments;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrower shall within one Business Day following notice by the Administrative Agent (x) first, prepay such Swingline Exposure and (y) second, cash collateralize for the benefit of the Issuing Lenders only the Borrower's obligations corresponding to such Non-Funding Lender's L/C Exposure (after giving effect to any partial reallocation pursuant to clause

(i) above) in accordance with the procedures set forth in Article VII for so long as such L/C Exposure is outstanding;

(iii) if the Borrower cash collateralizes any portion of such Non-Funding Lender's L/C Exposure pursuant to clause (ii) above, the Borrower shall not be required to pay any fees to such Non-Funding Lender pursuant to Section 2.06(c)(i) with respect to such Non-Funding Lender's L/C Exposure during the period such Non-Funding Lender's L/C Exposure is cash collateralized;

(iv) if the L/C Exposure of the Funding Lenders is reallocated pursuant to clause (i) above, then the fees payable to the Lenders pursuant to Section 2.06(c)(i) shall be adjusted in accordance with such Funding Lenders' Revolving Percentages; and

(v) if all or any portion of such Non-Funding Lender's L/C Exposure is neither reallocated nor cash collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of any Issuing Lender or any other Lender hereunder, all fees payable under Section 2.06(c)(i) with respect to such Non-Funding Lender's L/C Exposure shall be payable to such Issuing Lender until and to the extent that such L/C Exposure is reallocated and/or cash collateralized; and

So long as such Lender is a Non-Funding Lender, the Swingline Lender shall not be required to fund any Swingline Loan and no Issuing Lender shall be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure and the Non-Funding Lender's then outstanding L/C Exposure will be 100% covered by the Revolving Commitments of the Funding Lenders and/or cash collateral will be provided by the Borrower in accordance with Section 2.21(c), and participating interests in any newly made Swingline Loan or any newly issued or increased Letter of Credit shall be allocated among Funding Lenders in a manner consistent with Section 2.21(c)(i) (and such Non-Funding Lender shall not participate therein).

If (i) a Bankruptcy Event or a Bail-In Action with respect to a Lender Parent of any Lender shall occur following the date hereof and for so long as such event shall continue or (ii) the Swingline Lender or any Issuing Lender has a good faith belief that any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, the Swingline Lender shall not be required to fund any Swingline Loan and such Issuing Lender shall not be required to issue, amend or increase any Letter of Credit, unless the Swingline Lender or such Issuing Lender, as the case may be, shall have entered into arrangements with the Borrower or such Lender, satisfactory to the Swingline Lender or such Issuing Lender, as the case may be, to defease any risk to it in respect of such Lender hereunder.

(d) Non-Funding Lender Cure. If the Borrower and the Administrative Agent (and, in the case of a Revolving Lender, the Swingline Lender and the Issuing Lenders) agree in writing that a Lender is no longer a Non-Funding Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will cease to be a Non-Funding Lender and, in the case of a Revolving Lender, the Swingline Exposure and L/C Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Revolving Commitment and on such date such Lender shall purchase at par such of the Revolving Loans of the other Lenders (but, for the avoidance of doubt, not the Swingline Loans) as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Revolving Loans in accordance with its Revolving Percentage. Notwithstanding anything to the contrary in the Loan Documents, except to the extent otherwise expressly agreed by the affected parties, no change hereunder

from Defaulting Lender to non-Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from such Lender having been a Defaulting Lender.

(e) No Claim. Notwithstanding anything to the contrary in the Loan Documents but without derogating from any rights that the Borrower has under this Agreement with respect to any Restricted Israeli Lender that is a Non-Funding Lender, any change of status from Lender to Restricted Israeli Lender will not give rise to any liability, obligation, claim or lawsuit whatsoever, of any party hereunder arising from such Lender having become a Restricted Israeli Lender.

SECTION 2.22 Incremental Facilities. (a) The Borrower may on one or more occasions after the Closing Date, by written notice to the Administrative Agent, request the establishment of Incremental Commitments; provided that the aggregate amount of the Incremental Commitments incurred under this Section 2.22 on any date shall not exceed the sum of (x) an amount equal to the Base Incremental Amount in effect on such date, (y) an amount subject to the Maximum Incremental Amount as of such date and (z) an amount equal to the Voluntary Prepayment Amount as of such date (it being understood that (A) the Borrower shall be deemed to have used amounts under clause (y) above prior to utilization of amounts under clause (x) or (z) above and (B) the proceeds from any such incurrence under such clauses may be utilized in a single transaction by first calculating the incurrence under clause (y) above and then calculating the incurrence under clauses (x) and/or (z) above). Each such notice shall specify (A) whether the Borrower is requesting Incremental Term Commitments or Incremental Revolving Commitments, (B) the date on which the Borrower proposes that the Incremental Commitments shall be effective, which shall be a date not less than 5 Business Days (or such shorter period as may be agreed to by the Administrative Agent) after the date on which such notice is delivered to the Administrative Agent and (C) the amount of the Incremental Commitments being requested (it being agreed that (x) any Lender approached to provide any Incremental Commitments may elect or decline, in its sole discretion, to provide such Incremental Commitments and (y) any Person that the Borrower proposes to become an Incremental Lender, if such Person is not then a Lender, must be an Eligible Assignee).

(b) With respect to Incremental Term Loans, the weighted average life to maturity of any Incremental Term Facility shall not be shorter than the weighted average life to maturity of the Revolving Facility (except that the foregoing limitations shall not apply to, in the case of clause (ii), (x) customary bridge loans to finance Permitted Acquisitions or similar Investments, so long as either (A) such bridge loans provide for the automatic exchange or conversion, subject to customary conditions, into indebtedness meeting the requirements set forth in this clause (b) and Section 6.01(h), as applicable, or (B) are intended to be refinanced with Qualified Equity Interests of Parent or Indebtedness meeting the requirements set forth in this clause (b) and Section 6.01(h) or with the proceeds of one or more Dispositions, as applicable (such bridge loans, "Customary Bridge Loans") and (y) Customary Term A Loans and Customary Term B Loans. Except as otherwise required herein, all other terms of any Incremental Term Facility shall be pursuant to an Incremental Facility Amendment and on terms to be agreed between the applicable Borrower and the Lenders providing such Incremental Term Facility (it being understood that (i) if any financial maintenance covenant is added for the benefit of any Incremental Term Facility and such financial maintenance covenant is more favorable to the lenders under the Incremental Term Facility than the covenants set forth in Section 6.13, either (x) such financial maintenance covenant shall only be applicable after the Revolving Termination Date or (y) the Revolving Lenders shall also receive the benefit of such more favorable financial maintenance covenant (together with, at the election of the Parent, any applicable "equity cure" (or equivalent) provisions with respect thereto and (ii) the terms of any Incremental Term Facility shall be administratively feasible to the Administrative Agent and shall require the consent of the Administrative Agent only if the terms are not administratively feasible for the Administrative Agent or otherwise affect the rights, duties or privileges of the Administrative Agent (with notice of the entry into the Incremental Facility to the Administrative

Agent being provided in all circumstances). Any Incremental Term Commitments established pursuant to an Incremental Facility Amendment that have identical terms and conditions, and any Incremental Term Loans made thereunder, shall be designated as a separate series (each a "Series") of Incremental Term Commitments and Incremental Term Loans for all purposes of this Agreement. Any Incremental Revolving Commitments established pursuant to an Incremental Facility Amendment shall have substantially the same terms as and be deemed to be Revolving Commitments for all purposes of this Agreement. Each Incremental Facility and all extensions of credit thereunder (i) shall be secured by the same Collateral securing the other Loan Document Obligations on a pari passu basis (but without regard to the control of remedies) with (or, subject to an Intercreditor Agreement, junior in priority to) the Liens on the Collateral securing the other Loan Document Obligations, (ii) shall not be secured by any property or assets of Parent or any of the Subsidiaries other than the Collateral (or property or assets that substantially concurrently become Collateral), unless otherwise permitted by this Agreement, (iii) shall be Guaranteed by the same Loan Parties that Guarantee the other Loan Document Obligations and (iv) shall not be Guaranteed by any Persons other than the Loan Parties, unless otherwise permitted by this Agreement.

(c) The Incremental Term Commitments and Incremental Term Facilities relating thereto and the Incremental Revolving Commitments shall be effected pursuant to one or more Incremental Facility Amendments executed and delivered by the Borrower, each Incremental Lender providing such Incremental Commitments and the Administrative Agent; provided that no Incremental Commitments shall become effective unless (i) no Event of Default shall have occurred and be continuing on the date of effectiveness thereof, both immediately prior to and immediately after giving effect to such Incremental Commitments (and assuming that the full amount of such Incremental Commitments shall have been funded as Loans on such date); provided that in case of any Incremental Acquisition Term Facility if agreed by all applicable Incremental Term Lenders, the foregoing shall be satisfied if no Event of Default shall have occurred and be continuing on the date of execution of the applicable acquisition or investment documentation, in each case determined after giving effect to such Incremental Commitments (and assuming that the full amount of such Incremental Commitments shall have been funded as Loans on the applicable date), (ii) on the date of effectiveness thereof, the representations and warranties of each Loan Party set forth in the Loan Documents (or, in the case of any Incremental Acquisition Term Facility if agreed by all applicable Incremental Term Lenders, the Specified Representations and the Specified Permitted Acquisition Agreement Representations) shall be true and correct (A) in the case of such representations and warranties qualified as to materiality or Material Adverse Effect, in all respects and (B) otherwise, in all material respects, in each case on and as of such date, except in the case of any such representation and warranty that expressly relates to a prior date, in which case such representation and warranty shall be so true and correct on and as of such prior date, (iii) Parent shall be in compliance on a Pro Forma Basis with the financial maintenance covenant set forth in Section 6.13, (iv) the Borrower shall make any payments required to be made pursuant to Section 2.17 in connection with such Incremental Commitments and the related transactions under this Section 2.22 and (v) the Borrower shall have delivered to the Administrative Agent such legal opinions, board resolutions, secretary's certificates and officer's certificates. Each Incremental Facility Amendment may, without the consent of any Lender, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to give effect to the provisions of this Section 2.22.

(d) Upon the effectiveness of an Incremental Commitment of any Incremental Lender, such Incremental Lender shall be deemed to be a "Lender" (and a Lender in respect of Commitments and Loans of the applicable Class) hereunder, and henceforth shall be entitled to all the rights of, and benefits accruing to, Lenders (or Lenders in respect of Commitments and Loans of the applicable Class) hereunder and shall be bound by all agreements, acknowledgements and other

obligations of Lenders (or Lenders in respect of Commitments and Loans of the applicable Class) hereunder and under the other Loan Documents.

(e) Subject to the terms and conditions set forth herein and in the applicable Incremental Facility Amendment, each Lender holding an Incremental Term Commitment of any Series shall make an Incremental Term Loan to the Borrower in an amount equal to such Incremental Term Commitment on the date specified in such Incremental Facility Amendment. Each Incremental Term Loan shall be in a minimum principal amount of $5,000,000 and integral multiples of $1,000,000 in excess thereof (unless the Borrower and Administrative Agent otherwise agree); provided that such amount may be less than $5,000,000, if such amount represents all the remaining availability under the Maximum Incremental Amount.

(f) On the date of effectiveness of any Incremental Revolving Commitments, each Revolving Lender shall assign to each Incremental Revolving Lender holding such Incremental Revolving Commitment, and each such Incremental Revolving Lender shall purchase from each Revolving Lender, at the principal amount thereof (together with accrued interest), such interests in the Revolving Loans and participations in Letters of Credit and Swingline Loans outstanding on such date as shall be necessary in order that, after giving effect to all such assignments and purchases, such Revolving Loans and participations in Letters of Credit and Swingline Loans will be held by all of the Revolving Lenders (including such Incremental Revolving Lenders) ratably in accordance with their Revolving Percentages after giving effect to the effectiveness of such Incremental Revolving Commitments. The Administrative Agent and the Lenders hereby agree that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

(g) The Administrative Agent shall notify the Lenders promptly upon receipt by the Administrative Agent of any notice from the Borrower referred to in Section 2.22(a) and of the effectiveness of any Incremental Commitments in each case advising the Lenders of the details thereof.

SECTION 2.23 Refinancing Facilities. (a) The Borrower may, on one or more occasions after the Closing Date, by written notice to the Administrative Agent and with the consent of the Borrower, the applicable Refinancing Lenders and, to the extent that the rights, duties or privileges of the Administrative Agent, the Issuing Lenders or the Swingline Lender are affected, the Administrative Agent, the Issuing Lenders or the Swingline Lender, respectively (such consent, in each case, not to be unreasonably withheld or delayed), request the establishment hereunder of one or more additional Classes of (i) term loan commitments (the "Refinancing Term Loan Commitments") pursuant to which each Person providing such a commitment (a "Refinancing Term Lender") will make term loans to the Borrower (the "Refinancing Term Loans") and (ii) revolving commitments (the "Refinancing Revolving Commitments;" together with Refinancing Term Loan Commitments, the "Refinancing Commitments") pursuant to which each Person providing such a commitment (a "Refinancing Revolving Lender") will provide revolving commitments to the Borrower; provided that each Refinancing Lender shall be an Eligible Assignee and shall otherwise be reasonably acceptable to the Administrative Agent to the extent that the Administrative Agent's consent would be required in connection with an assignment to such Refinancing Lender of an Incremental Term Loan or a Revolving Commitment, as applicable, pursuant to Section 9.04.

(b) The Refinancing Commitments shall be effected pursuant to one or more Refinancing Facility Agreements executed and delivered by the Borrower, each Refinancing Lender providing the applicable Refinancing Commitments and the Administrative Agent; provided that no Refinancing Commitments shall become effective unless (i) no Event of Default shall have occurred and be continuing on the date of effectiveness thereof, (ii) on the date of effectiveness thereof, the

representations and warranties of each Loan Party set forth in the Loan Documents shall be true and correct (A) in the case of the representations and warranties qualified as to materiality or Material Adverse Effect, in all respects and (B) otherwise, in all material respects, in each case on and as of such date, except in the case of any such representation and warranty that specifically relates to an earlier date, in which case such representation and warranty shall be so true and correct on and as of such earlier date, (iii) the Borrower shall have delivered to the Administrative Agent such legal opinions, board resolutions, secretary's certificates, officer's certificates, consent and approvals (including additional IIA Approvals if required) and other documents as shall reasonably be requested by the applicable Refinancing Lender in connection with any such transaction, (iv) with respect to Refinancing Term Loan Commitments, substantially concurrently with the effectiveness thereof, the Borrower shall obtain Refinancing Term Loans thereunder and shall repay or prepay then outstanding Term Borrowings of one or more Classes in an aggregate principal amount equal to the aggregate amount of such Refinancing Term Loan Commitments; provided that the principal amount of such Refinancing Term Loans shall not exceed the amount of the Term Borrowings so refinanced (plus the aggregate amount of accrued and unpaid interest with respect to such outstanding Term Borrowings, fees, expenses, commissions, underwriting discounts and premiums payable in connection therewith) and (v) with respect to Refinancing Revolving Commitments, substantially concurrently with the effectiveness thereof, the Borrower shall terminate an equivalent amount of Revolving Commitments and shall, to the extent necessary, repay or prepay then outstanding Revolving Borrowings in an aggregate principal amount such that after giving effect to such prepayment, the Revolving Lenders and the Refinancing Revolving Lenders hold outstanding Loans ratably in accordance with the outstanding Revolving Commitments and the outstanding Refinancing Revolving Commitments; provided further that (x) at no time shall there be more than three Classes of revolving Commitments hereunder unless otherwise agreed by the Administrative Agent and (y) at the sole option of the Borrower, the conditions in clauses (i) and/or (ii) above may be tested at the applicable time elected by the Initial Borrower in accordance with Section 1.04(e) and the consents, approvals and other documents referred to in clause (iii) may be provided after the Refinancing Commitments have become effective, in each case so long as agreed to by the lenders providing such Refinancing Commitments (but without the consent of any existing Lenders or the Administrative Agent). With respect to any prepayment of Term Loans in accordance with clause (iv) above, the Borrower shall determine the amount of such prepayments allocated to each Class of outstanding Term Loans, and any such prepayment of Term Borrowings of any Class shall be applied to reduce the subsequent scheduled repayments of Term Borrowings of such Class to be made pursuant to Section 2.11(a) as directed by the Borrower.

(c) The Refinancing Facility Agreement shall set forth, with respect to the Refinancing Commitments established thereby and the Refinancing Loans and other extensions of credit to be made thereunder, to the extent applicable, the following terms thereof: (i) the designation of such Refinancing Commitments and Refinancing Loans as a new "Class" for all purposes hereof (provided that with the consent of the Administrative Agent, any Refinancing Commitments and Refinancing Loans may be treated as a single "Class" with any then-outstanding existing Commitments or Loans), (ii) the stated termination and maturity dates applicable to the Refinancing Commitments or Refinancing Loans of such Class , provided that (A) such stated termination and maturity dates shall not be earlier than the Maturity Date applicable to the Class of Loans or Revolving Commitments, as applicable, so refinanced and (B) any Refinancing Term Loans shall not have a weighted average life to maturity shorter than the Class of Incremental Term Loans so refinanced, (iii) in the case of any Refinancing Term Loans, any amortization applicable thereto and the effect thereon of any prepayment of such Refinancing Term Loans, (iv) the interest rate or rates applicable to the Refinancing Loans of such Class, (v) the fees applicable to the Refinancing Commitments or Refinancing Loans of such Class, (vi) in the case of any Refinancing Term Loans, any original issue discount or upfront fees applicable thereto and in the case of any Refinancing Revolving Commitments, any upfront fees applicable thereto, (vii) the initial Interest Period or Interest Periods applicable to Refinancing Loans of such Class, (viii) any voluntary or

mandatory commitment reduction or prepayment requirements applicable to Refinancing Commitments or Refinancing Loans of such Class (which prepayment requirements, in the case of any Refinancing Term Loans, may provide that such Refinancing Term Loans may participate in any mandatory prepayment on a pro rata basis with any Class of existing Term Loans, but may not provide for prepayment requirements that are more favorable to the Lenders holding such Refinancing Term Loans than to the Lenders holding such Class of Term Loans) and any restrictions on the voluntary or mandatory reductions or prepayments of Refinancing Commitments or Refinancing Loans of such Class and (ix) any financial maintenance covenant with which Parent shall be required to comply (provided that if any Refinancing Term Loans or Refinancing Revolving Commitments, as applicable, have a financial maintenance covenant at any time prior to the Maturity Date of the Loans or Commitments being refinanced, such financial maintenance covenant shall not be more restrictive with respect to Parent and its Subsidiaries than (or in addition to) the financial maintenance covenant set forth in Section 6.13 (unless such financial maintenance covenant is also added to this Agreement for the benefit of all Lenders)). Except as contemplated by the preceding sentence, the terms of the Refinancing Term Loan Commitments and Refinancing Term Loans or the Refinancing Revolving Commitments and Refinancing Revolving Loans, as applicable, shall be substantially the same as the terms of the existing Incremental Term Commitments and the existing Incremental Term Loans or the existing Revolving Commitments and the existing Revolving Loans, as applicable, and in any event not materially more restrictive, taken as a whole, with respect to Parent or any Subsidiary than those set forth in the Loan Documents with respect to the existing Incremental Term Commitments and Incremental Term Loans (or, if there is no such applicable Incremental Term Loans, the existing Revolving Commitments and the existing Revolving Loans, as applicable) (other than (I) covenants or other provisions applicable only to periods after the Maturity Date of the Loans and Commitments being refinanced by such Refinancing Commitments and Refinancing Loans (II) other provisions that reflect market terms and conditions (taken as a whole) at the time of incurrence of such Indebtedness (as determined by the Borrower in good faith). With the consent of the Issuing Lenders or the Swingline Lender, as applicable, any Refinancing Facility Agreement may provide for the issuance of Letters of Credit for the account of Parent or its Subsidiaries, or the provision to the Borrower of Swingline Loans, pursuant to any Revolving Commitments established thereby, in each case on terms substantially equivalent to the terms applicable to Letters of Credit and Swingline Loans under the Revolving Commitments. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Refinancing Facility Agreement. Each Refinancing Facility Agreement may, without the consent of any Lender other than the applicable Refinancing Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent, to give effect to the provisions of this Section 2.23, including any amendments necessary to treat the applicable Refinancing Commitments and Refinancing Loans as a new "Class" of loans and/or commitments hereunder; provided that as between the Revolving Commitments and Refinancing Revolving Commitments, all Borrowings, all prepayments of Loans and all reductions of Commitments shall continue to be made on a ratable basis among the Lenders with Revolving Commitments and Refinancing Revolving Commitments, based on the relative amounts of their Commitments; provided further that the allocation of the participation exposure with respect to Swingline Loans and Letters of Credit as between the Refinancing Revolving Commitments and the remaining Revolving Commitments shall be made on a ratable basis in accordance with the relative amounts thereof (if any) until the Maturity Date in respect of the earlier maturing Commitments (it being understood that no reallocation of such exposure to later maturing Commitments shall occur on such Maturity Date if such reallocation would cause the Revolving Extensions of Credit of any Lender to exceed its applicable Commitment). The Administrative Agent and the Lenders hereby acknowledge that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement are not intended to apply to the transactions effected pursuant to this Section 2.23. This Section 2.23 shall supersede any provisions in Section 2.19 or Section 9.03 to the contrary.

SECTION 2.24 Loan Modification Offers. (a) The Borrower may on one or more occasions after the Closing Date, by written notice to the Administrative Agent, make one or more offers (each, a "Loan Modification Offer") to all (and not fewer than all) the Lenders of one or more Classes (each Class subject to such a Loan Modification Offer, an "Affected Class") to make one or more Permitted Amendments pursuant to procedures reasonably specified by the Administrative Agent and reasonably acceptable to the Borrower. Such notice shall set forth (i) the terms and conditions of the requested Loan Modification Offer and (ii) the date on which such Loan Modification Offer is requested to become effective. Permitted Amendments shall become effective only with respect to the Loans and Commitments of the Lenders of the Affected Class that accept the applicable Loan Modification Offer (such Lenders, the "Accepting Lenders") and, in the case of any Accepting Lender, only with respect to such Lender's Loans and Commitments of such Affected Class as to which such Lender's acceptance has been made. With respect to all Permitted Amendments consummated by the Borrower pursuant to this Section 2.24, (i) such Permitted Amendments shall not constitute voluntary payments or prepayments for purposes of Section 2.12 and (ii) any Loan Modification Offer, unless contemplating a Maturity Date already in effect hereunder pursuant to a previously consummated Permitted Amendment, must be in a minimum amount of $25,000,000 (or such lesser amount as may be approved by the Administrative Agent in its reasonable discretion); provided that the Borrower may at their election specify as a condition (a "Minimum Extension Condition") to consummating any such Permitted Amendment that a minimum amount (to be determined and specified in the relevant Loan Modification Offer in the Borrower's sole discretion and which may be waived by the Borrower) of Commitments or Loans of any or all Affected Classes be extended. If the aggregate principal amount of Commitments or Loans of any Affected Class in respect of which Lenders shall have accepted the relevant Loan Modification Offer shall exceed the maximum aggregate principal amount of Commitments or Loans of such Affected Class offered to be extended by the Borrower pursuant to such Loan Modification Offer, then the Commitments and Loans of such Lenders shall be extended ratably up to such maximum amount based on the relative principal amounts (but not to exceed actual holdings of record) with respect to which such Lenders have accepted such Loan Modification Offer.

(b) A Permitted Amendment shall be effected pursuant to a Loan Modification Agreement executed and delivered by the Borrower, each Accepting Lender and the Administrative Agent; provided that in the case of any Permitted Amendment relating to the Revolving Commitments and affecting the rights, duties or privileges of the Issuing Lenders or the Swingline Lender, each Issuing Lender and the Swingline Lender, respectively, shall have approved such Permitted Amendment; provided that no Permitted Amendment shall become effective unless (i) no Event of Default shall have occurred and be continuing on the date of effectiveness thereof, (ii) on the date of effectiveness thereof, the representations and warranties of each Loan Party set forth in the Loan Documents shall be true and correct (A) in the case of the representations and warranties qualified as to materiality or Material Adverse Effect, in all respects and (B) otherwise, in all material respects, in each case on and as of such date, except in the case of any such representation and warranty that specifically relates to an earlier date, in which case such representation and warranty shall be so true and correct on and as of such earlier date, (iii) the Borrower shall have delivered, or agreed to deliver by a date following the effectiveness of such Permitted Amendment reasonably acceptable to the Administrative Agent, to the Administrative Agent such legal opinions, board resolutions, secretary's certificates, officer's certificates and other documents (including reaffirmation agreements, supplements and/or amendments to Mortgages or other Security Documents, in each case to the extent applicable) as shall reasonably be requested by the Administrative Agent in connection therewith and (iv) any applicable Minimum Extension Condition shall be satisfied (unless waived by the Borrower). The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Loan Modification Agreement. Each Loan Modification Agreement may, without the consent of any Lender other than the applicable Accepting Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent, to give effect to the provisions of this Section 2.24, including any

amendments necessary to treat the applicable Loans and/or Commitments of the Accepting Lenders as a new Class of loans and/or commitments hereunder (and the Lenders hereby irrevocably authorize the Administrative Agent to enter into any such amendments); provided that all Borrowings, all prepayments of Loans and all reductions of Commitments shall continue to be made on a ratable basis among all Lenders, based on the relative amounts of their Commitments (i.e., both extended and non-extended), until the repayment of the Loans attributable to the non-extended Commitments (and the termination of the non-extended Commitments) on the relevant Maturity Date; provided further that in the case of any Loan Modification Offer relating to Revolving Commitments or Revolving Loans, the allocation of the participation exposure with respect to Swingline Loans and Letters of Credit as between the commitments extended hereunder and the remaining Revolving Commitments shall be made on a ratable basis as between such extended Commitments (if any) and the remaining Revolving Commitments until the Maturity Date in respect of the non-extended Commitments (it being understood that no reallocation of such exposure to extended Commitments shall occur on such Maturity Date if such reallocation would cause the Revolving Extensions of Credit of any Lender to exceed its extended Commitments); provided further that at no time shall there be more than three Classes of revolving Commitments hereunder unless otherwise agreed by the Administrative Agent. The Administrative Agent and the Lenders hereby acknowledge that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement are not intended to apply to the transactions effected pursuant to this Section 2.24. This Section 2.24 shall supersede any provisions in Section 2.19 or Section 9.02 to the contrary.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Parent and the Borrower represent and warrant to the Lenders that:

SECTION 3.01 Organization; Powers. Parent and each Subsidiary (a) is duly organized, validly existing and, to the extent that such concept is applicable in the relevant jurisdiction, in good standing under the laws of the jurisdiction of its organization, (b) has all requisite power and authority, and the legal right (i) to carry on its business as now conducted and as proposed to be conducted and (ii) to execute, deliver and perform its obligations under each Loan Document (with respect to each Loan Party) to which it is a party and to effect the Transactions and (c) is qualified to do business in, and, to the extent that such concept is applicable in the relevant jurisdiction, is in good standing in every jurisdiction where such qualification is required, except, in the case of clauses (b)(i) and (c), where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.02 Authorization; Enforceability. The execution, delivery and performance by each Loan Party of each Loan Document to which it is a party, and the consummation by each Loan Party of the Transactions to which it is a party, has been duly authorized by all necessary corporate or other organizational action. This Agreement has been duly executed and delivered by Parent and the Borrower and constitutes, and each other Loan Document to which any Loan Party is to be a party, when executed and delivered by such Loan Party, will constitute, a legal, valid and binding obligation of Parent, the Borrower or such other Loan Party, as applicable, enforceable against such Person in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

SECTION 3.03 Governmental Approvals; No Conflicts. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental

Authority, except (i) as contemplated by the definition of the term "Collateral and Guarantee Requirement," (ii) such as have been obtained or made and are in full force and effect and (iii) filings necessary to perfect Liens created under the Loan Documents, (b) will not violate any Requirement of Law applicable to Parent or any Subsidiary, (c) will not violate or result (alone or with notice or lapse of time or both) in a default under any indenture or agreement governing any Indebtedness, any material agreement or any other material instrument binding upon Parent or any Subsidiary or their respective assets, or give rise to a right thereunder to require any payment, repurchase or redemption to be made by Parent or any Subsidiary or give rise to a right of, or result in, termination, cancelation or acceleration of any obligation thereunder, except, in the case of clauses (a) through (c), to the extent any such violations, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect and (d) will not result in the creation or imposition of any Lien on any asset now owned or hereafter acquired by Parent or any Subsidiary, except Liens permitted under the Loan Documents.

SECTION 3.04 Financial Condition; No Material Adverse Change. (a) Parent has heretofore furnished to the Lenders (i) the audited consolidated balance sheets of Parent and its Subsidiaries on a consolidated basis, and related statements of income, changes in equity and cash flows of Parent and its Subsidiaries on a consolidated basis for the periods ended December 31, 2022, December 31, 2023 and December 31, 2024, audited by and accompanied by the opinion of Kost Forer Gabbay & Kasierer, independent registered public accounting firm, and the related unaudited consolidating financial statements and (ii) unaudited consolidated and consolidating balance sheets and related statements of income, changes in equity and cash flows of Parent and its Subsidiaries for the fiscal quarters ended March 31, 2025, June 30, 2025, September 30, 2025 and December 31, 2025 (the financial statements set forth in this clause (a)(i) and (ii), the "Required Financials"). The Required Financials present fairly, in all material respects, the financial position, results of operations and cash flows of Parent and its Subsidiaries, as of such date and for such period in conformity with GAAP, subject, with respect to any quarterly financial statements, to the absence of footnotes and to normal year-end audit adjustments. Each reference in this Section 3.04(a) to a "Subsidiary" shall include any Unrestricted Subsidiary.

(b) As of the Effective Date and except as disclosed by Parent in reports filed with or furnished to the SEC prior to the Effective Date (it being understood the preceding shall not apply to disclosure set forth in risk factors, forward looking statements and other similar prospective statements contained therein), since December 31, 2024 there has been no event or condition that has resulted, or would reasonably be expected to result, in a Material Adverse Effect.

SECTION 3.05 Properties. (a) Each of Parent and each Subsidiary has good title to, or valid leasehold interests in, all its real and personal property material to its business (including Mortgaged Properties, if any), except as would not reasonably be expected to have a Material Adverse Effect.

(b) Each of Parent and any applicable Subsidiary owns, or is licensed to use, all Intellectual Property used in the conduct of the business of Parent or such Subsidiary, as applicable, and the use thereof and the conduct of its business by Parent or such Subsidiary does not infringe in any respect upon the rights of any other Person, except in each case for any such infringements that, individually or in the aggregate, would not be reasonably expected to result in a Material Adverse Effect, and provided that the foregoing representations are made to the knowledge of Parent with respect to infringements of patents owned by third parties. Parent and its Subsidiaries have made all maintenance payments and taken all other actions necessary to maintain in full force and effect all registrations and applications for Intellectual Property owned by Parent and any applicable Subsidiary that are material to the business of Parent or such Subsidiary, as applicable. Each such registration and application is subsisting and, to the knowledge of Parent or such Subsidiary, as applicable, valid and enforceable. No

claim, litigation or proceeding is pending or, to the knowledge of Parent or such Subsidiary, as applicable, overtly threatened against Parent or such Subsidiary in which any Person is alleging that Parent or such Subsidiary, as applicable, is infringing, misappropriating, diluting or otherwise violating the Intellectual Property of any Person in any respect, that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect. To the knowledge of Parent or such Subsidiary, no Person is infringing the Intellectual Property owned by Parent or any applicable Subsidiary, except as would not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.06 Litigation. Except as disclosed on Schedule 3.06, there are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of Parent or any Loan Party, overtly threatened in writing against or affecting Parent or any Subsidiary that would reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

SECTION 3.07 Environmental Matters. Except with respect to any matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, (a) there are no actions, suits or proceedings with respect to any Environmental Liability by or before any arbitrator or Governmental Authority pending against or, to the knowledge of any Loan Party, threatened in writing against or affecting Parent or any Subsidiary; and (b) none of Parent or any Subsidiary (i) has violated any Environmental Law or, to the knowledge of any Loan Party, is subject to any Environmental Liability, (ii) has failed to obtain, maintain or comply with any Environmental Permit required for Parent or any Subsidiary to operate as currently operated, or knows of any reason such Environmental Permit may be revoked, not renewed, or adversely modified, (iii) has used, handled, stored or disposed of Hazardous Materials in a manner that would reasonably be expected to result in Environmental Liability, (iv) has received notice of any claim alleging Parent or any Subsidiary is responsible for any Environmental Liability, or (v) knows of any basis for, or is subject to any judgment or consent order pertaining to, any Environmental Liability of Parent or any Subsidiary.

SECTION 3.08 Compliance with Laws and Agreements. Each of Parent and each Subsidiary is in compliance with (i) all Requirements of Law and (ii) all indentures, agreements and other instruments binding upon it or its property, except, in each case, where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. Neither Parent nor any Subsidiary organized under the laws of the State of Israel is a "company in violation" under Section 362A of the Companies Law nor has received a warning of being a "violating company".

SECTION 3.09 Investment Company Status. None of Parent or any other Loan Party is required to be registered as an "investment company" under the Investment Company Act.

SECTION 3.10 Taxes.

(a) Each of Parent and each Subsidiary (a) has timely filed or caused to be filed all Tax returns and reports required to have been filed by it, except to the extent the failure to do so would not reasonably be expected to result in a Material Adverse Effect and (b) has paid or caused to be paid all Taxes required to have been paid by it, except where (i)(x) the validity or amount thereof is being contested in good faith by appropriate proceedings and (y) Parent or such Subsidiary, as applicable, has set aside on its books adequate reserves with respect thereto to the extent required by GAAP or (ii) the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.11 ERISA and Labor Matters. (a) No ERISA Events have occurred or are reasonably expected to occur that would, in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(b) Except as, in the aggregate, would not reasonably be expected to have a Material Adverse Effect, (i) there are no strikes, lockouts, work stoppages or similar labor disputes against Parent or any Subsidiary pending or, to the knowledge of Parent or any Subsidiary, overtly threatened, (ii) hours worked by and payment made to employees of Parent and the Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable Federal, state, local or foreign law dealing with such matters and (iii) all payments due from Parent or any Subsidiary on account of employee health and welfare insurance have been paid or accrued as a liability on the books of Parent or relevant Subsidiary.

SECTION 3.12 Subsidiaries. Schedule 3.12 sets forth the name and jurisdiction of organization of, and the ownership interest of Parent and each Subsidiary in, each Subsidiary and each class of Equity Interest of each Loan Party and each direct Subsidiary thereof and identifies each Subsidiary that is a Loan Party or an Excluded Subsidiary, in each case as of the Effective Date. The Equity Interests in each Subsidiary have been duly authorized and validly issued and are fully paid and nonassessable, and such Equity Interests are owned by Parent, directly or indirectly, free and clear of all Liens (other than Liens permitted by Section 6.02). Except as set forth in Schedule 3.12, as of the Effective Date, there is no existing option, warrant, call, right, commitment or other agreement to which any Subsidiary is a party requiring, and there are no Equity Interests in any Subsidiary outstanding that upon exercise, conversion or exchange would require, the issuance by any Subsidiary of any additional Equity Interests or other securities exercisable for, convertible into, exchangeable for or evidencing the right to subscribe for or purchase any Equity Interests in any Subsidiary.

SECTION 3.13 Insurance. Schedule 3.13 sets forth a description of all material insurance maintained by or on behalf of Parent and the Subsidiaries as of the Effective Date.

SECTION 3.14 Solvency. Immediately after giving effect to the Transactions on the Effective Date, Parent and its Subsidiaries (on a consolidated basis) (a) have property with fair value greater than the total amount of their debts and liabilities, contingent (it being understood that the amount of contingent liabilities at any time shall be computed as the amount that, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability), subordinated or otherwise, (b) have assets with present fair salable value not less than the amount that will be required to pay their liability on their debts as they become absolute and matured, (c) will be able to pay their debts and liabilities, subordinated, contingent or otherwise, as they become absolute and matured and (d) are not engaged in business or a transaction, and are not about to engage in business or a transaction, for which their property would constitute an unreasonably small capital.

SECTION 3.15 Disclosure. (a) No written reports, financial statements, certificates or other written information (taken as a whole) furnished by or on behalf of any Loan Party to any Arrangers, the Administrative Agent or any Lender on or prior to the Effective Date in connection with the negotiation of this Agreement or any other Loan Document, included herein or therein or furnished hereunder or thereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not materially misleading; provided that, with respect to forecasts and projected financial information, Parent and the Borrower represent only that such information was prepared in good faith based upon assumptions believed by it to be reasonable at the time so prepared and, if such projected financial information was furnished prior to the Effective Date, as of the Effective Date (it being understood and agreed that any such projected financial information may vary from actual results and that such variations may be material).

(b) As of the Effective Date, to the best knowledge of the Borrower, the information included in the Beneficial Ownership Certification provided on or prior to the Effective Date to any Lender in connection with this Agreement is true and correct in all respects.

SECTION 3.16 Collateral Matters. Subject to the Collateral and Guarantee Requirement:

(a) Each Collateral Agreement, upon execution and delivery thereof by the parties thereto, will create in favor of the Administrative Agent, for the benefit of the Secured Parties, under the laws of the jurisdiction governing such Collateral Agreement, a valid and enforceable security interest in the Collateral (as defined therein, or if applicable, the analogous term in any Israeli Collateral Agreement) subject to the following (i) when the Collateral (as defined in the U.S. Collateral Agreement) constituting certificated securities (as defined in the Uniform Commercial Code) is delivered to the Administrative Agent in the State of New York, together with instruments of transfer duly endorsed in blank and, in relation to the Loan Parties organized in Israel, also upon the filing of the U.S. Collateral Agreement with the Registrar of Companies within 21 days of execution thereof, the security interest created under the U.S. Collateral Agreement will constitute a fully perfected security interest in all right, title and interest of the pledgors thereunder in such Collateral to the extent such security interest may be perfected by delivery of certificated securities, prior and superior in right to any other Person (other than Permitted Encumbrances that by operation of law or contract would have priority over the Obligations), (ii) when financing statements in appropriate form are filed in the applicable filing offices and, in relation to the Loan Parties organized in Israel, also upon the filing of the U.S. Collateral Agreement with the Registrar of Companies within 21 days of execution thereof and due registration thereafter, the security interest created under the U.S. Collateral Agreement will constitute a fully perfected security interest in all right, title and interest of the pledgors in the remaining Collateral (as defined therein) to the extent perfection can be obtained by filing Uniform Commercial Code financing statements, prior and superior to the rights of any other Person (other than Liens permitted under Section 6.02), (iii) with respect to Israeli Collateral Agreements, the first ranking fixed or floating charge, as applicable, created under such Israeli Collateral Agreement will constitute a fully perfected first ranking fixed or floating charge, as applicable, in all right, title and interest of the pledgors thereunder in the Collateral (as defined therein), in respect of those granted by Parent when filed with the Registrar of Companies within 21 days of execution thereof and duly registered thereafter.

(b) If and when executed and delivered, each Mortgage, upon execution and delivery thereof by the parties thereto, will create in favor of the Administrative Agent, for the benefit of the Secured Parties, a legal, valid and enforceable lien on, or security interest in, as applicable, all the applicable mortgagor's right, title and interest in and to the Mortgaged Properties subject thereto and the proceeds thereof, and when the Mortgages have been filed in the jurisdictions specified therein, the Mortgages will constitute a valid first priority lien on, or fully perfected security interest in, as applicable, all right, title and interest of the mortgagors in the Mortgaged Properties and the proceeds thereof, prior and superior in right to any other Person, other than Liens permitted under Section 6.02.

(c) Upon the recordation of the U.S. Collateral Agreement (or any IP Security Agreements in form and substance reasonably satisfactory to Parent and the Administrative Agent) with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, and the filing of the financing statements referred to in paragraph (a) of this Section 3.16, the security interest created under the U.S. Collateral Agreement will constitute a fully perfected security interest in all right, title and interest of the Loan Parties in the Intellectual Property in which a security interest may be perfected by filing or recording in the United States of America, in each case prior and superior in right to any other Person, other than Liens permitted under Section 6.02 (it being understood and agreed that subsequent recordings in the United States Patent and Trademark Office or the United States Copyright

Office will be necessary to perfect a security interest in such Intellectual Property applied for, acquired or developed by the applicable Loan Parties after the Effective Date).

(d) Each Security Document, upon execution and delivery thereof by the parties thereto and the making of the filings and registrations with the applicable Governmental Authorities and taking of the other actions provided for therein, will be effective under applicable law to create in favor of the Administrative Agent, for the benefit of the Secured Parties, a valid and enforceable security interest in the Collateral subject thereto, and will constitute a fully perfected security interest in all right, title and interest of the Loan Parties in the Collateral subject thereto, prior and superior to the rights of any other Person, except for rights secured by Liens permitted under Section 6.02.

SECTION 3.17 Federal Reserve Regulations. None of Parent, the Borrower or any other Subsidiary is engaged or will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors), or extending credit for the purpose of purchasing or carrying margin stock. No part of the proceeds of the Loans will be used, directly or indirectly, for any purpose that entails a violation (including on the part of any Lender) of any of the regulations of the Board of Governors, including Regulations U and X. Not more than 25% of the value of the assets subject to any restrictions on the sale, pledge or other disposition of assets under this Agreement, any other Loan Document or any other agreement to which any Lender or Affiliate of a Lender is party will at any time be represented by margin stock (within the meaning of Regulation U of the Board of Governors).

SECTION 3.18 Anti-Corruption Laws and Sanctions. Parent has implemented and maintains in effect policies and procedures reasonably designed to promote and ensure compliance by Parent, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions. Parent, its Subsidiaries and their respective directors, officers and employees, and to the knowledge of Parent, their respective agents, are in compliance with Anti-Corruption Laws and applicable Sanctions and are not engaged in any activity that would reasonably be expected to result in Parent or any Subsidiary being designated as a Sanctioned Person. None of (a) Parent, any Subsidiary or any of their respective directors, officers or employees or (b) to the knowledge of Parent, any of their respective agents that will act in any capacity in connection with, or benefit from, the credit facility established hereby, is a Sanctioned Person. No Borrowing Loans, Letters of Credit, use of proceeds or other transaction contemplated by this Agreement will violate Anti-Corruption Laws or applicable Sanctions.

SECTION 3.19 Use of Proceeds. The Borrower will use the proceeds of the Revolving Loans, Incremental Term Loans, Swingline Loans and the Letters of Credit in compliance with Section 5.10.

SECTION 3.20 USA PATRIOT Act. To the extent applicable, Parent and its Subsidiaries are in compliance with the USA PATRIOT Act and the Prohibition on Money Laundering Law.

SECTION 3.21 Outbound Investment Rules. Neither Parent nor any of its Subsidiaries is a ‘covered foreign person’ as that term is used in the Outbound Investment Rules. Neither Parent nor any of its Subsidiaries currently engages, or has any present intention to engage in the future, directly or indirectly, in any activity that would cause the Administrative Agent or any Lender to be in violation of the Outbound Investment Rules or cause the Administrative Agent or any Lender to be legally prohibited by the Outbound Investment Rules from performing under this Agreement.

ARTICLE IV

CONDITIONS

SECTION 4.01 Conditions to the Effective Date. The Effective Date shall occur on the date on which the following conditions is satisfied (or waived in accordance with Section 9.03):

(a) The Administrative Agent shall have received from each Loan Party either (i) a counterpart of this Agreement signed on behalf of such party or (ii) evidence satisfactory to the Administrative Agent (which may include a facsimile or other electronic transmission) that such party has signed a counterpart of this Agreement.

(b) The Administrative Agent and the Arrangers shall have received (i) at least three Business Days prior to the Closing Date all documentation and other information about the Loan Parties as has been reasonably requested in writing at least 10 Business Days prior to the Closing Date by the Administrative Agent or the Arrangers that they reasonably determine is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act and the Prohibition on Money Laundering Law and (ii) to the extent the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, at least three days prior to the Closing Date, any Lender that has requested, in a written notice to the Borrower at least 10 days prior to the Closing Date, a Beneficial Ownership Certification in relation to the Borrower shall have received such Beneficial Ownership Certification.

For purposes of determining compliance with the conditions specified in this Section 4.01, the Administrative Agent and each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required hereunder to be consented to or approved by or acceptable or satisfactory to the Administrative Agent or such Lender, as the case may be. The Administrative Agent shall promptly notify the Lenders of the Effective Date, and such notice shall be conclusive and binding.

SECTION 4.02 Conditions to Closing Date. The obligations of each Lender to make any extension of credit hereunder on the Closing Date shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.03):

(a) The Effective Date shall have occurred.

(b) [reserved].

(c) The Administrative Agent shall have received a certificate relating to the organization, existence and good standing of the Borrower and each Domestic Subsidiary Loan Party, the authorization of the Transactions and other legal matters relating to the Borrower and each Domestic Subsidiary Loan Party, the Loan Documents or the Transactions (as applicable), substantially in the form attached hereto as Exhibit J-1.

(d) The Administrative Agent shall have received customary favorable written opinions (each addressed to the Administrative Agent and the Lenders and dated the Closing Date) of (i) Davis Polk & Wardwell LLP, special New York counsel for the Loan Parties, (ii) Meitar Law Offices, special Israeli counsel for the Loan Parties, (iii) Morris, Nichols, Arsht & Tunnell LLP, special Delaware counsel for the Loan Parties, and (iv) Gordon Rees Scully Manshukhani, LLP, special Nevada counsel for the Loan Parties, in each case reasonably satisfactory to the Administrative Agent.

(e) The Administrative Agent shall have received certificates relating to the organization and existence of Parent, their Organizational Documents and an up-to-date extract from the Registrar of Companies of Parent, the authorization of the Transactions by the board of directors of Parent (and attaching such resolutions) and other legal matters (including confirmation of Parent in accordance with Sections 256(d) and 282 of the Companies Law that all required authorizations and corporate approvals have been obtained) relating to Parent, the Loan Documents or the Transactions (as applicable), substantially in the form attached hereto as Exhibit J-2.

(f) The Administrative Agent shall have received (including, if requested by the Borrower, by way of off-set against the proceeds of the Loans) all fees and other reasonable out-of-pocket amounts required to be paid on or prior to the Closing Date, including, to the extent invoiced at least three Business Days prior to the Closing Date, payment or reimbursement of all fees and reasonable out-of-pocket expenses (including the reasonable and documented fees, charges and disbursements of counsel) required to be paid or reimbursed by any Loan Party on or prior to the Closing Date.

(g) The Collateral and Guarantee Requirement shall have been satisfied and the Administrative Agent shall have received a completed Perfection Certificate, dated the Closing Date and signed by an Authorized Officer of Parent, together with all attachments contemplated thereby, including the IP Security Agreements.

(h) The Administrative Agent shall have received a certificate in the form attached hereto as Exhibit H, dated the Closing Date and signed by the chief financial officer or other officer with similar duties (including the corporate vice president of finance) of Parent, as to the solvency of Parent and the Subsidiaries on a consolidated basis after giving effect to the Transactions.

(i) The Administrative Agent shall have received the Required Financials. The Administrative Agent hereby acknowledge receipt of the Required Financials and further acknowledges that the condition set forth in this paragraph is satisfied.

For purposes of determining compliance with the conditions specified in this Section 4.02, the Administrative Agent and each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required hereunder to be consented to or approved by or acceptable or satisfactory to the Administrative Agent or such Lender, as the case may be. The Administrative Agent shall promptly notify the Lenders of the Closing Date, and such notice shall be conclusive and binding.

SECTION 4.03 Conditions to Each Extension of Credit. The obligation of each Lender to make a Loan on the occasion of any Borrowing, and of any Issuing Lender to issue, amend, renew or extend any Letter of Credit, is subject to the satisfaction of the following conditions:

(a) Each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents shall be true and correct (i) in the case of the representations and warranties qualified as to materiality or Material Adverse Effect, in all respects and (ii) otherwise, in all material respects, in each case on and as of such date, except in the case of any such representation and warranty that specifically relates to an earlier date, in which case such representation and warranty shall be so true and correct on and as of such earlier date.

(b) No Default or Event of Default has occurred, shall have occurred and be continuing on such date or after giving effect to the extensions of credit requested to be made on such date.

(c) The Administrative Agent shall have received a fully executed and delivered Borrowing Request or an Application for a Letter of Credit, as the case may be as and when required by the terms hereof.

Each borrowing by and issuance, amendment, renewal or extension of a Letter of Credit on behalf of the Borrower hereunder shall constitute a representation and warranty by the Borrower as of the date of such extension of credit that the conditions contained in this Section 4.03 have been satisfied.

For the avoidance of doubt, no Restricted Israeli Lender shall be required to make any extension of credit hereunder.

ARTICLE V

AFFIRMATIVE COVENANTS

Until the Commitments shall have expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder shall have been paid in full (excluding contingent indemnification or other contingent obligation as to which no claim has been asserted, or Letters of Credit that have been backstopped or cash collateralized on terms satisfactory to the applicable Issuing Lender) (such date, the "Termination Date"), the Borrower covenants and agrees with the Lenders that:

SECTION 5.01 Financial Statements and Other Information. Parent will furnish to the Administrative Agent, on behalf of each Lender (or in the case of clause (f) below, conduct):

(a) within 120 days after the end of each fiscal year of Parent ending after the Closing Date (or, for so long as Parent shall be subject to periodic reporting obligations under the Exchange Act, by the date that the Annual Report on Form 20-F of Parent for such fiscal year would be required to be filed under the rules and regulations of the SEC, giving effect to any automatic extension available thereunder for the filing of such forms, its audited consolidated balance sheet and statements of income, comprehensive income, shareholders' equity and cash flows as of the end of and for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by Kost Forer Gabbay & Kasierer or another independent registered public accounting firm of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit (other than any such exception, explanatory paragraph or qualification that is expressly solely with respect to, or expressly resulting solely from, (x) an upcoming maturity date of the credit facilities hereunder or other indebtedness occurring within one year from the time such report is delivered, (y) an actual or anticipated breach of a financial covenant or (z) the activities, operations, financial results, assets or liabilities of any Unrestricted Subsidiary)) to the effect that such financial statements present fairly in all material respects the financial condition, results of operations and cash flow of Parent and its Subsidiaries (including Unrestricted Subsidiaries) on a consolidated basis as of the end of and for such fiscal year in accordance with GAAP and accompanied by a narrative report containing management's discussion and analysis of the financial position and financial performance for such fiscal year in reasonable form and detail;

(b) within 90 days after the end of each of the first three fiscal quarters of each fiscal year of Parent, commencing with the fiscal quarter ending March 31, 2026, its unaudited consolidated balance sheet and unaudited statements of income and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by a Financial Officer of Parent as presenting fairly in all material respects the financial condition, results of operations and cash flows of Parent and its Subsidiaries

(including Unrestricted Subsidiaries) on a consolidated basis as of the end of and for such fiscal quarter and such portion of the fiscal year in accordance with GAAP, subject to normal year-end audit adjustments and the absence of certain footnotes, and accompanied by a narrative report containing management's discussion and analysis of the financial position and financial performance for such fiscal quarter in reasonable form and detail;

(c) if any Subsidiary has been designated as an Unrestricted Subsidiary, concurrently with each delivery of financial statements under clause (a) or (b) above, financial statements (in substantially the same form as the financial statements delivered pursuant to clauses (a) and (b) above) prepared on the basis of consolidating the accounts of Parent and its Subsidiaries and treating any Unrestricted Subsidiaries as if they were not consolidated with Parent or accounted for on the basis of the equity method but rather account for an investment and otherwise eliminating all accounts of Unrestricted Subsidiaries, together with an explanation of reconciliation adjustments in reasonable detail; provided that the financial statements pursuant to this clause (c) shall not be required to be delivered so long as the combined aggregate amount of Total Assets as of the last day of any fiscal quarter for which financial statements have been delivered pursuant to Section 5.01(a) or 5.01(b) or combined aggregate amount of gross revenues (net of payroll, taxes, benefits and other deductions permitted under GAAP) for the Test Period most recently ended in each case of all Unrestricted Subsidiaries but excluding intercompany assets and revenues does not exceed 10% of the Total Assets of Parent and its Subsidiaries (including Unrestricted Subsidiaries) or 10.0% of the combined aggregate amount of such gross revenues of Parent and its Subsidiaries (including Unrestricted Subsidiaries), in each case, excluding intercompany assets and revenues for the Test Period most recently ended;

(d) not later than the date of delivery of financial statements under clause (a) or (b) above, a completed Compliance Certificate of an Authorized Officer of Parent (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) demonstrating compliance with the financial maintenance covenant contained in Section 6.13 by calculation thereof as of the end of the fiscal period covered by such financial statements, (iii) in the case of the Compliance Certificate relating to annual financial statements delivered pursuant to clause (a) above, identifying as of the date of such Compliance Certificate each Subsidiary that (A) is a Loan Party as of such date but has not been identified as a Loan Party in Schedule 3.12 or in any prior Compliance Certificate or (B) has previously been identified as a Loan Party but has ceased to be a Loan Party as a result of its status as an Excluded Subsidiary or (iv) if any change in GAAP or in the application thereof has occurred since the date of the consolidated balance sheet of Parent most recently theretofore delivered under clause (a) or (b) above (or, prior to the first such delivery, referred to in Section 3.04) that is required to be disclosed in the financial statements that are delivered concurrently with such Compliance Certificate, stating the occurrence of such change in GAAP or in the application thereof; provided that the requirement in this clause (iv) may be satisfied by referencing in the Compliance Certificate the specific notes to the financial statements containing such disclosure;

(e) promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by Parent or any Subsidiary with the SEC or with any national securities exchange, or distributed by Parent to its shareholders generally, as the case may be; and

(f) promptly following any request therefor, such other information regarding the operations, business affairs, assets, liabilities (including contingent liabilities) and financial condition of Parent or any Subsidiary, or compliance with the terms of this Agreement or any other Loan Document, as the Administrative Agent or any Lender (acting through the Administrative Agent) may reasonably request.

Notwithstanding anything to the contrary in this Section 5.01, (a) none of Parent or any of its Subsidiaries will be required to disclose any document, information or other matter that (i) constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representative or contractors) is prohibited or restricted by Requirements of Law or any binding agreement with a third party not entered into in contemplation hereof, (iii) is subject to attorney-client or similar privilege or constitutes attorney work product or (iv) constitutes classified information and (b) all such material that is so disclosed will be subject to Sections 9.12 and 9.17.

Information required to be furnished pursuant to this Section 5.01 shall be deemed to have been furnished if such information, or one or more annual or quarterly reports containing such information, shall have been posted by the Administrative Agent on an Approved Electronic Platform to which the Lenders have been granted access or shall be available on the website of the SEC at http://www.sec.gov or the website of Parent. Information required to be furnished pursuant to this Section 5.01 or Section 5.02 may also be furnished by electronic communications pursuant to procedures approved by the Administrative Agent.

SECTION 5.02 Notices of Material Events. Within five Business Days after obtaining knowledge thereof, the Borrower will furnish to the Administrative Agent notice of the following:

(a) the occurrence of any Default; provided that giving such notice shall not shorten any grace period that applies to such Default pursuant to Article VII;

(b) the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority (including with respect to any Environmental Liability) against Parent or any Subsidiary or any adverse development in any such pending action, suit or proceeding not previously disclosed in writing by Parent to the Administrative Agent, that in each case would reasonably be expected to result in a Material Adverse Effect;

(c) the occurrence of any ERISA Event or any fact or circumstance that gives rise to a reasonable expectation that any ERISA Event will occur that, in either case, alone or together with any other ERISA Events that have occurred or are reasonably expected to occur, would reasonably be expected to result in a Material Adverse Effect;

(d) [reserved]; and

(e) any other development that has resulted, or would reasonably be expected to result, in a Material Adverse Effect; Each notice delivered under this Section 5.02 shall be accompanied by a statement of a Financial Officer or other executive officer of Parent setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

SECTION 5.03 Information Regarding Collateral. (a) The Borrower will furnish to the Administrative Agent prompt written notice (which shall in any event be provided by the earlier of (x) 30 days after such change (or such date as determined by the Administrative Agent in its reasonable discretion) and (y) 10 days prior to the date on which the perfection of the Liens under the Collateral Agreements would (absent additional filings or other actions) lapse, in whole or in part, by reason of such change) of: (i) any change in any Loan Party's legal name, as set forth in such Loan Party's Organizational Documents, (ii) any change in the jurisdiction of incorporation or organization of any Loan Party, (iii) any change in the form of organization of any Loan Party and (iv) any change in any Loan Party's organizational identification number or Federal Taxpayer Identification Number, if such

Loan Party is organized under the laws of a jurisdiction that requires a Loan Party's organizational identification number or Federal Taxpayer Identification Number to be set forth on the face of a Uniform Commercial Code financing statement. Upon request, the Borrower agrees to deliver all executed or authenticated financing statements and other filings under the Uniform Commercial Code (or analogous law in a non-U.S. jurisdiction) or otherwise that are required in order for the Administrative Agent to continue to have a valid, legal and perfected security interest in all the Collateral following any such change.

(b) At the time of delivery of financial statements pursuant to Section 5.01(a), the Borrower shall deliver to the Administrative Agent a completed Supplemental Perfection Certificate, signed by a Financial Officer of Parent, (i) setting forth the information required pursuant to the Supplemental Perfection Certificate and indicating, in a manner reasonably satisfactory to the Administrative Agent, any changes in such information from the most recent Supplemental Perfection Certificate delivered pursuant to this Section 5.03 (or, prior to the first delivery of a Supplemental Perfection Certificate, from the Perfection Certificate delivered on the Closing Date) or (ii) certifying that there has been no change in such information from the most recent Supplemental Perfection Certificate delivered pursuant to this Section 5.03 (or, prior to the first delivery of a Supplemental Perfection Certificate, from the Perfection Certificate delivered on the Closing Date).

(c) With respect to the Israeli Collateral Agreements, promptly upon receipt of pledge and/or registrations certificates, the Borrower shall deliver to the Administrative Agent an electronic copy of such certificate together with a copy of an extract from the relevant registry evidencing the registration of any such Israeli Collateral Agreement.

SECTION 5.04 Existence; Conduct of Business. Parent and each Subsidiary will do or cause to be done all things necessary to preserve, renew and keep in full force and effect (i) its legal existence and (ii) the rights, licenses, permits, privileges, franchises, and Intellectual Property used in the conduct of its business, in each case with respect to clause (i) (other than the preservation of the existence of the Borrower) and clause (ii) to the extent that the failure to do any of the foregoing would reasonably be expected to result in a Material Adverse Effect; provided that the foregoing shall not prohibit any transaction permitted under Section 6.03 or 6.05, including any merger, consolidation, liquidation or dissolution permitted under Section 6.03.

SECTION 5.05 Payment of Taxes. Each of Parent and each Subsidiary will pay its material Tax liabilities, before the same shall become delinquent or in default, except where (a)(i) the validity or amount thereof is being contested in good faith by appropriate proceedings and (ii) Parent or such Subsidiary has set aside on its books adequate reserves with respect thereto to the extent required by GAAP or (b) the failure to make payment would not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.06 Maintenance of Properties. Each of Parent and each Subsidiary will keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear and casualty and condemnation excepted, in each case except where the failure to so keep and maintain would not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect.

SECTION 5.07 Insurance. Each of Parent and each Subsidiary will maintain, with financially sound and reputable insurance companies, as determined by Parent in good faith, insurance in such amounts (with no greater risk retention) and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations. From and after the date that is 90 days after the Closing Date (or such later date as the Administrative Agent

agrees to in writing), each such policy of liability or property insurance maintained by or on behalf of Loan Parties shall (a) in the case of each liability insurance policy (other than workers' compensation, director and officer liability, errors and omissions liability (to the extent endorsement of such policy is not permitted) or other policies in which such endorsements are not customary), name the Administrative Agent, on behalf of the Secured Parties, as an additional insured thereunder, and (b) in the case of each property insurance policy, contain a customary lender's loss payable clause or endorsement that names the Administrative Agent, on behalf of the Secured Parties, as the lender's loss payee thereunder. With respect to each Mortgaged Property that is located in an area determined by the Federal Emergency Management Agency to have special flood hazards, the applicable Loan Party has obtained, and will maintain, with financially sound and reputable insurance companies, such flood insurance in form, substance and amount as may be reasonably required by the Administrative Agent but in any event as is required under applicable law, including the Flood Insurance Regulations and provide evidence in form and substance satisfactory to Administrative Agent of such flood insurance. Notwithstanding the foregoing, if the Administrative Agent receives any payment under any insurance policy of Parent or of any Subsidiary, or otherwise receives any amount in respect of any casualty or condemnation event with respect to any property of Parent or any Subsidiary, in each case at a time when no Event of Default has occurred and is continuing, the Administrative Agent shall promptly remit such amount to an account specified by Parent.

SECTION 5.08 Books and Records; Inspection and Audit Rights. Parent will, and will cause each Subsidiary to, keep proper books of record and account in which full, true and correct entries in conformity with GAAP and in material conformity with all Requirements of Law are made of all dealings and transactions in relation to its business and activities. Parent will, and will cause each Subsidiary to, permit any representatives designated by the Administrative Agent or any Lender (in the case of such Lender, coordinated through the Administrative Agent), upon reasonable prior notice, to visit and inspect its properties, to examine and make extracts from its books and records, and, subject to Sections 9.12 and 9.17, to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times during regular business hours and as often as reasonably requested; provided, however, that, excluding any such visits and inspections during the continuation of an Event of Default, (i) only the Administrative Agent, acting individually or on behalf of the Lenders, may exercise rights under this Section 5.08 and (ii) the Administrative Agent shall not exercise the rights under this Section 5.08 more often than one time during any calendar year.

SECTION 5.09 Compliance with Laws. (a) Each of Parent and each Subsidiary will comply with all Requirements of Law with respect to it or its assets (including in respect of its obligations relating to the IIA-Funded Know-How), except where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(b) Parent will maintain in effect policies and procedures reasonably designed to promote and ensure compliance by Parent, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

(c) Each of Parent, each Subsidiary and each ERISA Affiliate will comply with all minimum funding requirements and all other material requirements of ERISA, if applicable, so as not to give rise to any liability thereunder, except to the extent a failure to do so would not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.10 Use of Proceeds. The proceeds of the Incremental Term Loans will be used solely for the purpose or purposes set forth in the applicable Incremental Facility Amendment. The Letters of Credit and proceeds of Revolving Loans and Swingline Loans will be used by the Borrower for working capital and other general corporate purposes or for any other purpose not

prohibited by this Agreement, including capital expenditures and the financing of Permitted Acquisitions, other Permitted Investments and Restricted Payments permitted under Section 6.08. The Borrower will not request any Borrowing or Letter of Credit, and Parent shall not use and shall not permit its Subsidiaries or its or their respective directors, officers, employees and agents to use, the proceeds of any Borrowing or Letter of Credit (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (B) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person or in any Sanctioned Country or (C) in any manner that would result in the violation of Anti-Corruption Laws or applicable Sanctions by the Administrative Agent or any Lender.

SECTION 5.11 Additional Subsidiaries. If any additional Subsidiary (other than an Excluded Subsidiary if the Equity Interests in such Excluded Subsidiary and any Indebtedness of such Excluded Subsidiary are, in each case, excluded from the Collateral and Guarantee Requirement) is formed or acquired or any existing Subsidiary ceases to be an Excluded Subsidiary after the Closing Date, then Parent will, as promptly as practicable and, in any event, within 60 days (or such longer period as the Administrative Agent may, in its sole discretion, agree to in writing) after such Subsidiary is formed or acquired or ceases to be an Excluded Subsidiary, notify the Administrative Agent thereof and (a) with respect to any such Subsidiary (other than an Excluded Subsidiary), cause such Subsidiary to satisfy the Collateral and Guarantee Requirement, to the extent applicable and (b) cause each Loan Party to satisfy the Collateral and Guarantee Requirement with respect to any Equity Interest in or Indebtedness of such Subsidiary owned by such Loan Party.

SECTION 5.12 Further Assurances. Each of Parent and each other Loan Party will execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, mortgages, deeds of trust and other documents), that may be required under any applicable law, or that the Administrative Agent may reasonably request, to cause the Collateral and Guarantee Requirement to be satisfied, all at the expense of the Loan Parties. Parent also agrees to provide to the Administrative Agent (i) from time to time upon request, evidence reasonably satisfactory to the Administrative Agent as to the perfection and priority of the Liens created or intended to be created by the Security Documents and (ii) promptly after reasonable request therefor, all documentation and other information reasonably requested by the Administrative Agent or any Lender that is required to satisfy applicable "know your borrower" and anti-money laundering rules and regulations, including the USA PATRIOT Act, Beneficial Ownership Regulation and the Prohibition on Money Laundering Law.

SECTION 5.13 After-Acquired Real Property. Within 90 days of the acquisition of any Material Real Property by a Loan Party (or such later date as the Administrative Agent may agree in its sole discretion) such Loan Party shall deliver to the Administrative Agent a Mortgage on such Material Real Property and shall cause clause (e) of the Collateral and Guarantee Requirement to be satisfied with respect thereto.

SECTION 5.14 Environmental Compliance. (a) Each of Parent and each Subsidiary will (i) comply with all Environmental Laws, and obtain, comply with and maintain any and all Environmental Permits necessary for its operations as conducted; and (ii) take all reasonable efforts to ensure that all of its tenants, subtenants, contractors, subcontractors, and invitees comply with all Environmental Laws, and obtain, comply with and maintain any and all Environmental Permits, applicable to them; provided that, for purposes of this Section 5.14(a), noncompliance with any of the foregoing shall be deemed not to constitute a breach of this covenant so long as, with respect to any such noncompliance, Parent or its relevant Subsidiary is undertaking all reasonable efforts to achieve compliance (or to ensure that the relevant tenant, subtenant, contractor, subcontractor or invitee is

achieving compliance), or (y) to the extent such noncompliance, individually or in the aggregate, would not reasonably be expected to give rise to a Material Adverse Effect.

(b) Without in any way limiting Parent's and each Subsidiary's obligations under Section 5.14(a), each of Parent and each Subsidiary will promptly comply with all orders and directives of all Governmental Authorities regarding Environmental Laws, other than such orders and directives (i) that are being disputed in good faith in the applicable manner and forum, or (ii) that are not being complied with, provided that the pendency of such disputes and the noncompliance with such orders and directives would not reasonably be expected, individually or in the aggregate, to give rise to a Material Adverse Effect.

SECTION 5.15 Designation of Subsidiaries. Parent may at any time designate any Subsidiary as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Subsidiary by delivering to the Administrative Agent a certificate of an Authorized Officer of Parent specifying such designation and certifying that the conditions to such designation set forth in this Section 5.15 are satisfied; provided that:

(i) both immediately before and immediately after any such designation, no Event of Default shall have occurred and be continuing;

(ii) both immediately before and immediately after any such designation, Parent and its Subsidiaries shall be in Pro Forma Compliance with the then-applicable financial maintenance covenant levels set forth in Section 6.13;

(iii) in the case of a designation of a Subsidiary as an Unrestricted Subsidiary, each Subsidiary of such Subsidiary has been, or concurrently therewith will be, designated as an Unrestricted Subsidiary in accordance with this Section 5.15; and

(iv) in no event shall any Subsidiary be designated an Unrestricted Subsidiary if such Subsidiary or any subsidiary of such Subsidiary owns (or exclusively licenses or sub-licenses) Material Intellectual Property; provided that nothing in this Agreement shall prohibit (A) any Subsidiary that is not a Loan Party from independently developing (and, thereafter, continuing to own or exclusively license) any Intellectual Property for use in its own business, (B) the granting of non-exclusive licenses of Intellectual Property to an Unrestricted Subsidiary in the ordinary course of business or (C) the granting by a Loan Party or any Restricted Subsidiary of exclusive licenses to an Unrestricted Subsidiary of (1) Intellectual Property that is not Material Intellectual Property or (2) Material Intellectual Property where the exclusivity is limited to a specified field of use and a specific territory, in each case, that is not material to the business of the Parent and its Subsidiaries, taken as a whole (as determined by the Parent reasonably and in good faith), and where a Loan Party or Restricted Subsidiary retains, and does not exclusively license to any other Unrestricted Subsidiary, all rights with respect to such Material Intellectual Property in all other fields of use and territories, in each case, that are material to the business of the Parent and its Subsidiaries, taken as a whole.

The designation of any Subsidiary as an Unrestricted Subsidiary shall constitute an Investment by Parent in such Subsidiary on the date of designation in an amount equal to the fair market value of Parent's Investment therein (as determined reasonably and in good faith by a Financial Officer of Parent). The designation of any Unrestricted Subsidiary as a Subsidiary shall constitute the incurrence at the time of designation of any Investment, Indebtedness or Liens of such Subsidiary existing at such time. Notwithstanding anything to the contrary contained herein, no Subsidiary shall be designated as an Unrestricted Subsidiary if, at the time of such designation, such Subsidiary (or a Subsidiary of such Subsidiary) owns or is the exclusive licensee or exclusive sublicensee of any Material Intellectual

Property and (ii) no Unrestricted Subsidiary shall at any time own or hold an exclusive license or exclusive sublicense of any Material Intellectual Property; provided that nothing in this Agreement shall prohibit (1) any Subsidiary that is not a Loan Party from independently developing (and, thereafter, continuing to own or exclusively license) any Intellectual Property for use in its own business, (2) the granting of non-exclusive licenses of Intellectual Property to an Unrestricted Subsidiary in the ordinary course of business or (3) the granting by a Loan Party or any Restricted Subsidiary of exclusive licenses to an Unrestricted Subsidiary of (A) Intellectual Property that is not Material Intellectual Property or (B) Material Intellectual Property where the exclusivity is limited to a specified field of use and a specific territory, in each case, that is not material to the business of the Parent and its Subsidiaries, taken as a whole (as determined by the Parent reasonably and in good faith), and where a Loan Party or Restricted Subsidiary retains, and does not exclusively license to any other Unrestricted Subsidiary, all rights with respect to such Material Intellectual Property in all other fields of use and territories, in each case, that are material to the business of the Parent and its Subsidiaries, taken as a whole.

SECTION 5.16 Certain Post-Closing Collateral Obligations. As promptly as practicable, and in any event within the applicable time period set forth in Schedule 5.16 (or such longer time as the Administrative Agent may reasonably agree), the Borrower and each other Loan Party will deliver all documents and take all actions set forth on Schedule 5.16.

SECTION 5.17 Company in Violation. Promptly upon receipt of notice or becoming aware that Parent or any Subsidiary has or will become a "company in violation" under Section 362A of the Companies Law, Parent shall take all steps necessary to avoid or remove such designation within 30 days of receipt of such notice or of first becoming aware of it, whichever is the earlier.

ARTICLE VI

NEGATIVE COVENANTS

Until the Termination Date, Parent and the Borrower covenant and agree with the Lenders that:

SECTION 6.01 Indebtedness; Certain Equity Securities. None of Parent or any Subsidiary will create, incur, assume or permit to exist any Indebtedness, except:

(a) Indebtedness created under the Loan Documents;

(b) Indebtedness existing on the Effective Date and set forth on Schedule 6.01 and Refinancing Indebtedness in respect of any of the foregoing;

(c) Indebtedness of Parent or any Subsidiary to Parent or any other Subsidiary; provided that all such Indebtedness of any Loan Party to any Subsidiary that is not a Loan Party must be expressly subordinated to the Loan Document Obligations of such Loan Party pursuant to an Intercompany Note (which, with respect to such Indebtedness in existence on the Closing Date or incurred within 60 days thereafter, may be delivered within 60 days of the Closing Date (or such later date approved by the Administrative Agent)) or on other terms that are reasonably acceptable to the Administrative Agent;

(d) Guarantees incurred in compliance with Section 6.04;

(e) Permitted First Priority Refinancing Indebtedness, Permitted Second Priority Refinancing Indebtedness, Permitted Unsecured Refinancing Indebtedness and any Refinancing Indebtedness in respect of any of the foregoing;

(f) (i) Indebtedness of Parent or any Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets, including Capital Lease Obligations, purchase money Indebtedness and any Indebtedness assumed by Parent or any Subsidiary in connection with the acquisition of any such assets or secured by a Lien on any such assets prior to or within 270 days after the acquisition, construction, repair, lease or improvement of the applicable asset; provided that the aggregate principal amount of Indebtedness permitted by this clause (f) shall not exceed at any time outstanding the greater of (A) $336,000,000 and (B) 35% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period as of the time such Indebtedness is incurred and (ii) Refinancing Indebtedness in respect of Indebtedness incurred or assumed pursuant to clause (i) above;

(g) (i) Indebtedness of any Person that becomes a Restricted Subsidiary (or of any Person not previously a Restricted Subsidiary that is merged or consolidated with or into a Subsidiary in a transaction permitted hereunder, including the re-designation of an Unrestricted Subsidiary as a Restricted Subsidiary) after the Effective Date, or Indebtedness of any Person that is assumed by any Subsidiary in connection with an acquisition of assets by such Subsidiary in a Permitted Acquisition; provided that such Indebtedness exists at the time such Person becomes a Restricted Subsidiary (or is so merged or consolidated) or such assets are acquired and is not created in contemplation of or in connection with such Person becoming, as the case may be, a Subsidiary or Restricted Subsidiary (or such merger or consolidation) or such assets being acquired and (ii) Refinancing Indebtedness of Indebtedness incurred pursuant to clause (i) above;

(h) secured or unsecured loans, bonds or notes of any Loan Party so long as such Indebtedness shall not exceed the sum of (i) an amount equal to the Base Incremental Amount in effect on such date, (ii) an amount equal to the Voluntary Prepayment Amount and (iii) an additional amount that would not (A) in the case of any such Indebtedness that is secured by a Lien on the Collateral that is pari passu with the Lien on the Collateral securing the Facilities ("Incremental Pari Passu Debt"), cause the First Lien Net Leverage Ratio, calculated on a Pro Forma Basis as of the date of incurrence thereof (excluding from such pro forma calculation the Net Proceeds of such Indebtedness), to exceed 2.50 to 1.00, (B) in the case of any such Indebtedness that is secured by a Lien on the Collateral that is junior to the Lien on the Collateral securing the Facilities ("Incremental Junior Debt"), cause the Secured Net Leverage Ratio, calculated on a Pro Forma Basis as of the date of incurrence thereof (excluding from such pro forma calculation the Net Proceeds of such Indebtedness), to exceed 3.00 to 1.00 and (C) in the case of unsecured debt, cause the Total Net Leverage Ratio, calculated on a Pro Forma Basis as of the date of incurrence thereof (excluding from such pro forma calculation the Net Proceeds of such debt), to exceed the then-applicable financial maintenance covenant level set forth in Section 6.13 (any Indebtedness incurred in reliance on this clause (h), "Incremental Equivalent Debt"); provided, that (A) the Borrower shall be deemed to have used amounts under clause (iii) above prior to utilization of amounts under clause (i) or (ii) above and (B) the proceeds from any such incurrence under such clauses may be utilized in a single transaction by first calculating the incurrence under clause (iii) above and then calculating the incurrence under clauses (i) and/or (ii) above); provided, further, that any such Incremental Equivalent Debt (1) to the extent secured, (x) shall not be secured by any Lien on any asset of Parent or any Subsidiary that does not also secure the Obligations and (y) shall be subject to an Intercreditor Agreement, (2) shall not be Guaranteed by any Subsidiary other than the Loan Parties, (3) shall mature no earlier than the Revolving Termination Date, (4) other than in respect of Customary Bridge Loans, Customary Term A Loans and Customary Term B Loans, shall have a weighted average life to maturity not shorter than the remaining weighted average life to maturity of the Revolving Facility and (5) in the case of Incremental Equivalent Debt in the form of bonds or notes, does not provide for any amortization,

mandatory prepayment redemption or repurchase (other than upon a change of control or fundamental change and customary acceleration rights after an event of default and, for the avoidance of doubt, rights to convert or exchange in the case of convertible or exchangeable Indebtedness) prior to the Revolving Termination Date;

(i) Indebtedness incurred in the ordinary course of business and owed in respect of Cash Management Services or any overdrafts and related liabilities arising from treasury, depository and cash management services or in connection with any automated clearinghouse transfers of funds;

(j) Indebtedness in respect of letters of credit, bank guarantees and similar instruments issued for the account of Parent or any Subsidiary in the ordinary course of business supporting obligations under (i) workers' compensation, health, disability or other employee benefits, casualty or liability insurance, unemployment insurance and other social security laws and local state and federal payroll taxes, (ii) obligations in connection with self-insurance arrangements in the ordinary course of business and (iii) bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance and reclamation bonds and obligations of a like nature;

(k) Indebtedness consisting of client advances or deposits received in the ordinary course of business;

(l) Indebtedness consisting of short-term credit facilities, including, among others, bank guarantees and letters of credit, collectively in an aggregate at any time outstanding not to exceed the greater of (A) $115,200,000 and (B) 12% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period as of the time such credit facility is entered into;

(m) Indebtedness of Parent or any Subsidiary in the form of purchase price adjustments (including in respect of working capital), earnouts, seller notes deferred compensation, indemnification or other arrangements representing acquisition consideration or deferred payments of a similar nature incurred in connection with any Permitted Acquisition or other Investments permitted under Section 6.04 or Dispositions permitted under Section 6.05;

(n) Indebtedness of Subsidiaries that are not Loan Parties in an aggregate outstanding principal amount at any time outstanding not to exceed the greater of $192,000,000 and 20% of Consolidated EBITDA as of the last day of the most recently ended Test Period;

(o) Indebtedness relating to (i) premium financing arrangements for insurance plans (including property and health insurance plans) and health and welfare benefit plans (including health and workers compensation insurance, employment practices liability insurance and directors and officers insurance), if incurred in the ordinary course of business or (ii) take-or-pay obligations contained in supply agreements, in the ordinary course of business;

(p) additional Indebtedness in an aggregate amount at any time outstanding not in excess of the greater of (A) $336,000,000 and (B) 35% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period as of the time such Indebtedness is incurred;

(q) Indebtedness in respect of Hedging Agreements permitted under Section 6.07;

(r) Indebtedness supported by a Letter of Credit, in a principal amount not to exceed the face amount of such Letter of Credit;

(s) Indebtedness representing deferred compensation or stock-based compensation owed to employees of Parent and its Subsidiaries incurred in the ordinary course of business or consistent with past practice;

(t) to the extent constituting Indebtedness, Guarantees in the ordinary course of business of the obligations of suppliers, customers, franchisees and licensees of Parent and its Subsidiaries;

(u) Indebtedness of any Joint Venture or Indebtedness of Parent or any Subsidiary incurred on behalf of any Joint Venture or any guarantees by Parent or any Subsidiary of Indebtedness of any Joint Venture in an aggregate outstanding principal amount for all such Indebtedness not to exceed at any time the greater of $192,000,000 and 20% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period as of the time such Indebtedness is incurred; and

(v) all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest on obligations described above.

SECTION 6.02 Liens. None of Parent or any Subsidiary will create, incur, assume or permit to exist any Lien on any asset now owned or hereafter acquired by it, or assign or sell any income or revenues (including accounts receivable) or rights in respect of any thereof, except:

(a) Liens created under the Loan Documents;

(b) Permitted Encumbrances;

(c) any Lien on any asset of Parent or any Subsidiary existing on the Effective Date and set forth on Schedule 6.02; provided that (i) such Lien shall not apply to any other asset of Parent or any Subsidiary other than after-acquired property that is affixed or incorporated into the asset covered by such Lien on the Effective Date and the proceeds and products of the foregoing and (ii) such Lien shall secure only those obligations that it secures on the Effective Date and extensions, renewals, replacements and refinancings thereof so long as the principal amount of such extensions, renewals, replacements and refinancings does not exceed the principal amount of the obligations being extended, renewed, replaced or refinanced or, in the case of any such obligations constituting Indebtedness, that are permitted under Section 6.01(b) as Refinancing Indebtedness in respect thereof;

(d) any Lien existing on any asset prior to the acquisition thereof by Parent or any Subsidiary or existing on any asset of any Person that becomes a Subsidiary (or of any Person not previously a Subsidiary that is merged or consolidated with or into a Subsidiary in a transaction permitted hereunder) after the Effective Date prior to the time such Person becomes a Subsidiary (or is so merged or consolidated); provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Subsidiary (or such merger or consolidation), (ii) such Lien shall not apply to any other asset of Parent or any Subsidiary (other than (x) in the case of any such merger or consolidation, the assets of any Subsidiary without significant assets that was formed solely for the purpose of effecting such acquisition and (y) after-acquired property that is affixed or incorporated into the asset initially covered by such Lien and the proceeds and products of the foregoing) and (iii) such Lien shall secure only those obligations that it secures on the date of such acquisition or the date such Person becomes a Subsidiary (or is so merged or consolidated) and extensions, renewals, replacements and refinancings thereof so long as the principal amount of such extensions, renewals and replacements does not exceed the principal amount of the obligations being extended, renewed or replaced or, in the case of any such obligations constituting Indebtedness, that are permitted under Section 6.01(g);

(e) Liens on fixed or capital assets acquired, constructed or improved (including any such assets made the subject of a Capital Lease Obligation incurred) by Parent or any Subsidiary; provided that (i) such Liens secure Indebtedness incurred to finance such acquisition, construction or improvement and permitted by clause (f)(i) of Section 6.01 or any Refinancing Indebtedness in respect thereof permitted by clause (f)(ii) of Section 6.01, and (ii) such Liens shall not apply to any other property or assets of Parent or any Subsidiary, other than after-acquired property affixed or incorporated into such asset initially covered by such Lien and the proceeds and products of the foregoing;

(f) in connection with the sale or transfer of any Equity Interests or other assets in a transaction permitted under Section 6.05, customary rights and restrictions contained in agreements relating to such sale or transfer pending the completion thereof;

(g) in the case of (i) any Subsidiary that is not a wholly-owned Subsidiary or (ii) the Equity Interests in any Person that is not a Subsidiary, any encumbrance or restriction, including any put and call arrangements, related to Equity Interests in such Subsidiary or such other Person set forth in the Organizational Documents of such Subsidiary or such other Person or any related joint venture, shareholders' or similar agreement;

(h) Liens solely on any cash earnest money deposits, escrow arrangements or similar arrangements made by Parent or any Subsidiary in connection with any letter of intent or purchase agreement for a Permitted Acquisition or other transaction permitted hereunder;

(i) Liens granted by a Subsidiary that is not a Loan Party in respect of Indebtedness permitted to be incurred by such Subsidiary under Section 6.01(n);

(j) Liens securing judgments for the payment of money not constituting an Event of Default under Article VII;

(k) Liens on the Collateral securing (i) Permitted First Priority Refinancing Indebtedness permitted under Section 6.01(e) on a pari passu or junior basis with the Liens on the Collateral securing the Loan Document Obligations, and Refinancing Indebtedness in respect thereof; provided that a trustee, collateral agent, security agent or other Person acting on behalf of the holders of such Indebtedness has entered into an Intercreditor Agreement and (ii) Permitted Second Priority Refinancing Indebtedness permitted under Section 6.01(e) on a junior basis to the Liens on the Collateral securing the Loan Document Obligations and Refinancing Indebtedness in respect thereof; provided that a trustee, collateral agent, security agent or other Person acting on behalf of the holders of such Indebtedness has entered into an Intercreditor Agreement;

(l) Liens on cash and other assets owned by a Person that has incurred Indebtedness permitted pursuant to Section 6.01(l) to secure such Indebtedness of such Person or on cash and other assets owned by a Person that has entered into a Hedging Agreement permitted by Section 6.07 to secure Hedging Obligations in respect thereof; provided that such Liens in respect of Indebtedness incurred pursuant to Section 6.01(l) shall not apply to any other assets of Parent or any Subsidiary other than after-acquired property that is affixed or incorporated into the assets initially covered by such Lien and the proceeds and products of the foregoing; provided further that such Liens shall not secure Indebtedness or Hedging Obligations in excess of $100,000,000 in the aggregate;

(m) Liens on the Collateral securing Incremental Equivalent Debt that are pari passu with or junior to the Liens on the Collateral securing the Obligations; provided that a trustee, collateral agent, security agent or other Person acting on behalf of the holders of such Indebtedness has entered into an Intercreditor Agreement;

(n) Liens consisting of cash collateral to secure Hedging Agreements permitted by Section 6.07;

(o) additional Liens (which may include Liens on the Collateral which Liens are on a pari passu basis (but without regard to the control of remedies) with (or junior in priority to) the Liens on the Collateral securing the other Loan Document Obligations) securing Indebtedness or other obligations in an aggregate principal amount not to exceed at any time outstanding the greater of (A) $336,000,000 and (B) 35% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period as of the time such Liens are incurred and, at the election of Parent with respect to any such Liens on Collateral, a trustee, collateral agent, security agent or other Person acting on behalf of the holders of such Indebtedness may become a party to an Intercreditor Agreement;

(p) Liens on assets of Foreign Subsidiaries securing obligations of Foreign Subsidiaries permitted hereunder; and

(q) Liens securing Indebtedness permitted by Section 6.01(c).

SECTION 6.03 Fundamental Changes. (a) None of Parent or any Subsidiary will merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or liquidate or dissolve (which, for the avoidance of doubt, shall not restrict Parent or any Subsidiary from changing its organizational form), except that:

(i) any Person (other than the Borrower) may merge into or consolidate with Parent in a transaction in which Parent is the surviving entity;

(ii) any Person (other than Parent or the Borrower) may merge or consolidate with any Subsidiary in a transaction in which the surviving entity is a Subsidiary (and, if any party to such merger or consolidation is a Loan Party, the surviving entity is a Loan Party);

(iii) any Subsidiary (other than the Borrower) may merge into or consolidate with any Person (other than Parent or the Borrower) in a transaction permitted under Section 6.05 (other than pursuant to Section 6.05(n)) in which, after giving effect to such transaction, the surviving entity is not a Subsidiary;

(iv) any Subsidiary (other than the Borrower) may merge, consolidate or amalgamate with any other Person in order to effect an Investment permitted pursuant to Section 6.04; provided that if such Subsidiary is a Loan Party the continuing or surviving Person shall be a Loan Party;

(v) any Subsidiary (other than the Borrower) may liquidate or dissolve if Parent determines in good faith that such liquidation or dissolution is in the best interests of Parent and is not materially disadvantageous to the Lenders; provided that any such merger or consolidation involving a Person that is not a wholly-owned Subsidiary immediately prior thereto shall not be permitted unless it is also permitted under Section 6.04 or 6.05 (other than pursuant to Section 6.05(n)); and

(vi) Parent or any Subsidiary may consummate any Permitted Reorganization.

(b) None of Parent or any Subsidiary will engage to any material extent in any business other than businesses of the type conducted by Parent and the Subsidiaries on the Effective Date and businesses reasonably related, ancillary, adjacent or incidental thereto.

SECTION 6.04 Investments, Loans, Advances, Guarantees and Acquisitions. None of Parent or any Subsidiary will purchase, hold, acquire (including pursuant to any merger or consolidation with any Person that was not a wholly-owned Subsidiary prior thereto), make or otherwise permit to exist any Investment in any other Person, except:

(a) [reserved];

(b) Permitted Investments;

(c) (i) Investments existing in Subsidiaries on the Effective Date and (ii) other Investments existing or contemplated by investment agreements existing on the Effective Date as set forth on Schedule 6.04;

(d) (i) Investments by any Loan Party in another Loan Party, (ii) Investments by any Subsidiary that is not a Loan Party in any other Subsidiary that is not a Loan Party, (iii) Investments by Loan Parties in any Subsidiary (including any Unrestricted Subsidiary) that is not a Loan Party, (iv) Investments by Loan Parties in any Subsidiary that is not a Loan Party so long as such Investment is part of a series of simultaneous Investments by Subsidiaries in other Subsidiaries (including Unrestricted Subsidiaries) that result in the proceeds of the initial Investment being invested in one or more Loan Parties and (v) Investments (including by way of capital contributions) by Parent and the Subsidiaries in Equity Interests in their Subsidiaries; provided, in the case of clause (iii), that (x) any such Equity Interests held by a Loan Party shall be pledged in accordance with the requirements of (and to the extent required by) the Collateral and Guarantee Requirement and (y) other than with respect to any Investment by a Loan Party in any Restricted Subsidiary that is not a Loan Party pursuant to this clause (iii) that is made (x) in the ordinary course of business, (y) for regulatory capital requirements or (z) for cash management purposes or similar purposes, no Investment by any Loan Party in any Subsidiary that is not a Loan Party shall be permitted pursuant to this clause (iii) if, at the time of the making of, and after giving effect to, such Investment, the aggregate amount of such Investments exceeds the greater of (A) 384,000,000 and (B) 40% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period;

(e) loans or advances made among Parent and its Subsidiaries (including Unrestricted Subsidiaries); provided that no loan or advance made by any Loan Party to a Subsidiary (including any Unrestricted Subsidiary) that is not a Loan Party shall be permitted pursuant to this Section 6.04(e) if, at the time of, and after giving effect to, the making of such loan or advance (and any substantially simultaneous use of the Permitted Amount) and the use of proceeds thereof, the Permitted Amount would be less than zero;

(f) Guarantees by Parent or any Subsidiary of Indebtedness or other obligations of Parent or any Subsidiary, including any Unrestricted Subsidiary (including any such Guarantees arising as a result of any such Person being a joint and several co-applicant with respect to any letter of credit or letter of guaranty); provided that (i) (A) a Subsidiary (including any Unrestricted Subsidiary) that has not Guaranteed the Obligations pursuant to the Guarantee Agreement shall not Guarantee any Indebtedness of any Loan Party (other than Indebtedness of a Loan Party owed to Parent or a Subsidiary) in an amount exceeding at any time outstanding (for all such Guarantees made pursuant to this clause (A)) the greater of (A) $384,000,000 and (B) 40% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period as of the time such Indebtedness is guaranteed and (B) if the Guarantee is of

Indebtedness that is required to be subordinated to the Loan Document Obligations, such Guarantee shall be subordinated to the Loan Document Obligations on terms no less favorable to the Lenders, taken as a whole, than the subordination terms of such Subordinated Indebtedness, (ii) any such Guarantee constituting Indebtedness is permitted by Section 6.01 (other than clause (d) thereof) and (iii) no Guarantee by any Loan Party of Indebtedness (excluding, for the avoidance of doubt, Guarantees of obligations not constituting Indebtedness) of any Subsidiary (including any Unrestricted Subsidiary)that is not a Loan Party shall be permitted pursuant to this Section 6.04(f) if, at the time of the making of, and after giving effect to, such Guarantee (and any substantially simultaneous use of the Permitted Amount), the Permitted Amount would be zero;

(g) (i) loans or advances to officers, directors or employees of Parent or any Subsidiary made in the ordinary course of business, including those to finance the purchase of Equity Interests of Parent pursuant to employee plans and (ii) payroll, travel, entertainment, relocation and similar advances to officers, directors and employees of Parent or any Subsidiary that are made in the ordinary course of business; provided that the aggregate principal amount of such loans and advances under this clause (g) outstanding at any time shall not exceed the greater of (A) $144,000,000 and (B) 15% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period as of the time such loan or advance is made;

(h) Investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, or consisting of securities acquired in connection with the satisfaction or enforcement of claims due or owing to Parent or any Subsidiary, in each case in the ordinary course of business;

(i) Permitted Acquisitions (it being understood the definition thereof contains certain separate requirements that must be complied with in order for an Investment to qualify as a Permitted Acquisition) and Investments consisting of cash earnest money deposits in connection with a Permitted Acquisition or other Investment permitted hereunder;

(j) Investments held by a Subsidiary acquired after the Effective Date or of a Person merged or consolidated with or into Parent or a Subsidiary after the Effective Date, in each case as permitted hereunder, to the extent that such Investments were not made in contemplation of or in connection with such acquisition, merger or consolidation and were in existence on the date of such acquisition, merger or consolidation;

(k) Investments made as a result of the receipt of non-cash consideration from a sale, transfer, lease or other disposition of any asset in compliance with Section 6.05;

(l) Investments by Parent or any Subsidiary that result solely from the receipt by Parent or such Subsidiary from any of its Subsidiaries of a dividend or other Restricted Payment in the form of Equity Interests, evidences of Indebtedness or other securities (but not any additions thereto made after the date of the receipt thereof);

(m) Investments in the form of Hedging Agreements permitted under Section 6.07;

(n) Investments consisting of (i) extensions of trade credit, (ii) deposits made in connection with the purchase of goods or services or the performance of leases, licenses or contracts, in each case, in the ordinary course of business, (iii) notes receivable of, or prepaid royalties and other extensions of credit to, customers and suppliers that are not Affiliates of Parent and that are made in the ordinary course of business and (iv) Guarantees made in the ordinary course of business in support of

obligations of Parent or any of its Subsidiaries not constituting Indebtedness for borrowed money, including operating leases and obligations owing to suppliers, customers and licensees;

(o) mergers and consolidations permitted under Section 6.03 that do not involve any Person other than Parent and Subsidiaries that are wholly-owned Subsidiaries;

(p) Investments (including by way of capital contributions, loans and advances and Guarantees of Indebtedness) by Parent and the Subsidiaries (A) in Joint Ventures or Unrestricted Subsidiaries in an aggregate amount not to exceed the greater of $240,000,000 and 25% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period, (B) in Joint Ventures, including in connection with the creation, formation and/or acquisition of any Joint Venture or (C) in any Restricted Subsidiary to enable such Restricted Subsidiary to create, form and/or acquire any Joint Venture, in an aggregate outstanding amount under sub-clauses (B) and (C) not to exceed the greater of $240,000,000 and 25% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period;

(q) Investments consisting of Guarantees in the ordinary course of business to support the obligations of any Subsidiary under its worker's compensation and general insurance agreements;

(r) Investments in an amount not in excess of the Available Amount at the time such Investment is made;

(s) intercompany loans or other intercompany Investments made by the Loan Parties in the ordinary course of business to or in any Subsidiary that is not a Loan Party to provide funds as necessary to enable the applicable Subsidiary that is not a Loan Party to comply with changes in statutory or contractual capital requirements (other than any contractual requirement that constitutes a Guarantee);

(t) any Investment to the extent procured in exchange for the issuance of Qualified Equity Interests;

(u) Investments to the extent consisting of the redemption, purchase, repurchase or retirement of any common Equity Interests expressly permitted under Section 6.08;

(v) Guarantees by Parent or any Subsidiary of operating leases or of other obligations (for the avoidance of doubt, excluding any Capital Lease Obligations) that do not constitute Indebtedness, in each case, entered into by Parent or any such Subsidiary in the ordinary course of business;

(w) Investments consisting of the non-exclusive licensing of Intellectual Property pursuant to joint marketing arrangements with other Persons, in the ordinary course of business;

(x) additional Investments; provided that the Total Net Leverage Ratio immediately after giving effect to any such Investment, calculated on a Pro Forma Basis at the time such Investment is made, is not in excess of 2.75 to 1.00; provided, however, that at the time any such Investment is made pursuant to this clause (x), no Specified Event of Default shall have occurred and be continuing or would result therefrom;

(y) (i) Investments made in connection with the cash management of Parent and the Subsidiaries; provided that such Investments are made in the ordinary course of business or are consistent with past practice and (ii) intercompany loans, advances, payables and receivables made among Parent

and its Subsidiaries in connection with the cash management of such entities in the ordinary course of business or consistent with past practice;

(z) Investments (including debt obligations and Equity Interests) received in connection with the bankruptcy or reorganization of suppliers and customers and in settlement of delinquent obligations of, and other disputes with, customers and suppliers arising in the ordinary course of business and upon the foreclosure with respect to any secured Investment or other transfer of title with respect to any secured Investment;

(aa) any Permitted Reorganization;

(bb) to the extent constituting Investments, Indebtedness permitted by Section 6.01, guarantees of obligations that do not constitute Indebtedness and are otherwise not prohibited hereunder and Liens permitted by Section 6.02;

(cc) accounts receivable arising and trade credit granted in the ordinary course of business; and

(dd) additional Investments in an aggregate amount not to exceed, in any fiscal year, (i) the greater of (A) $384,000,000 and (B) 40% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period as of the time such Investments are made, plus (ii) in the event that (A) Parent or any of its Restricted Subsidiaries makes any Investment pursuant to this clause (dd) in any Subsidiary that is not a Restricted Subsidiary and (B) such Subsidiary subsequently becomes a Restricted Subsidiary, an amount equal to 100% of the amount of Investments in such Subsidiary pursuant to this clause (dd) as of the date on which such Subsidiary becomes a Restricted Subsidiary;

(ee) Investments in any Similar Business (including any Joint Venture engaged in a Similar Business), in an aggregate outstanding amount not to exceed the greater of $240,000,000 and 25% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period as of the time such Investments are made;

provided that notwithstanding anything herein to the contrary, no Loan Party or any Restricted Subsidiary shall directly or indirectly transfer (including by way of an exclusive license or sublicense) any Material Intellectual Property to any Unrestricted Subsidiary, whether in a single transaction or series of related transactions; provided further that nothing in this Agreement shall prohibit (i) any Subsidiary that is not a Loan Party from independently developing (and, thereafter, continuing to own or exclusively license) any Intellectual Property for use in its own business, (ii) the granting of non-exclusive licenses of Intellectual Property to an Unrestricted Subsidiary in the ordinary course of business or (iii) the granting by a Loan Party or any Restricted Subsidiary of exclusive licenses to an Unrestricted Subsidiary of (A) Intellectual Property that is not Material Intellectual Property or (B) Material Intellectual Property where the exclusivity is limited to a specified field of use and a specific territory, in each case, that is not material to the business of the Parent and its Subsidiaries, taken as a whole (as determined by the Parent reasonably and in good faith), and where a Loan Party or Restricted Subsidiary retains, and does not exclusively license to any other Unrestricted Subsidiary, all rights with respect to such Material Intellectual Property in all other fields of use and territories, in each case, that are material to the business of the Parent and its Subsidiaries, taken as a whole.

Notwithstanding anything contrary set forth above, (i) if any Investment is denominated in a foreign currency, no fluctuation in currency values shall result in a breach of this Section 6.04 and (ii) if any Investment is made in reliance on any "basket" determined by reference to Consolidated EBITDA, no fluctuation in the amount of Consolidated EBITDA shall result in a breach of this Section 6.04. In

addition, in the event that a Loan Party makes an Investment in an Excluded Subsidiary for purposes of permitting such Excluded Subsidiary or any other Excluded Subsidiary to apply the amounts received by it to make a substantially concurrent Investment (which may be made through any other Excluded Subsidiary) permitted hereunder, such substantially concurrent Investment by such Excluded Subsidiary shall not be included as an Investment for purposes of this Section 6.04 to the extent that the initial Investment by the Loan Party reduced amounts available to make Investments hereunder.

SECTION 6.05 Asset Sales. None of Parent or any Subsidiary will sell, transfer, lease, license, sublicense or otherwise dispose of any asset having a fair market value in excess of the greater of $48,000,000 and 5% of Consolidated EBITDA in a single transaction or in a series of related transactions or in excess of the greater of $96,000,000 and 10% of Consolidated EBITDA in the aggregate for all such transactions in any Fiscal Year, including any Equity Interest owned by it (but other than, for the avoidance of doubt, treasury shares of Parent held by Parent), nor will any Subsidiary issue any additional Equity Interest in such Subsidiary (other than issuing directors' qualifying shares and other than issuing Equity Interests to Parent or another Subsidiary in compliance with Section 6.04(d)) (each, a "Disposition"), except:

(a) Dispositions of (i) inventory or other tangible property, (ii) used, obsolete, damaged or surplus equipment and (iii) cash and Permitted Investments, in each case in the ordinary course of business;

(b) Dispositions to Parent or a Subsidiary; provided that any such Disposition involving a Subsidiary that is not a Loan Party shall be made in compliance with Sections 6.04 and 6.09;

(c) Dispositions of accounts receivable in connection with the compromise, settlement or collection thereof in the ordinary course of business consistent with past practice and not as part of any accounts receivables financing transaction;

(d) (i) Dispositions of assets to the extent that such Disposition constitutes an Investment referred to in and permitted by Section 6.04 and (ii) Dispositions of assets to the extent that such Disposition constitute a Restricted Payment referred to in and permitted by Section 6.08;

(e) Sale/Leaseback Transactions permitted by Section 6.06;

(f) Licenses, sublicenses, leases or subleases entered into in the ordinary course of business, to the extent that they do not materially interfere with the business of Parent or any Subsidiary;

(g) Non-exclusive licenses or sublicenses of Intellectual Property in the ordinary course of business;

(h) Dispositions resulting from any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any asset of any of Parent or any Subsidiary;

(i) Dispositions of assets (including as a result of like-kind exchanges) to the extent that (i) such assets are exchanged for credit (on a fair market value basis) against the purchase price of similar or replacement assets or (ii) such asset is disposed of for fair market value and the proceeds of such Disposition are promptly applied to the purchase price of similar or replacement assets;

(j) Dispositions of Investments in joint ventures to the extent required by the relevant joint venture arrangements;

(k) the abandonment, cancellation, non-renewal or discontinuance of use or maintenance of Intellectual Property (other than Material Intellectual Property) that Parent determines in its reasonable judgment does not need to be used or maintained;

(l) additional Dispositions of assets (including Equity Interests); provided that (i) if the total fair market value of the assets subject to any such Disposition or series of related Dispositions is in excess of the greater of $144,000,000 and 15% of Consolidated EBITDA, it shall be for fair market value (or if not for fair market value, the shortfall is permitted as and treated as an Investment under Section 6.04), (ii) if the Total Net Leverage Ratio immediately after giving effect to any such Disposition (calculated on a Pro Forma Basis at the time such Disposition is made) exceeds 2.50 to 1.00, at least 75% of the total consideration for any such Disposition received by Parent and its Subsidiaries is in the form of cash or Permitted Investments and (iii) no Event of Default then exists or would result from such Disposition (except if such Disposition is made pursuant to an agreement entered into at a time when no Event of Default exists); provided, however, that for purposes of clause (ii) above, the following shall be deemed to be cash: (A) any liabilities (as shown on Parent's or such Subsidiary's most recent balance sheet provided hereunder or in the footnotes thereto) of Parent or such Subsidiary (other than liabilities that are by their terms subordinated to the Obligations) that are assumed by the transferee with respect to the applicable Disposition and for which Parent and its Subsidiaries shall have been validly released by all applicable creditors in writing, (B) any securities, notes or other obligations or assets received by Parent or any of its Subsidiaries from such transferee that are converted by Parent or such Subsidiary into cash or Permitted Investments (to the extent of the cash or Permitted Investments received) within one hundred and eighty (180) days following the closing of the applicable Disposition and (C) any Designated Non-Cash Consideration received by Parent or any of its Subsidiaries in such Disposition having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (l) that is at that time outstanding, not to exceed the greater of (i) $192,000,000 and (ii) 20% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period as of the time of such Disposition (with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value);

(m) the granting of Liens permitted pursuant to Section 6.02 (other than Section 6.02(f));

(n) Dispositions permitted by Section 6.03 (other than by reference to this Section 6.05(n));

(o) Dispositions of receivables in the ordinary course of business and consistent with past practice of Parent and the Subsidiaries;

(p) additional Dispositions of assets in an aggregate amount not to exceed the greater of (A) $288,000,000 and (B) 30% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period as of the time of such Dispositions; and

(q) any Permitted Reorganization.

Notwithstanding the foregoing, (x) other than Dispositions to Parent or any Subsidiary in compliance with Section 6.04, and other than directors' qualifying shares and other nominal amounts of Equity Interests that are required to be held by other Persons under applicable Requirements of Law, no such Disposition of any Equity Interests in any Subsidiary shall be permitted unless immediately after giving effect to such transaction, Parent and the Subsidiaries shall otherwise be in compliance with Section 6.04 and (y) no Loan Party or any Restricted Subsidiary shall directly or indirectly transfer (including by way of an exclusive license or sublicense) any Material Intellectual Property to any Unrestricted Subsidiary,

whether in a single transaction or series of related transactions; provided that nothing in this Agreement shall prohibit (i) any Subsidiary that is not a Loan Party from independently developing (and, thereafter, continuing to own or exclusively license) any Intellectual Property for use in its own business, (ii) the granting of non-exclusive licenses of Intellectual Property to an Unrestricted Subsidiary in the ordinary course of business or (iii) the granting by a Loan Party or any Restricted Subsidiary of exclusive licenses to an Unrestricted Subsidiary of (A) Intellectual Property that is not Material Intellectual Property or (B) Material Intellectual Property where the exclusivity is limited to a specified field of use and a specific territory, in each case, that is not material to the business of the Parent and its Subsidiaries, taken as a whole (as determined by the Parent reasonably and in good faith), and where a Loan Party or Restricted Subsidiary retains, and does not exclusively license to any other Unrestricted Subsidiary, all rights with respect to such Material Intellectual Property in all other fields of use and territories, in each case, that are material to the business of the Parent and its Subsidiaries, taken as a whole.

SECTION 6.06 Sale/Leaseback Transactions. None of Parent or any Subsidiary will enter into any Sale/Leaseback Transaction unless (a) the sale or transfer of the property thereunder is permitted under Section 6.05 (other than Section 6.05(e)), (b) any Capital Lease Obligations arising in connection therewith are permitted under Section 6.01 and (c) any Liens arising in connection therewith (including Liens deemed to arise in connection with any such Capital Lease Obligations) are permitted under Section 6.02.

SECTION 6.07 [Reserved].

SECTION 6.08 Restricted Payments; Certain Payments of Indebtedness. (a) None of Parent or any Subsidiary will declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except that:

(i) any Subsidiary may declare and pay dividends or make other distributions with respect to its Equity Interests, in each case ratably to the holders of such Equity Interests (or if not ratably, on a basis more favorable to Parent and the Loan Parties);

(ii) Parent may declare and pay dividends with respect to its Equity Interests payable solely in shares of Qualified Equity Interests of Parent;

(iii) Parent may repurchase, purchase, acquire, cancel or retire for value Equity Interests of Parent from present or former employees, officers, directors or consultants (or their estates or beneficiaries under their estates) (each a "Permitted Payee") of Parent or any Subsidiary upon the death, disability, retirement or termination of employment or service of such employees, officers, directors or consultants, or to the extent required, pursuant to employee benefit plans, employment agreements, stock purchase agreements or stock purchase plans, or other benefit plans; provided that Parent may make Restricted Payments pursuant to this Section 6.08(a)(iii):

(A) with cash and Permitted Investments, in an aggregate amount not to exceed the greater of $96,000,000 and 10% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period, which, if not used in any fiscal Year, may be carried forward to succeeding fiscal Years; plus

(B) with the proceeds of any sale or issuance of, or of any capital contribution in respect of, the Qualified Equity Interests of Parent; plus

(C) with the net proceeds of any key-man life insurance policies; plus

(D) with the amount of any cash bonuses otherwise payable to any Permitted Payee that are foregone in exchange for the receipt of Equity Interests of Parent pursuant to any compensation arrangement, including any deferred compensation plan;

(iv) Parent may make cash payments in lieu of the issuance of fractional shares representing insignificant interests in Parent in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Equity Interests in Parent;

(v) Parent may acquire Equity Interests of Parent upon the exercise of stock options for such Equity Interests of Parent if such Equity Interests represent a portion of the exercise price of such stock options or in connection with tax withholding obligations arising in connection with the exercise of options by, or the vesting of restricted Equity Interests held by, any current or former director, officer or employee of Parent or its Subsidiaries;

(vi) Parent may convert or exchange any Equity Interests of Parent for or into Qualified Equity Interests of Parent;

(vii) Parent or any Subsidiary may on any date make Restricted Payments in an amount equal to the Available Amount on such date; provided, however, that, solely with respect to any Restricted Payment made using the Builder Component, at the time of the making of such Restricted Payments and immediately after giving effect to such Restricted Payments made in reliance on this subclause (vii), (x) no Event of Default shall have occurred and be continuing or would result therefrom and (y) the Total Net Leverage Ratio on the date of such Restricted Payments, calculated on a Pro Forma Basis to give effect to any such Restricted Payments, is not in excess of the level that is 0.25 to 1.00 less than the then-applicable financial maintenance covenant level set forth in Section 6.13;

(viii) any Subsidiary may repurchase its Equity Interests held by minority shareholders or interest holders in a Permitted Acquisition or another transaction expressly permitted by Section 6.04 (other than Section 6.04(u) (it being understood that for purposes of Section 6.04, Parent shall be deemed the purchaser of such Equity Interests and such repurchase shall constitute an Investment by Parent in a Person that is not a Subsidiary in the amount of such purchase unless such Subsidiary becomes a Loan Party in connection with such repurchase);

(ix) to the extent such Investment constitutes a Restricted Payment, Parent and its Subsidiaries may enter into any Investment expressly permitted by Section 6.04 (other than Section 6.04(u));

(x) additional Restricted Payments; provided that the Total Net Leverage Ratio immediately after giving effect to any such Restricted Payment, calculated on a Pro Forma Basis at the time such Restricted Payment is made, is not in excess of 2.50 to 1.00; provided, further, that at the time any such Restricted Payment is made pursuant to this clause (x), no Event of Default shall have occurred and be continuing or would result therefrom;

(xi) Parent may make Restricted Payments with respect to any Equity Interests of Parent in an amount not to exceed 6.00% per annum of the Market Capitalization of Parent and its subsidiaries; and

(xii) additional Restricted Payments in an aggregate principal amount not to exceed the greater of (A) $288,000,000 and (B) 30% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period.

Notwithstanding anything herein to the contrary, no Loan Party or any Restricted Subsidiary shall directly or indirectly transfer (including by way of an exclusive license or sublicense) any Material Intellectual Property to any Unrestricted Subsidiary, whether in a single transaction or series of related transactions; provided that nothing in this Agreement shall prohibit (1) any Subsidiary that is not a Loan Party from independently developing (and, thereafter, continuing to own or exclusively license) any Intellectual Property for use in its own business, (2) the granting of non-exclusive licenses of Intellectual Property to an Unrestricted Subsidiary in the ordinary course of business or (3) the granting by a Loan Party or any Restricted Subsidiary of exclusive licenses to an Unrestricted Subsidiary of (A) Intellectual Property that is not Material Intellectual Property or (B) Material Intellectual Property where the exclusivity is limited to a specified field of use and a specific territory, in each case, that is not material to the business of the Parent and its Subsidiaries, taken as a whole (as determined by the Parent reasonably and in good faith), and where a Loan Party or Restricted Subsidiary retains, and does not exclusively license to any other Unrestricted Subsidiary, all rights with respect to such Material Intellectual Property in all other fields of use and territories, in each case, that are material to the business of the Parent and its Subsidiaries, taken as a whole.

(b) None of Parent or any Subsidiary will make or agree to pay or make, directly or indirectly, any payment or other distribution (whether in cash, securities or other property) of or in respect of principal of or interest on any Subordinated Indebtedness that is subordinated to the payment of the Obligations to the extent the outstanding principal amount thereof is equal to or greater than the greater of (A) $144,000,000 and (B) 15% of Consolidated EBITDA computed as of the last day of the most recently ended Test Period (such Indebtedness, "Restricted Indebtedness"), or any payment or other distribution (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, defeasance, cancelation or termination of such Restricted Indebtedness, except:

(i) regularly scheduled interest and principal payments as and when due in respect of such Indebtedness, other than payments prohibited by the subordination provisions thereof;

(ii) refinancings of such Indebtedness with the proceeds of Refinancing Indebtedness permitted in respect thereof under Section 6.01;

(iii) payments of or in respect of such Indebtedness made solely with Qualified Equity Interests in Parent or the conversion of such Indebtedness into Qualified Equity Interests of Parent;

(iv) prepayments of intercompany Indebtedness permitted hereby owed by Parent or any Subsidiary to Parent or any Subsidiary, other than prepayments prohibited by the subordination provisions governing such Indebtedness;

(v) Parent or any Subsidiary may on any date make payments of or in respect of any such Indebtedness in an amount equal to the Available Amount on such date; provided, however, that, solely with respect to any such payment made using the Builder Component, at the time of the making of such payments and immediately after giving effect to such payments, (x) no Event of Default shall have occurred and be continuing or would result therefrom and (y) the Total Net Leverage Ratio on the date of such payments, calculated on a Pro

Forma Basis to give effect to any such payments, is not in excess of the level that is 0.25 to 1.00 less than the then-applicable financial maintenance covenant level set forth in Section 6.13;

(vi) Parent may on any date make payments of or in respect of any such Indebtedness in an unlimited amount; provided that the Total Net Leverage Ratio immediately after giving effect to any such payment, calculated on a Pro Forma Basis at the time such payment is made, is not in excess of 2.50 to 1.00; provided, further, that at the time any such payment is made pursuant to this clause (vi), no Event of Default shall have occurred and be continuing or would result therefrom; and

(vii) Parent may on any date make payments of or in respect of any such Indebtedness in an aggregate principal amount not to exceed the greater of (x) $240,000,000 and (y) 25% of Consolidated EBITDA computed on a Pro Forma Basis for the most recently ended Test Period; provided that at the time any such payment is made pursuant to this clause (vii), no Event of Default shall have occurred and be continuing or would result therefrom.

SECTION 6.09 Transactions with Affiliates. None of Parent or any Subsidiary will sell, lease, or otherwise transfer any assets to, or purchase, lease or otherwise acquire any assets from, or otherwise engage in any other transactions in each case with an aggregate value for any such transaction or series of related transactions in excess of $10,000,000 with, any of its Affiliates (each an "Affiliate Transaction"), except (a) transactions that are at prices and on terms and conditions, taken as a whole, not less favorable to Parent or such Subsidiary than those that could be obtained on an arm's-length basis from unrelated third parties, (b) transactions between or among Parent and/or Subsidiaries of Parent, (c) any Investment permitted under Section 6.04, (d) the payment of reasonable fees to directors of Parent or any Subsidiary who are not employees of Parent or any Subsidiary, (e) compensation, expense reimbursement and indemnification of, and other employment arrangements (including severance arrangements) and health, disability and similar insurance or benefit arrangements with, directors, officers and employees of Parent or any Subsidiary entered into in the ordinary course of business, (f) any Restricted Payment permitted by Section 6.08, (g) sales of Equity Interests to Affiliates to the extent not prohibited under this Agreement, (h) any payments or other transactions pursuant to any tax sharing agreement among the Loan Parties and their Subsidiaries; provided that any such tax sharing agreement is entered into in the ordinary course of business or on terms usual and customary for agreements of that type, (i) transactions with joint ventures in the ordinary course of business, (j) any Indebtedness permitted by Section 6.01, (k) any Liens permitted by Section 6.02, (k) any transactions permitted by Section 6.03 or 6.05, (l) [reserved] and (m) agreements in existence on the Effective Date and set forth on Schedule 6.09 or any amendment to any such agreement to the extent such amendment is not materially adverse, taken as a whole, the Lenders in any material respect.

SECTION 6.10 Restrictive Agreements. None of Parent or any Subsidiary will, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that restricts or imposes any condition upon (a) the ability of Parent or any Subsidiary to create, incur or permit to exist any Lien upon any of its assets to secure the Obligations or (b) the ability of any Subsidiary to pay dividends or other distributions with respect to any of its Equity Interests or to make or repay loans or advances to Parent or any Subsidiary; provided that (i) the foregoing shall not apply to (A) restrictions and conditions imposed by law or by this Agreement or any other Loan Document, (B) restrictions and conditions contained in any agreement or document governing or evidencing Refinancing Indebtedness in respect of Indebtedness referred to in clause (A) (including, for the avoidance of doubt, Permitted First Priority Refinancing Indebtedness, Permitted Second Priority Refinancing Indebtedness and Permitted Unsecured Refinancing Indebtedness) or Refinancing Indebtedness in respect thereof; provided that any restrictions and conditions (that would otherwise be prohibited by clause (a) or (b) above) contained in any such agreement or document referred to in this clause (B) are not materially less favorable, taken as a

whole, to the Lenders than the restrictions and conditions imposed by this Agreement, (C) restrictions and conditions existing on the date hereof identified on Schedule 6.10 and any extension, renewal, amendment, modification or replacement thereof, except to the extent any such extension, renewal, amendment, modification or replacement expands the scope of any such restriction or condition, (D) in the case of any Subsidiary that is not a wholly-owned Subsidiary, restrictions and conditions imposed by its Organizational Documents or any related joint venture, shareholder or similar agreements; provided that such restrictions and conditions apply only to such Subsidiary and to the Equity Interests of such Subsidiary, (E) restrictions imposed by any agreement governing Indebtedness entered into after the Effective Date and permitted under Section 6.01(and any Refinancing Indebtedness in respect thereof) that either (i) are customary or reasonable or, taken as a whole, in the good faith judgment of Parent, not materially more restrictive with respect to Parent or any Subsidiary than those contained in this Agreement, (ii) are, taken as a whole, in the good-faith judgment of the Parent, not materially more restrictive as concerning the Parent or any Subsidiary than customary market terms for Indebtedness of such type, or (iii) the Borrower determines at the time of entry into such agreement or instrument that such encumbrances or restrictions will not adversely affect, in any material respect, the Borrower's ability to make principal or interest payments required hereunder or such encumbrances or restriction applies only during the continuance of a default relating to such agreement or instrument, (F) customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary or any assets of Parent or any Subsidiary, in each case pending such sale; provided that such restrictions and conditions apply only to such Subsidiary or the assets that are to be sold and, in each case, such sale is permitted hereunder; and (ii) clause (a) or (b) of the foregoing shall not apply to (A) restrictions and conditions imposed by any agreement relating to secured Indebtedness permitted by clause (b), (e), (f), (g), (h), (i), (j), (k), (l), (n), (o), (p), (q), (u) or (v) of Section 6.01 if such restrictions and conditions apply only to the assets securing such Indebtedness, (B) customary provisions in leases, licenses and other agreements restricting the assignment thereof, (C) customary net worth provisions contained in real property leases, (D) restrictions on cash (or Permitted Investments) or other deposits or net worth imposed by (x) suppliers or landlords under contracts entered into in the ordinary course of business, (y) customers under contracts entered into in the ordinary course of business or (z) or otherwise in the ordinary course of business, (E) restrictions imposed by agreements relating to Indebtedness of any Subsidiary in existence at the time such Subsidiary became a Subsidiary and otherwise permitted by Section 6.01(g); provided that such restrictions apply only to such Subsidiary and its assets (or any special purpose acquisition Subsidiary without material assets acquiring such Subsidiary pursuant to a merger), (F) customary provisions restricting assignment of any agreement entered into in the ordinary course of business, (G) restrictions imposed by applicable law and (H) customary restrictions regarding non-exclusive licensing or sublicensing by Parent or any of its Subsidiaries of Intellectual Property in the ordinary course of business. Nothing in this paragraph shall be deemed to modify the requirements set forth in the definition of the term "Collateral and Guarantee Requirement" or the obligations of the Loan Parties under Section 5.03, 5.11 or 5.17 or under the Security Documents.

SECTION 6.11 Amendment of Material Documents. No Loan Party will, amend, modify or waive any of its rights under any agreement or document evidencing Restricted Indebtedness that constitutes Material Indebtedness to the extent such amendment, modification or waiver, taken as a whole, would be materially adverse to the Lenders.

SECTION 6.12 Fiscal Year. Parent will not, and Parent will not permit any other Loan Party to, change its fiscal year to end on a date other than December 31.

SECTION 6.13 Total Net Leverage Ratio. Parent shall not permit the Total Net Leverage Ratio to exceed 3.00 to 1.00; provided that after a Qualifying Acquisition, the Borrower shall have the option to increase the maximum Total Net Leverage Ratio for each of the four consecutive fiscal quarters ending thereafter (commencing with the fiscal quarter during which such Qualifying Acquisition

is consummated and subject solely to the Parent or the Borrower submitting a written notice to the Administrative Agent of its election to exercise such option) by 0.50:1.00 (a "Permitted Financial Covenant Step-Up"); provided, further, (i) such increase in the Total Net Leverage Ratio shall be limited to two uses during the life of the Revolving Facility and (ii) following any such election to increase, no such further election may be made unless, as of the end of at least two consecutive fiscal quarters immediately preceding such further election, the Total Net Leverage Ratio was not greater than the maximum Total Net Leverage Ratio that would apply but for such Qualifying Acquisition.

SECTION 6.14 Outbound Investment Rules. Parent will not, and will not permit any of its Subsidiaries to, (a) be or become a "covered foreign person", as that term is defined in the Outbound Investment Rules, or (b) engage, directly or indirectly, in any activity that would cause the Administrative Agent or any Lender to be in violation of the Outbound Investment Rules or cause the Administrative Agent or any Lender to be legally prohibited by the Outbound Investment Rules from performing under this Agreement.

ARTICLE VII

EVENTS OF DEFAULT

If any of the following events (each such event, an "Event of Default") shall occur:

(a) the Borrower shall fail to pay any principal of any Loan when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for mandatory prepayment thereof or otherwise;

(b) the Borrower shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Article VII) payable under this Agreement or any other Loan Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five Business Days;

(c) any representation, warranty or statement made or deemed made by or on behalf of any Loan Party in any Loan Document or in any report, certificate, financial statement or other information furnished pursuant to or in connection with this Agreement or any other Loan Document or waiver hereunder or thereunder shall prove to have been incorrect in any material respect when made or deemed made;

(d) Parent or the Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02(a), 5.04 (with respect to the existence of Parent and the Borrower), 5.10, 5.16 or in Article VI;

(e) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in this Agreement or any other Loan Document (other than those specified in clause (a), (b) or (d) of this Article VII), and such failure shall continue unremedied for a period of 30 days after notice thereof from the Administrative Agent or any Lender to Parent (with a copy to the Administrative Agent in the case of any such notice from a Lender);

(f) Parent or any Subsidiary shall fail to make any payment (whether of principal, interest, premium or otherwise and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable (after giving effect to any grace period applicable on the date on which such payment was initially due), unless such event is remedied by Parent or any applicable

Subsidiary or waived (including in the form of amendment) by the requisite holders of the applicable item of Material Indebtedness in either case, prior to acceleration of all the Loans pursuant to this Article VII;

(g) any event or condition occurs that results in any Material Indebtedness becoming due or being required to be prepaid, repurchased, redeemed or defeased prior to its scheduled maturity or that enables or permits the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf, or, in the case of any Hedging Agreement, the applicable counterparty, to cause such Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity (in each case after expiration of any applicable grace or cure period set forth in the agreement or instrument evidencing or governing such Material Indebtedness); provided that this clause (g) shall not apply to (i) any secured Indebtedness that becomes due as a result of the voluntary sale, transfer or other disposition of the assets securing such Indebtedness, (ii) any Indebtedness that becomes due as a result of a voluntary refinancing thereof permitted under Section 6.01, (iii) the occurrence of any conversion or exchange trigger in Indebtedness that is contingently convertible or exchangeable into Equity Interests of Parent or (iv) any such event or condition that is remedied by Parent or any applicable Subsidiary or waived (including in the form of amendment) by the requisite holders of the applicable item of Material Indebtedness in either case, prior to acceleration of all the Loans pursuant to this Article VII;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization, rehabilitation or other relief in respect of Parent, the Borrower or any Significant Subsidiary or its debts, or of a substantial part of its assets, under any federal, state, Israeli or other foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) the appointment of a receiver, trustee, custodian, sequestrator, liquidator, conservator or similar official for Parent, the Borrower or any Significant Subsidiary or for a substantial part of its assets, (iii) rehabilitation, creditors' arrangement or compromise, or a moratorium of any Indebtedness (including a stay of proceedings), or (iv) removal of Parent from the records of the Registrar of Companies, and, in any such case, such proceeding, action or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) Parent, the Borrower or any Significant Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking liquidation (other than any liquidation permitted under Section 6.03(a)(v) or (vi)), reorganization, rehabilitation or other relief under any federal, state, Israeli or other foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Article VII, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, liquidator, conservator or similar official for Parent, the Borrower or any Significant Subsidiary or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding or (v) make a general assignment for the benefit of creditors, commence negotiations with one or more of its creditors with a view to rescheduling any of its Indebtedness or enter into a compromise, arrangement, assignment or composition with one or more of its creditors in connection with its potential inability to pay any Indebtedness as it shall become due, apply for any remedies with respect to, or enters into, any rehabilitation, creditors' arrangement or compromise, a moratorium of any Indebtedness (including a stay of proceedings), or the board of directors or shareholders (or similar governing body) of Parent, the Borrower or any Significant Subsidiary or any other Loan Party (or any committee thereof) shall adopt any resolution or otherwise authorize any of the actions referred to above in this clause (i) or clause (h) of this Article VII;

(j) Parent, the Borrower or any Significant Subsidiary shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(k) one or more judgments for the payment of money in an aggregate amount in excess of $100,000,000 (other than any such judgment covered by insurance (other than under a self-insurance program) to the extent a claim therefor has been made in writing and liability therefor has not been denied by the insurer), shall be rendered against Parent, the Borrower, any Significant Subsidiary or any combination thereof and the same shall remain undischarged for a period of 60 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of Parent, the Borrower or any Significant Subsidiary to enforce any such judgment;

(l) an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred, would reasonably be expected to result in a Material Adverse Effect;

(m) any Lien purported to be created under any Security Document shall cease to be, or shall be asserted by any Loan Party not to be, a valid and perfected Lien on any Collateral having, individually or in the aggregate, a fair value in excess of $50,000,000, with the priority required by the applicable Security Document, except as a result of (i) the sale or other disposition of the applicable Collateral in a transaction permitted under the Loan Documents, (ii) the release thereof as provided in the applicable Security Document or Section 9.15 or (iii) as a result of (A) failure to maintain possession of any stock certificate, promissory note or other instrument delivered to it under the Collateral Agreements or (B) failure to file continuation statements under the applicable Uniform Commercial Code (or similar provisions under applicable law);

(n) (i) this Agreement or any Guarantee purported to be created under any Loan Document shall cease to be, or shall be asserted by any Loan Party not to be, in full force and effect, except, solely with respect to any Guarantee, as a result of the release thereof or any limitation in respect thereof, in each case as provided in the applicable Loan Document or Section 9.15; or

(o) a Change in Control shall occur;

then, and (i) in every such event (other than an event with respect to the Borrower described in clause (h) or (i) of this Article VII), and at any time after the Effective Date and thereafter during the continuance of such event, the Administrative Agent, at the request of the Required Lenders, shall by notice to the Initial Borrower, take any or all of the following actions, at the same or different times: (A) terminate the Commitments, and thereupon such Commitments shall terminate immediately and (B) declare the Loans then outstanding to be due and payable in whole (or in part (but ratably as among the Classes of Loans and the Loans of each Class at such time outstanding), in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued or owing hereunder (including all amounts of L/C Obligations, whether or not the beneficiaries of the then outstanding Letters of Credit shall have presented the documents required thereunder), shall become due and payable immediately, in each case without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower; and (ii) in the case of any event with respect to the Borrower described in clause (h) or (i) of this Article VII, the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower hereunder, shall immediately and automatically become due, in each case without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower. With respect to all Letters of Credit with respect to which presentment for honor shall not have occurred at the time of an acceleration pursuant to this paragraph, the Borrower shall at such time deposit in a cash collateral account opened by the Administrative Agent an amount equal to the aggregate then undrawn and unexpired amount of such Letters of Credit. Amounts held in such cash collateral account shall be

applied by the Administrative Agent to the payment of drafts drawn under such Letters of Credit, and the unused portion thereof after all such Letters of Credit shall have expired or been fully drawn upon, if any, shall be applied to repay other obligations of the Borrower hereunder and under the other Loan Documents. After all such Letters of Credit shall have expired or been fully drawn upon, all Reimbursement Obligations shall have been satisfied and all other obligations of the Borrower hereunder and under the other Loan Documents shall have been paid in full, the balance, if any, in such cash collateral account shall be returned to the Borrower (or such other Person as may be lawfully entitled thereto).

ARTICLE VIII

THE ADMINISTRATIVE AGENT

Each of the Lenders hereby irrevocably appoints the entity named as Administrative Agent in the heading of this Agreement and its successors to serve as administrative agent and collateral agent under the Loan Documents and authorizes the Administrative Agent, in its capacity as Administrative Agent, to execute and deliver the Loan Documents and to take such actions and to exercise such powers as are delegated to the Administrative Agent by the terms of the Loan Documents, together with such actions and powers as are reasonably incidental thereto (including, as trustee under any Security Document governed by Israeli or other relevant law). In addition, to the extent required under the laws of any jurisdiction other than the United States of America, each of the Lenders hereby grants to the Administrative Agent any required powers of attorney to comply with the IIA Provision and to execute any Security Document governed by the laws of such jurisdiction on such Lender's behalf. It is understood and agreed that the use of the term "agent" (or any similar term) herein or in any other Loan Document with reference to the Administrative Agent is not intended to connote any fiduciary duty or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used as a matter of market custom and is intended to create or reflect only an administrative relationship between contracting parties.

The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with Parent or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (b) the Administrative Agent shall not have any duty to take any discretionary action or to exercise any discretionary power (including with respect to enforcement and collection), except discretionary rights and powers expressly contemplated by the Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith to be necessary, under the circumstances as provided in the Loan Documents); provided that the Administrative Agent shall not be required to take any action that, in its opinion, could expose the Administrative Agent to liability or be contrary to this Agreement or any other Loan Document or applicable law and (c) except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to Parent, any Subsidiary or any other Affiliate of any of the foregoing that is communicated to or obtained by the Person serving as

Administrative Agent or any of its Affiliates in any capacity. Notwithstanding clause (b) of the immediately preceding sentence, the Administrative Agent shall not be required to take, or to omit to take, any action hereunder or under the Loan Documents unless, upon demand, the Administrative Agent receives an indemnification satisfactory to it from the Lenders (or, to the extent applicable and acceptable to the Administrative Agent, any other Secured Party) against all liabilities, costs and expenses that, by reason of such action or omission, may be imposed on, incurred by or asserted against the Administrative Agent or any Related Party thereof. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith to be necessary, under the circumstances as provided in the Loan Documents) or in the absence of its own gross negligence or willful misconduct (such absence to be presumed unless otherwise determined by a court of competent jurisdiction by a final and nonappealable judgment). The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof (stating that it is a "notice of default") is given to the Administrative Agent by the Borrower or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document or the occurrence of any Default, (iv) the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article IV or elsewhere in any Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent or satisfaction of any condition that expressly refers to the matters described therein being acceptable or satisfactory to the Administrative Agent.

The Administrative Agent shall be entitled to rely, and shall not incur any liability for relying, upon any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed or sent or otherwise authenticated by the proper Person (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the signatory, sender or authenticator thereof). The Administrative Agent also shall be entitled to rely, and shall not incur any liability for relying, upon any statement made to it orally or by telephone and believed by it to be made by the proper Person (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the signatory, sender or authenticator thereof), and may act upon any such statement prior to receipt of written confirmation thereof. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

The Administrative Agent may perform any of and all its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any of and all their duties and exercise their rights and powers through their respective Related Parties. The exculpatory provisions of this Article VIII shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a

final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

Subject to the terms of this paragraph, the Administrative Agent may resign at any time from its capacity as such. In connection with such resignation, the Administrative Agent shall give notice of its intent to resign to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower (and so long as no Event of Default shall have occurred and be continuing, with the consent of the Borrower, not to be unreasonably withheld or delayed), to appoint a successor. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its intent to resign, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent, which shall be a bank with an office in New York, New York, or an Affiliate of any such bank subject, so long as no Event of Default shall have occurred and be continuing, to the approval by the Borrower (which approval shall not be unreasonably withheld or delayed). Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent (including compliance with the IIA Provision), and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed by the Borrower and such successor. Notwithstanding the foregoing, in the event no successor Administrative Agent shall have been so appointed and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its intent to resign, the retiring Administrative Agent may give notice of the effectiveness of its resignation to the Lenders and the Borrower, whereupon, on the date of effectiveness of such resignation stated in such notice, (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents; provided that, solely for purposes of maintaining any security interest granted to the Administrative Agent under any Security Document for the benefit of the Secured Parties and for purposes of compliance with the IIA Provision, the retiring Administrative Agent shall continue to be vested with such security interest and be subject to such compliance as collateral agent for the benefit of the Secured Parties and, in the case of any Collateral in the possession of the Administrative Agent, shall continue to hold such Collateral, in each case until such time as a successor Administrative Agent is appointed and accepts such appointment in accordance with this paragraph (it being understood and agreed that the retiring Administrative Agent shall have no duty or obligation to take any further action under any Security Document, including any action required to maintain the perfection of any such security interest), and (b) the Required Lenders shall succeed to and become vested with all the rights, powers, privileges and duties (and shall be subject to compliance with the IIA Provision) of the retiring Administrative Agent; provided that (i) all payments required to be made hereunder or under any other Loan Document to the Administrative Agent for the account of any Person other than the Administrative Agent shall be made directly to such Person and (ii) all notices and other communications required or contemplated to be given or made to the Administrative Agent shall also directly be given or made to each Lender. Following the effectiveness of the Administrative Agent's resignation from its capacity as such, the provisions of this Article VIII and Section 9.04, as well as any exculpatory, reimbursement and indemnification provisions set forth in any other Loan Document, shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Administrative Agent and in respect of the matters referred to in the proviso under clause (a) above.

Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent, any Arranger or any other Lender, or any of the Related Parties of any of the foregoing, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will,

independently and without reliance upon the Administrative Agent, any Arranger or any other Lender, or any of the Related Parties of any of the foregoing, and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

Each Lender, by delivering its signature page to this Agreement and funding its Loans on the Closing Date, or delivering its signature page to an Assignment and Assumption or any other Loan Document pursuant to which it shall become a Lender hereunder, shall be deemed to have acknowledged receipt of, and consented to and approved, this Agreement and each other Loan Document and each other document required to be delivered to, or be approved by or satisfactory to, the Administrative Agent or the Lenders on the Closing Date.

Except with respect to the exercise of setoff rights of any Lender in accordance with Section 9.09 or with respect to a Lender's right to file a proof of claim in an insolvency proceeding, no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce any Guarantee of the Obligations, it being understood and agreed that all powers, rights and remedies under the Loan Documents may be exercised solely by the Administrative Agent on behalf of the Secured Parties in accordance with the terms thereof. In the event of a foreclosure by the Administrative Agent on any of the Collateral pursuant to a public or private sale or other disposition, the Administrative Agent or any Lender may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition, and the Administrative Agent, as agent for and representative of the Secured Parties (but not any Lender or Lenders in its or their respective individual capacities unless the Required Lenders shall otherwise agree in writing) shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply any of the Loan Document Obligations as a credit on account of the purchase price for any collateral payable by the Administrative Agent on behalf of the Secured Parties at such sale or other disposition.

In furtherance of the foregoing and not in limitation thereof, no Hedging Agreement or Cash Management Agreement, the obligations under which constitute Secured Hedging Obligations or Secured Cash Management Obligations will create (or be deemed to create) in favor of any Secured Party that is a party thereto any rights in connection with the management or release of any Collateral or of the obligations of any Loan Party under this Agreement or any other Loan Document. By accepting the benefits of the Collateral, each Secured Party that is a party to any such Hedging Agreement or Cash Management Agreement shall be deemed to have appointed the Administrative Agent to serve as administrative agent and collateral agent under the Loan Documents and agreed to be bound by the Loan Documents as a Secured Party thereunder, subject to the limitations set forth in this paragraph.

The Secured Parties irrevocably authorize the Administrative Agent, at its option and in its discretion, to subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 6.02(e). The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

In addition, each of the Lenders, on behalf of itself and any of its Affiliates that are Secured Parties, irrevocably authorizes the Administrative Agent, and the Administrative Agent agrees, to enter into any First Lien Intercreditor Agreement, Junior Lien Intercreditor Agreement, other intercreditor agreement, subordination agreement or arrangement expressly permitted under this Agreement, and any

amendment, modification, supplement or joinder with respect thereto, and the Lenders acknowledge that any such First Lien Intercreditor Agreement, Junior Lien Intercreditor Agreement, other intercreditor agreement, subordination agreement or other arrangement is binding upon the Lenders.

In case of the pendency of any proceeding with respect to any Loan Party under any Federal, State or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim under Sections 2.13, 2.14, 2.16, 2.17, 2.18 and 9.03) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such proceeding is hereby authorized by each Lender and each other Secured Party to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders or the other Secured Parties, to pay to the Administrative Agent any amount due to it, in its capacity as the Administrative Agent, under the Loan Documents (including under Section 9.04).

Notwithstanding anything herein to the contrary, the Arrangers shall not have any duties or obligations under this Agreement or any other Loan Document (except in its capacity, as applicable, as a Lender), but all such Persons shall have the benefit of the indemnities provided for hereunder.

The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code, including under Section 363, 1123 or 1129 of the Bankruptcy Code, or any similar laws in any other jurisdictions to which a Credit Party is subject, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law. In connection with any such credit bid and purchase, the Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid by the Administrative Agent at the direction of the Required Lenders on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid, (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Parties' ratable interests in the Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose

of closing such sale, (iii) the Administrative Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Required Lenders or their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in Section 9.03 of this Agreement), (iv) the Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Parties, ratably on account of the relevant Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Party or acquisition vehicle to take any further action, and (v) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of Obligations credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Secured Parties pro rata and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Obligations shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Obligations of each Secured Party are deemed assigned to the acquisition vehicle or vehicles as set forth in clause (ii) above, each Secured Party shall execute such documents and provide such information regarding the Secured Party (and/or any designee of the Secured Party which will receive interests in or debt instruments issued by such acquisition vehicle) as the Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

The provisions of this Article VIII are solely for the benefit of the Administrative Agent and the Lenders, and, except solely to the extent of the Borrower's rights to consent pursuant to and subject to the conditions set forth in this Article VIII, none of Parent, the Borrower or any Subsidiary shall have any rights as a third party beneficiary of any such provisions. Each Secured Party, whether or not a party hereto, will be deemed, by its acceptance of the benefits of the Collateral and the Guarantees of the Obligations provided under the Loan Documents, to have agreed to the provisions of this Article VIII.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01 Notices. (a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) of this Section 9.01), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy or e-mail, as follows:

(i) if to Parent, to it at 13 Zarchin St., Raanana, Israel, Attention of Alon Levy, Vice President, General Counsel and Corporate Secretary (Email: Alon.levy@nice.com) and Udi Dayan, Vice President, Corporate Finance (Email: Udi.dayan@nice.com);

(ii) if to the Borrower, to it at 221 River Street, 10th Floor, Hoboken, New Jersey 07030, Attention of Beth Gaspich, Chief Financial Officer (Email: Beth.Gaspich@nice.com);

(iii) if to the Administrative Agent from the Borrower and/or Parent, to the address or addresses separately provided to the Borrower and Parent, as applicable;

(iv) if to the Administrative Agent from the Lenders, to JPMorgan Chase Bank, N.A., 8181 Communications Pkwy, Plano, Texas 75024, Attention of Chandan Kumar, Vice President, Credit Risk (Phone: +1 (469) 462-1464) (Email: Chandan.y.kumar@jpmchase.com);

(v) if to the Issuing Lender, to it at the address separately provided to the Borrower; if to the Swingline Lender, at the address separately provided to the Borrower; and

(vi) if to any other Lender, to it at its address (or telecopy number) set forth in its Administrative Questionnaire.

Notices and communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices delivered through Approved Electronic Platforms or Approved Borrower Portals to the extent provided in paragraph (b) of this Section 9.01 shall be effective as provided in such paragraph.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by using Approved Electronic Platforms or Approved Borrower Portals (as applicable), in each case, pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices under Article II unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or Parent may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address, unless bounced back, shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices and other communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

(c) Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto.

SECTION 9.02 Parent and Borrower Communications. (a) The Administrative Agent and the Lenders agree that, pursuant to the procedures approved by the Administrative Agent and Parent, Parent and the Borrower may, but shall not be obligated to, make any Borrower Communications

to the Administrative Agent through an electronic platform chosen by the Administrative Agent to be its electronic transmission system (the "Approved Borrower Portal"). As used in this Section 9.02, "Borrower Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of Parent or the Borrower pursuant to any Loan Document or the transactions contemplated therein which is distributed by Parent or the Borrower to the Administrative Agent through an Approved Borrower Portal, in each case to the extent arrangements for doing so have been approved by the Administrative Agent (it being understood and agreed that, to the extent that any Borrower Communication is required to be signed hereunder, such signature may be submitted through the Approved Borrower Portal and/or such signature requirements may be waived, in each case at the sole discretion of the Administrative Agent).

(b) Although the Approved Borrower Portal and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Effective Date, a user ID/password authorization system), each of the Lenders, Parent and the Borrower acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure, that the Administrative Agent is not responsible for approving or vetting administrators, representatives, or contacts of Parent and the Borrower added to the Approved Borrower Portal, and that there may be confidentiality and other risks associated with such distribution. Each of the Lenders, Parent and the Borrower hereby approves distribution of Borrower Communications through the Approved Borrower Portal and understands and assumes the risks of such distribution.

(c) THE APPROVED BORROWER PORTAL IS PROVIDED "AS IS" AND "AS AVAILABLE". THE APPLICABLE PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER COMMUNICATIONS, OR THE ADEQUACY OF THE APPROVED BORROWER PORTAL AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED BORROWER PORTAL AND THE BORROWER COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE APPLICABLE PARTIES IN CONNECTION WITH THE BORROWER COMMUNICATIONS OR THE APPROVED BORROWER PORTAL. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT, ANY ARRANGER OR ANY OF THEIR RESPECTIVE RELATED PARTIES (COLLECTIVELY, "APPLICABLE PARTIES") HAVE ANY LIABILITY TO ANY LOAN PARTY, ANY LENDER OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF PARENT'S OR THE BORROWER'S TRANSMISSION OF BORROWER COMMUNICATIONS THROUGH THE INTERNET OR THE APPROVED BORROWER PORTAL.

(d) Each of the Lenders, Parent and the Borrower agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Borrower Communications on the Approved Borrower Portal in accordance with the Administrative Agent's generally applicable document retention procedures and policies.

(e) Nothing herein shall prejudice the right of Parent or the Borrower to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document (including, for the avoidance of doubt, Section 9.01 hereof).

SECTION 9.03 Waivers; Amendments. (a) No failure or delay by the Administrative Agent or any Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or any other Loan Document or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 9.03, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. Without limiting the generality of the foregoing, the execution and delivery of this Agreement or the making of a Loan shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent or any Lender may have had notice or knowledge of such Default at the time.

(b) Except as otherwise expressly provided in this Agreement, none of this Agreement, any other Loan Document or any provision hereof or thereof may be waived, amended or modified except, in the case of this Agreement, pursuant to an agreement or agreements in writing entered into by Parent, the Borrower, the Administrative Agent and the Required Lenders and, in the case of any other Loan Document, pursuant to an agreement or agreements in writing entered into by the Administrative Agent and the Loan Party or Loan Parties that are parties thereto, in each case with the consent of the Required Lenders, provided that (i) any provision of this Agreement or any other Loan Document may be amended by an agreement in writing entered into by the Borrower and the Administrative Agent to cure any ambiguity, omission, defect or inconsistency and (ii) no such agreement shall (A) increase the amount of or extend the expiration date of any Commitment of any Lender without the written consent of such Lender, (B) reduce the principal amount of any Loan or reduce the rate of interest thereon (except in connection with the waiver of applicability of any post-default increase in interest rates (which waiver shall be effective with the consent of the Majority in Interest of each adversely affected Class) or any waiver of or change to a financial ratio or defined term related thereto), or reduce any fees payable hereunder, in each case, without the written consent of each Lender directly and adversely affected thereby (in which case the separate consent of the Required Lenders shall not be required), (C) postpone the scheduled maturity date of any Loan, or the date of any scheduled payment of the principal amount of any Incremental Term Loan under the applicable Incremental Facility Amendment or Refinancing Facility Agreement or any date for the payment of any interest or fees payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender directly and adversely affected thereby (in which case the separate consent of the Required Lenders shall not be required), (D) amend, modify or waive the pro rata provisions of Section 2.19 without the written consent of each Lender adversely affected thereby, (E) change any of the provisions of this Section 9.03 or the percentage set forth in the definition of the term "Required Lenders" or "Majority in Interest" or any other provision of this Agreement or any other Loan Document specifying the number or percentage of Lenders (or Lenders of any Class) required to waive, amend or otherwise modify any rights thereunder or make any determination or grant any consent thereunder, without the written consent of each Lender (or each Lender of such Class, as applicable); provided that, with the consent of the Required Lenders or pursuant to an Incremental Facility Amendment or Refinancing Facility Agreement, the provisions of this Section 9.03 and the definition of the term "Required Lenders" may be amended to include references to any new Class of loans created under this Agreement (or to lenders extending such loans) on substantially the same basis as the corresponding references relating to the existing Classes of Loans or Lenders, (F) release all or substantially all of the value of the Guarantees provided by the Loan Parties under the Guarantee Agreement without the written consent of each Lender (except as expressly provided in Section 9.15 or the Guarantee Agreement (including any such release by the Administrative Agent in

connection with any sale or other disposition of any Subsidiary upon the exercise of remedies under the Security Documents), it being understood and agreed that an amendment or other modification of the type of obligations guaranteed under the Guarantee Agreement shall not be deemed to be a release or limitation of any Guarantee), (G) release all or substantially all the Collateral from the Liens of the Security Documents without the written consent of each Lender (except as expressly provided in Section 9.15 or the applicable Security Document (including any such release by the Administrative Agent in connection with any sale or other disposition of the Collateral upon the exercise of remedies under the Security Documents), it being understood and agreed that an amendment or other modification of the type of obligations secured by the Security Documents shall not be deemed to be a release of the Collateral from the Liens of the Security Documents), (H) change Section 4.02 of the U.S. Collateral Agreement or any similar "waterfall" provision of an Israeli Collateral Agreement without the written consent of each Lender directly and adversely affected thereby, (I) change any provisions of this Agreement or any other Loan Document in a manner that by its terms directly and adversely affects the Lenders holding Loans of any Class differently than those holding Loans of any other Class, without the written consent of Lenders representing a Majority in Interest of each affected Class, (J) change Section 4.03 without the written consent of the Required Revolving Lenders or (K) (1) subordinate any of the Liens securing all or any portion of the Obligations to any Lien securing other Indebtedness, or (2) subordinate all or any portion of the Obligations in right of payment to any other Indebtedness, in each case except (x) any Indebtedness that is permitted by this Agreement to rank (or be made to rank) senior in lien priority to the Obligations as of the Effective Date, (y) if each adversely affected Lender is offered the opportunity to participate on a pro rata basis in such other Indebtedness on the same terms and conditions, and with the same fees and other economics, as is offered to all other providers (or their respective Affiliates) of such other Indebtedness and (z) pursuant to any debtor-in-possession financing to be provided under Section 364 of the Bankruptcy Code or pursuant to any analogous financing under any other Debtor Relief Laws; provided, further, that (1) no such agreement shall amend, modify, extend or otherwise affect the rights or obligations of the Administrative Agent without the prior written consent of the Administrative Agent, (2) any amendment, waiver or other modification of this Agreement that by its terms affects the rights or duties under this Agreement of the Lenders of one or more Classes (but not the Lenders of any other Class) may be effected by an agreement or agreements in writing entered into by Parent, the Borrower and the requisite number or percentage in interest of each affected Class of Lenders that would be required to consent thereto under this Section 9.03 if such Class of Lenders were the only Class of Lenders hereunder at the time (it being understood that increases in the Applicable Rate, amendments or modifications and any waiver of conditions to the provision of any Incremental Facility shall be deemed to affect each Class), (3) no such agreement shall amend, modify or waive any provision of Section 2.04 or 2.05 without the written consent of the Swingline Lender and (4) no such agreement shall amend, modify or waive any provision of Section 2.06 without the written consent of each Issuing Lender. Notwithstanding any of the foregoing, (1) no consent with respect to any amendment, waiver or other modification of this Agreement or any other Loan Document shall be required of any Non-Funding Lender, except with respect to any amendment, waiver or other modification referred to in clause (A), (B) or (C) of clause (ii) of the first proviso of this paragraph and then only in the event such Non-Funding Lender shall be directly and adversely affected by such amendment, waiver or other modification, (2) this Agreement may be amended to provide for Incremental Facilities, Refinancing Commitments and Refinancing Loans and Permitted Amendments in connection with Loan Modification Offers as provided in Sections 2.22, 2.23 and 2.24, in each case without any additional consents and (3) any amendment or waiver that by its terms affects the rights or duties of Lenders holding Loans or Commitments of a particular Class (but not the Lenders holding Loans or Commitments of any other Class) will require only the requisite percentage in interest of the affected Class of Lenders that would be required to consent thereto if such Class of Lenders were the only Class of Lenders.

(c) In connection with any proposed amendment, modification, waiver or termination (a "Proposed Change") requiring the consent of all Lenders or all affected Lenders, if the

consent of the Required Lenders (and, to the extent any Proposed Change requires the consent of Lenders holding Loans of any Class pursuant to paragraph (b) of this Section 9.03, the consent of a Majority in Interest of the outstanding Loans and unused Commitments of such Class) to such Proposed Change is obtained, but the consent to such Proposed Change of other Lenders whose consent is required is not obtained (any such Lender whose consent is not obtained as described in paragraph (b) of this Section 9.03 being referred to as a "Non-Consenting Lender"), then, so long as the Lender that is acting as Administrative Agent is not a Non-Consenting Lender, the Borrower may, at its sole expense and effort, upon notice to such Non-Consenting Lender and the Administrative Agent, require such Non-Consenting Lender to assign and delegate (in accordance with and subject to the restrictions contained in Section 9.05), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Borrower shall have received the prior written consent of the Administrative Agent, to the extent required by Section 9.05, which consent shall not unreasonably be withheld or delayed, (ii) such Non-Consenting Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder from the assignee or the Borrower, (iii) the Borrower or such assignee shall have paid to the Administrative Agent the processing and recordation fee specified in Section 9.05(b)(ii), (iv) such assignment does not conflict with applicable law and (v) the assignee shall have given its consent to such Proposed Change. In connection with any such replacement, if any such Non-Consenting Lender does not execute and deliver to the Administrative Agent a duly executed Assignment and Assumption reflecting such replacement within five (5) Business Days of the date on which the assignee Lender executes and delivers such Assignment and Assumption to such Non-Consenting Lender, then such Non-Consenting Lender shall be deemed to have executed and delivered such Assignment and Assumption without any action on the part of the Non-Consenting Lender; provided that such Non-Consenting Lender shall be deemed to have executed and delivered such Assignment and Assumption only to the extent such Non-Consenting Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder from the assignee or the Borrower.

(d) Notwithstanding anything herein to the contrary, the Administrative Agent may, without the consent of any Secured Party, consent to a departure by any Loan Party from any covenant of such Loan Party set forth in this Agreement, the Guarantee Agreement, the Collateral Agreements or any other Security Document to the extent that such departure is consistent with the authority of the Administrative Agent set forth in the definition of the term "Collateral and Guarantee Requirement."

(e) The Administrative Agent may, but shall have no obligation to, with the concurrence of any Lender, execute amendments, waivers or other modifications on behalf of such Lender. Any amendment, waiver or other modification effected in accordance with this Section 9.03 shall be binding upon each Person that is at the time thereof a Lender and each Person that subsequently becomes a Lender.

SECTION 9.04 Expenses; Indemnity; Limitation of Liability; Damage Waiver. (a) The Borrower shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, any Arranger and their respective Affiliates without duplication, including the reasonable and documented fees, charges and disbursements of one primary counsel and if reasonably necessary, one firm of local counsel in each jurisdiction as the Administrative Agent shall deem advisable (including for the avoidance of doubt, in Israel) in connection with the creation and perfection of the security interests in the Collateral provided under the Loan Documents (and such additional counsels otherwise retained with the Borrower's consent (such consent not to be unreasonably withheld or delayed), in connection with the structuring, arrangement and syndication of the credit facilities provided for herein and any credit or similar facility refinancing or replacing, in whole or in part, any of the credit facilities provided for herein, as well as the preparation, negotiation, execution, delivery and

administration of this Agreement, the other Loan Documents and any amendments, modifications and waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated) and (ii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, any Arranger, any Issuing Lender, the Swingline Lender or any Lender and their respective Affiliates, including the reasonable and documented fees, charges and disbursements of any counsel for any of the foregoing, in connection with the enforcement or protection of its rights in connection with the Loan Documents, including its rights under this Section 9.04, or in connection with the Loans made hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans; provided that the fees, charges and disbursements of counsel required to be paid by the Borrower pursuant to this clause (ii) shall be limited to (A) one counsel to the Administrative Agent and for the Lenders (taken together as a single group or client), (B) if reasonably necessary, one local counsel in jurisdictions material to the interests of the Lenders taken as a whole (which may include a single special counsel acting in multiple jurisdictions) (C) additional counsel retained with the Borrower's prior written consent (such consent not to be unreasonably withheld or delayed) and (D) if representation of the Administrative Agent and/or all Lenders in such matter by a single counsel would be inappropriate based on the advice of legal counsel due to the existence of an actual or potential conflict of interest and such party informs the Borrower of such conflict prior to retaining additional counsel, one additional counsel for each party subject to such conflict.

(b) The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), any Arranger, each Issuing Lender, the Swingline Lender and each Lender, and each Related Party of any of the foregoing Persons and permitted successors and assigns of any of the foregoing Persons, without duplication (each such Person being called an "Indemnitee"), against, and hold each Indemnitee harmless from, any and all losses, claims, damages, penalties, liabilities and related expenses, including reasonable and documented fees, charges and disbursements of counsel (limited to reasonable fees, disbursements and other charges of one primary counsel for all Indemnitees, taken as a whole, and, if reasonably necessary, one firm of local counsel in each jurisdiction (which may include a single special counsel acting in multiple jurisdictions) material to the interests of all such Indemnitees, taken as a whole (and, in the case of an actual or perceived conflict of interest, where an Indemnitee affected by such conflict informs the Borrower of such conflict and thereafter retains its own counsel, of another firm of counsel for such affected Indemnitee and, if necessary, one firm of local counsel in each jurisdiction (which may include a single special counsel acting in multiple jurisdictions) material to the interests of such affected Indemnitee) and other reasonable and documented out-of-pocket expenses, incurred by or asserted against any Indemnitee arising out of, in connection with or as a result of (i) the structuring, arrangement and syndication of the credit facilities provided for herein, the preparation, execution, delivery, operation and administration of this Agreement, the other Loan Documents or any other agreement or instrument contemplated hereby or thereby, the performance by the parties to this Agreement or the other Loan Documents of their respective obligations hereunder or thereunder or the consummation of the Transactions or any other transactions contemplated hereby or thereby, (ii) any Loan or Letters of Credit (including any refusal by an Issuing Lender to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit) or the use of the proceeds therefrom, (iii) any actual or alleged presence or Release of Hazardous Materials on or from any Mortgaged Property or any other property owned, leased or operated by Parent or any Subsidiary or any Environmental Liability related in any way to Parent or any Subsidiary or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and whether initiated against or by any party to this Agreement or any other Loan Document, any Affiliate of any of the foregoing or any third party (and regardless of whether any Indemnitee is a party thereto); provided that the foregoing indemnity shall not, as to any Indemnitee, apply to any losses, claims, damages, penalties, liabilities or related expenses to the extent they (A) are found in a final and non-appealable judgment of a court of competent jurisdiction to have resulted from the willful misconduct,

bad faith or gross negligence of such Indemnitee or any of its controlled Affiliates or any of the officers, directors, employees, agents, advisors or other representatives of any of the foregoing, in each case who are involved in the Transactions, (B) result from a material breach of such Indemnitee's or its controlled Affiliate's or any officers, directors, employees, agents, advisors or other representatives of any of the foregoing's obligations under this Agreement or any other Loan Document if Parent or such Subsidiary has obtained a final and non-appealable judgment in Parent's or its Subsidiary's favor on such claim as determined by a court of competent jurisdiction, (C) result from a proceeding that does not involve an act or omission by the Borrower or any of its Affiliates and that is solely among Indemnitees (other than a proceeding that is brought against an Indemnitee in its capacity as or in fulfilling its roles as an agent or arranger hereunder or any similar role with respect to the Indebtedness incurred or to be incurred hereunder), unless such proceeding arises from the gross negligence, bad faith or willful misconduct of such Indemnitee. This paragraph shall not apply with respect to Taxes other than any Taxes that represent losses, claims or damages arising from any non-Tax claim.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it under paragraph (a) or (b) of this Section 9.04 to the Administrative Agent (or any sub-agent thereof) or an Issuing Lender or any Related Party of any of the foregoing (and without limiting their obligation to do so), each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) or the applicable Issuing Lender or such Related Party, as applicable, such portion of the unpaid amount equal to such Lender's Aggregate Exposure Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as applicable, was incurred by or asserted against the Administrative Agent (or such sub-agent) or applicable Issuing Lender or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) or such Issuing Lender, as the case may be, in connection with such capacity.

(d) To the fullest extent permitted by applicable law, (i) Parent shall not assert, or permit any of its Affiliates or Related Parties to assert, and each hereby waives, any claim against the Administrative Agent (and any sub-agent thereof), each Arranger, each Issuing Lender, the Swingline Lender and each Lender, and each Related Party of any of the foregoing Persons and permitted successors and assigns of any of the foregoing Persons, without duplication (each such Person being called a "Lender-Related Person"), for any damages arising from the use by others of information or other materials obtained through telecommunications, electronic or other information transmission systems (including the Internet, any Approved Electronic Platform and any Approved Borrower Portal), except to the extent that such damages have resulted from the willful misconduct, bad faith or gross negligence of, or a material breach of the obligations under this Agreement or any other Loan Document by, such Lender-Related Person or any of such Lender-Related Person's controlled Affiliates or any of its or their respective officers, directors, employees, agents, advisors, controlling persons or other representatives (as determined by a court of competent jurisdiction in a final and non-appealable decision) and (ii) no party hereto shall assert, or permit any of its Affiliates or Related Parties to assert, and each party hereto hereby waives, any claim or damages based on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the Transactions, any Loan or the use of the proceeds thereof; provided that, nothing in this Section 9.04(d) shall relieve the Borrower of any obligation it may have to indemnify an Indemnitee, as provided in Section 9.04(b), against any special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party.

(e) All amounts due under this Section 9.04 shall be payable within 30 Business Days after written demand therefor (or such later time as the party making such demand provides in such notice).

SECTION 9.05 Successors and Assigns. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Lender that issues any Letter of Credit), except that (i) the Borrower and Parent may not assign, delegate or otherwise transfer any of its respective rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (and any attempted assignment, delegation or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign, delegate or otherwise transfer its rights or obligations hereunder except in accordance with this Section 9.05. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in paragraph (c) of this Section 9.05), any Arranger and, to the extent expressly contemplated hereby, the sub-agents of the Administrative Agent and the Related Parties of any of the Administrative Agent, the Arrangers and any Lender) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign and delegate to one or more Eligible Assignees after the funding of the initial extensions of credit hereunder on the Closing Date all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Borrower; provided that no consent of the Borrower shall be required (1) if an Event of Default under clause (a), (b), (h) or (i) of Article VII has occurred and is continuing, (2) in the case of Incremental Term Loans, for an assignment and delegation to an Incremental Term Lender, an Affiliate of an Incremental Term Lender or an Approved Fund and (3) in the case of Revolving Commitments and/or Revolving Loans, for an assignment and delegation to a Revolving Lender or an Affiliate of a Revolving Lender; provided, further, that the Borrower shall be deemed to have consented to any such assignment and delegation of Incremental Term Loans, unless it shall object thereto by written notice to the Administrative Agent within 15 Business Days after having received notice thereof;

(B) the Administrative Agent; provided that no consent of the Administrative Agent shall be required for an assignment and delegation of any Loan to a Lender, an Affiliate of a Lender or an Approved Fund; and

(C) each Issuing Lender and the Swingline Lender; provided that no consent of each Issuing Lender and the Swingline Lender shall be required for an assignment and delegation of any Incremental Term Loan.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment and delegation to a Lender, an Affiliate of a Lender or an Approved Fund or an assignment and delegation of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment and delegation (determined as of the trade date specified in the Assignment and Assumption with respect to such assignment and delegation or, if no trade date is so specified, as of the date the Assignment and Assumption with respect to such assignment and delegation is delivered to the Administrative Agent) shall not be less than (y) $1,000,000 in the case of any Incremental Term Facility and (z) $5,000,000 in the case of the Revolving Facility unless the Borrower and the Administrative Agent otherwise

consent (such consent not to be unreasonably withheld or delayed); provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment and delegation shall be made as an assignment and delegation of a proportionate part of all the assigning Lender's rights and obligations under this Agreement; provided that this clause (B) shall not be construed to prohibit the assignment and delegation of a proportionate part of all the assigning Lender's rights and obligations in respect of one Class of Commitments or Loans;

(C) the parties to each assignment and delegation shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of $3,500, provided that (1) only one such processing and recordation fee shall be payable in the event of simultaneous assignments and delegations from any Lender or its Approved Funds to one or more other Approved Funds of such Lender and (2) with respect to any assignment and delegation pursuant to Section 2.20(b) or 9.03(c), the parties hereto agree that such assignment and delegation may be effected pursuant to an Assignment and Assumption executed by Parent, the Administrative Agent and the assignee and that the Lender required to make such assignment and delegation need not be a party thereto; and

(D) the assignee, if it shall not be a Lender, shall (1) deliver to the Administrative Agent and to Parent any tax forms required by Section 2.18(f) and (2) to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain MNPI) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable law, including Federal, State and foreign securities laws.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(v) of this Section 9.05, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned and delegated by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned and delegated by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of (and subject to the obligations and limitations of) Sections 2.16, 2.17, 2.18 and 9.04). Any assignment, delegation or other transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 9.05 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 9.05(c).

(iv) The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amount (and stated interest) of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent, the Issuing Lenders and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all

purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and, as to entries pertaining to it, any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon receipt by the Administrative Agent of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire and any tax forms required by Section 2.18(f) (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section 9.05 and any written consent to such assignment and delegation required by paragraph (b) of this Section 9.05, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that the Administrative Agent shall not be required to accept such Assignment and Assumption or so record the information contained therein if the Administrative Agent reasonably believes that such Assignment and Assumption lacks any written consent required by this Section 9.05 or is otherwise not in proper form, it being acknowledged that the Administrative Agent shall have no duty or obligation (and shall incur no liability) with respect to obtaining (or confirming the receipt) of any such written consent or with respect to the form of (or any defect in) such Assignment and Assumption, any such duty and obligation being solely with the assigning Lender and the assignee. No assignment or delegation shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph, and following such recording, unless otherwise determined by the Administrative Agent (such determination to be made in the sole discretion of the Administrative Agent, which determination may be conditioned on the consent of the assigning Lender and the assignee), shall be effective notwithstanding any defect in the Assignment and Assumption relating thereto. Each assigning Lender and the assignee, by its execution and delivery of an Assignment and Assumption, shall be deemed to have represented to the Administrative Agent that all written consents required by this Section 9.05 with respect thereto (other than the consent of the Administrative Agent) have been obtained and that such Assignment and Assumption is otherwise duly completed and in proper form, and each assignee, by its execution and delivery of an Assignment and Assumption, shall be deemed to have represented to the assigning Lender and the Administrative Agent that such assignee is an Eligible Assignee.

(vi) The words "execution," "signed," "signature" and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as applicable, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act or any other similar State laws based on the Uniform Electronic Transactions Act.

(c) Any Lender may, without the consent of (or notice to) Parent, the Borrower, the Administrative Agent, the Issuing Lenders or the Swingline Lender, sell participations to one or more Eligible Assignees (each, a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Commitments and Loans of any Class); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) Parent, the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification

or waiver of any provision of this Agreement or any other Loan Document; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.03(b) that affects such Participant or requires the approval of all the Lenders. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.16, 2.17 and 2.18 (subject to the requirements and limitations therein, including the requirements under Section 2.18(f) (it being understood and agreed that the documentation required under Section 2.18(f) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section 9.05; provided that such Participant (A) agrees to be subject to the provisions of Sections 2.19 and 2.20 as if it were an assignee under paragraph (b) of this Section 9.05 and (B) shall not be entitled to receive any greater payment under Section 2.16 or 2.18, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority made subsequent to the date hereof that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at Parent's request and expense, to use reasonable efforts to cooperate with Parent to effectuate the provisions of Section 2.20(b) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.09 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.19(c) as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under this Agreement or any other Loan Document (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans, Letters of Credit or its other obligations under this Agreement or any other Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(d) Any Lender may, without the consent of Parent or the Administrative Agent, at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section 9.05 shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 9.06 Survival. All covenants, agreements, representations and warranties made by the Loan Parties in this Agreement and the other Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the other Loan Documents and the making of any Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, the Arrangers, any Lender or any Affiliate of any of the foregoing may have had notice or knowledge of any Default or incorrect representation or warranty at the time this Agreement or any other Loan Document is executed and delivered or any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other

amount payable under this Agreement is outstanding and unpaid and so long as the Commitments have not expired or terminated. The provisions of Sections 2.16, 2.17, 2.18, 2.19(e) and 9.03 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Commitments or the termination of this Agreement or any provision hereof.

SECTION 9.07 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent or the syndication of the Loans and Commitments constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.02, this Agreement shall become effective when it shall have been executed by the Administrative Agent and the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Loan Document and/or (z) any document, amendment, approval, consent, information, notice (including, for the avoidance of doubt, any notice delivered pursuant to Section 9.01), certificate, request, statement, disclosure or authorization related to this Agreement, any other Loan Document and/or the transactions contemplated hereby and/or thereby (each an "Ancillary Document") that is an Electronic Signature transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement, such other Loan Document or such Ancillary Document, as applicable. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement, any other Loan Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; provided that nothing herein shall require the Administrative Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; provided, further, without limiting the foregoing, (i) to the extent the Administrative Agent has agreed to accept any Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of the Borrower or any other Loan Party without further verification thereof and without any obligation to review the appearance or form of any such Electronic signature and (ii) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, the Borrower and each Loan Party hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent, the Lenders, and the Borrower and the Loan Parties, Electronic Signatures transmitted by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Loan Document and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original, (ii) the Administrative Agent and each of the Lenders may, at its option, create one or more copies of this Agreement, any other Loan Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (iii) waives any argument, defense or right to contest the legal effect, validity or enforceability of

this Agreement, any other Loan Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Loan Document and/or such Ancillary Document, respectively, including with respect to any signature pages thereto and (iv) waives any claim against any Lender-Related Person for any Liabilities arising solely from the Administrative Agent's and/or any Lender's reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page, including any Liabilities arising as a result of the failure of the Borrower and/or any Loan Party to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

SECTION 9.08 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 9.09 Right of Setoff. If an Event of Default shall have occurred and be continuing, each of the Lenders and each of their respective Affiliates, are hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) or other amounts at any time held and other obligations (in whatever currency) at any time owing by such Lender or its Affiliates to or for the credit or the account of any Loan Party against any of and all the Obligations then due of the Borrower or any such other Loan Party now or hereafter existing under this Agreement or the other Loan Documents held by such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Loan Parties may be contingent or unmatured or are owed to a branch or office or Affiliate of such Lender different from the branch or office or Affiliate holding such deposit or obligated on such Indebtedness; provided that, in the event that any Non-Funding Lender shall exercise any such right of setoff, (i) all amounts so setoff shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of this Agreement and the other Loan Documents and, pending such payment, shall be segregated by such Non-Funding Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the Issuing Lenders, the Swingline Lender and the Lenders and (ii) the Non-Funding Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Non-Funding Lender as to which it exercised such right of setoff; provided, further, that to the extent prohibited by applicable law as described in the definition of the term "Excluded Swap Obligation", no amount received from, or set off with respect to, any Loan Party shall be applied to any Excluded Swap Obligations of such Loan Party. Each Lender agrees to notify the applicable Loan Parties and the Administrative Agent promptly after any such setoff and application; provided that the failure to give or any delay in giving such notice shall not affect the validity of any such setoff and application. The rights of each Lender and its Affiliates under this Section 9.09 are in addition to other rights and remedies (including other rights of setoff) that such Lender or its respective Affiliates may have.

SECTION 9.10 Governing Law; Jurisdiction; Consent to Service of Process. (a) This Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement and the transactions contemplated hereby shall be governed by, and construed in accordance with, the law of the State of New York).

(b) Each of the parties hereto irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against any other party hereto in any way relating to this Agreement or any other Loan Document (other than in respect of the Israeli Collateral Agreements) or the

transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits, for itself and its property, to the jurisdiction of such courts and agrees that all claims in respect of any action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by applicable law, in such federal court. Each party hereto agrees that a final judgment in any such action, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that any party hereto may otherwise have to bring any action, litigation or proceeding related to any Loan Document governed by any law other than the laws of the State of New York against any other party hereto or any of its properties in the courts of the jurisdiction of the law governing such Loan Document.

(c) Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action, litigation or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (b) of this Section 9.10. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law. The Borrower and each other non-Israeli Loan Party hereby irrevocably appoints Parent as its agent for service of process in relation to any proceedings brought before the courts of Israel in connection with any Loan Document.

SECTION 9.11 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.11.

SECTION 9.12 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 9.13 Confidentiality. Each of the Administrative Agent, each Issuing Lender and each Lender agrees to maintain the confidentiality of all Information (as defined below), except that Information may be disclosed (a) to its Related Parties, including accountants, legal counsel and other agents and advisors on a need-to-know basis, it being understood and agreed that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and

instructed to keep such Information confidential, (b) to the extent required or requested by any regulatory authority having jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners) (in which case such Credit Party agrees (except with respect to any audit or examination conducted by bank accountants or any regulatory authority exercising examination or regulatory authority), to the extent practicable and not prohibited by applicable law, rule or regulation, to inform the Borrower promptly thereof prior to disclosure), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process (in which case such Credit Party agrees (except with respect to any audit or examination conducted by bank accountants or any regulatory authority exercising examination or regulatory authority), to the extent practicable and not prohibited by applicable law, rule or regulation, to inform the Borrower promptly thereof prior to disclosure), (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies under this Agreement or any other Loan Document or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing confidentiality undertakings substantially similar to those of this Section 9.13, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its Related Parties) to any Hedging Agreement relating to Parent or any Subsidiary and its obligations hereunder or under any other Loan Document, (g) on a confidential basis to (i) any rating agency in connection with rating Parent or its Subsidiaries or the credit facilities provided for herein or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the credit facilities provided for herein, (h) with the consent of Parent or (i) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section 9.13, (ii) becomes available to the Administrative Agent, any Issuing Lender, any Lender or any Affiliate of any of the foregoing on a nonconfidential basis from a source other than Parent or its Subsidiary, (iii) is independently discovered or developed by a party hereto without utilizing any Information received from the Borrower or violating the terms of this Section 9.13 or (iv) is required by a potential or actual insurer or reinsurer in connection with providing insurance, reinsurance or credit risk mitigation coverage under which payments are to be made or may be made by reference to this Agreement. For purposes of this Section 9.13, "Information" means all information received from Parent relating to Parent or any Subsidiary (including any Unrestricted Subsidiary) or their businesses, other than any such information that is available to the Administrative Agent, any Issuing Lender or any Lender on a nonconfidential basis prior to disclosure by Parent or its Subsidiary (including any Unrestricted Subsidiary) and other than information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry. Any Person required to maintain the confidentiality of Information as provided in this Section 9.13 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

For the avoidance of doubt, nothing in this Section 9.13 shall prohibit any Person from voluntarily disclosing or providing any Information within the scope of this confidentiality provision to any governmental, regulatory or self-regulatory organization (any such entity, a "Regulatory Authority") to the extent that any such prohibition on disclosure set forth in this Section 9.13 shall be prohibited by the laws or regulations applicable to such Regulatory Authority.

SECTION 9.14 Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts that are treated as interest on such Loan under applicable law (collectively the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") that may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof,

shall be limited to the Maximum Rate. If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower.

SECTION 9.15 Release of Liens and Guarantees. A Loan Party (other than Parent and the Initial Borrower) shall automatically be released from its obligations under the Loan Documents, and all security interests created by the Loan Documents (including, without limitation, the Security Documents) in Collateral owned by such Loan Party shall be automatically released without the need of any further action by any Person, (i) upon the occurrence of the Termination Date, (ii) upon the consummation of any transaction or series of related transactions permitted by this Agreement or the occurrence of any other permitted event or circumstance as a result of which such Loan Party ceases to be a Subsidiary (or becomes an Excluded Subsidiary (other than solely as a result of such Subsidiary ceasing to be a Significant Subsidiary) or an Unrestricted Subsidiary) or (iii) upon written notice from the Borrower to the Administrative Agent, upon or after such Loan Party becoming an Excluded Subsidiary solely as a result of such Subsidiary ceasing to be a Significant Subsidiary; provided that as of any date upon which a Loan Party (other than Parent and the Borrower) becomes an Excluded Subsidiary and its guarantee of the Obligations is released, the Borrower shall be deemed to have made an Investment in a Person that is not a Loan Party in an amount equal to the fair market value of the assets (net of third-party liabilities and intercompany assets) of such Subsidiary as of such date (as determined reasonably and in good faith by a Financial Officer of Parent); provided further that (1) no Loan Party shall be automatically released from its obligations under the Loan Documents solely by reason of such Loan Party becoming an Excluded Subsidiary of the type described in clause (a) of the definition thereof unless either (x) it is no longer a direct or indirect Subsidiary of the Borrower or (y) such Loan Party ceases to be a wholly-owned Subsidiary of the Borrower as a result of a sale, issuance or transfer of Equity Interests to a Person that is not an Affiliate of the Borrower and such sale, issuance or transfer is made for a bona fide business purpose of the Borrower and its Restricted Subsidiaries and not for the primary purpose of evading the Collateral and Guarantee Requirement or the requirements of Section 5.11.

The security interests in any Collateral created by any Loan Document (including, without limitation, the Security Documents) shall be automatically released without the need of any further action by any Person, (i) upon any sale or other transfer to any Person that is not a Loan Party in a transaction permitted under this Agreement, (ii) upon any sale or other transfer to any Loan Party, if (x) such release is a Requirement of Law in connection with such sale or transfer or (y) such transferee Loan Party grants a security interest on such property to the Administrative Agent at the time of such transfer or during such longer period as agreed to by the Administrative Agent, (iii) upon such Collateral becoming an Excluded Asset or if such Collateral ceases to constitute Collateral, (iv) upon the effectiveness of any written consent to such release pursuant to Section 9.03 or (v) upon the occurrence of the Termination Date.

In connection with any termination or release pursuant to this Section 9.15, the Administrative Agent shall execute and deliver to any Loan Party, at such Loan Party's expense, all documents that such Loan Party shall reasonably request to evidence such termination or release and take any other actions requested by the Loan Parties, and shall file (or authorize such Loan Party to file) any termination statements in respect of Uniform Commercial Code financing statements (or similar filings under applicable law), provided that the Administrative Agent may request the Parent provide a written certificate of an Authorized Officer certifying that the applicable transaction is permitted or not prohibited pursuant to the Loan Documents (and the Administrative Agent may rely conclusively on any such certificate without further inquiry and shall have no liability to any Secured Party for any inaccuracy or misrepresentation contained therein). Any execution and delivery of documents pursuant to this Section 9.15 shall be without recourse to or warranty by the Administrative Agent. Each of the Secured

Parties irrevocably authorizes and instructs the Administrative Agent, and the Administrative Agent shall, effect the releases set forth in this Section 9.15.

SECTION 9.16 USA PATRIOT Act Notice; Beneficial Ownership. Each Lender and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies each Loan Party that, pursuant to the requirements of the USA PATRIOT Act or the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies such Loan Party, which information includes the name and address of such Loan Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify such Loan Party in accordance with the USA PATRIOT Act or the Beneficial Ownership Regulation (as applicable).

SECTION 9.17 No Fiduciary Relationship. Each of Parent and the Borrower, on behalf of itself and its Subsidiaries, agrees that in connection with all aspects of the transactions contemplated hereby and any communications in connection therewith, Parent, the Borrower, the Subsidiaries and their respective Affiliates, on the one hand, and the Administrative Agent, the Arrangers, the Lenders and their respective Affiliates, on the other hand, will have a business relationship that does not create, by implication or otherwise, any fiduciary duty on the part of the Administrative Agent, the Arrangers, the Lenders or their Affiliates, and no such duty will be deemed to have arisen in connection with any such transactions or communications. The Administrative Agent, the Arrangers, the Lenders and their respective Affiliates may be engaged, for their own accounts or the accounts of customers, in a broad range of transactions that involve interests that differ from those of Parent, the Borrower, the Subsidiaries and their respective Affiliates, and none of the Administrative Agent, the Arrangers, the Lenders or any of their respective Affiliates has any obligation to disclose any of such interests to Parent, the Borrower, the Subsidiaries or any of their respective Affiliates. Each of Parent and the Borrower hereby agrees that neither it nor any of its Affiliates will assert any claim against the Administrative Agent, the Arrangers, the Lenders or any of their respective Affiliates based on alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

SECTION 9.18 Non-Public Information. (a) Each Lender acknowledges that all information, including requests for waivers and amendments, furnished by Parent, the Borrower or the Administrative Agent pursuant to or in connection with, or in the course of administering, this Agreement will be syndicate-level information, which may contain MNPI. Each Lender represents to Parent, the Borrower and the Administrative Agent that (i) it has developed compliance procedures regarding the use of MNPI and that it will handle MNPI in accordance with such procedures and applicable law, including federal, state and foreign securities laws, and (ii) it has identified in its Administrative Questionnaire a credit contact who may receive information that may contain MNPI in accordance with its compliance procedures and applicable law, including federal, state and foreign securities laws.

(b) Each of Parent, the Borrower and each Lender acknowledges that, if information furnished by Parent or the Borrower pursuant to or in connection with this Agreement is being distributed by the Administrative Agent through an Approved Electronic Platform, (i) the Administrative Agent may post any information that Parent or the Borrower has indicated as containing MNPI solely on that portion of the Approved Electronic Platform designated for Private Side Lender Representatives and (ii) if Parent or the Borrower has not indicated whether any information furnished by it pursuant to or in connection with this Agreement contains MNPI, the Administrative Agent reserves the right to post such information solely on that portion of the Approved Electronic Platform as is designated for Private Side Lender Representatives. Each of Parent and the Borrower agrees to clearly designate all information provided to the Administrative Agent by or on behalf of Parent or the Borrower that is suitable to be made available to Public Side Lender Representatives, and the Administrative Agent shall be entitled to rely on any such designation by Parent or the Borrower without liability or responsibility for the independent verification thereof.

SECTION 9.19 Judgment Currency. (a) If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum owing hereunder in U.S. Dollars into another currency, each party hereto agrees, to the fullest extent that it may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures in the relevant jurisdiction U.S. Dollars could be purchased with such other currency on the Business Day immediately preceding the day on which final judgment is given.

(b) The obligations of each party hereto in respect of any sum due to any other party hereto or any holder of the obligations owing hereunder (the "Applicable Creditor") shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than U.S. Dollars, be discharged only to the extent that, on the Business Day following receipt by the Applicable Creditor of any sum adjudged to be so due in the Judgment Currency, the Applicable Creditor may in accordance with normal banking procedures in the relevant jurisdiction purchase U.S. Dollars with the Judgment Currency; if the amount of U.S. Dollars so purchased is less than the sum originally due to the Applicable Creditor in U.S. Dollars, such party agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Applicable Creditor against such deficiency. The obligations of the parties contained in this Section 9.19 shall survive the termination of this Agreement and the payment of all other amounts owing hereunder.

SECTION 9.20 Israeli Lenders. (a) It is hereby acknowledged that it is a condition to any prospective Israeli Lender becoming a party hereto on the Closing Date that the proposed Loans to be made and Letters of Credit to be issued, in each case on the Closing Date, shall not result in such prospective Lender exceeding the limits under Bank of Israel guidelines and directives with respect to single borrowers ("*loveh boded*"), groups of borrowers ("*kvutzat lovim*"), connected persons ("*anashim kshurim*") or any other limit or limitations imposed thereunder ("Israeli Regulatory Guidelines").

(b) Each Israeli Lender that is subject to Israeli Regulatory Guidelines hereby represents, as of the date it becomes a Lender hereunder, that, based on the information that has been made available to it, the making of the Loans by such Lender on the Closing Date or on the date that it becomes a Lender hereunder, as applicable, would not have resulted in such Lender exceeding the limits under Israeli Regulatory Guidelines.

SECTION 9.21 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other

instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

SECTION 9.22 Acknowledgements of Lenders and Issuing Lenders. (a) Each Lender and Issuing Lender hereby agrees that (x) if the Administrative Agent notifies such Lender or Issuing Lender that the Administrative Agent has determined in its sole discretion that any funds received by such Lender or Issuing Lender from the Administrative Agent or any of its Affiliates (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a "Payment") were erroneously transmitted to such Lender or Issuing Lender (whether or not known to such Lender or Issuing Lender), and demands the return of such Payment (or a portion thereof), such Lender or Issuing Lender shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender or Issuing Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (y) to the extent permitted by applicable law, such Lender or Issuing Lender shall not assert, and hereby waives, as to the Administrative Agent, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Payments received, including without limitation any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Lender or Issuing Lender under this Section 9.22(a) shall be conclusive, absent manifest error.

(b) Each Lender and Issuing Lender hereby further agrees that if it receives a Payment from the Administrative Agent or any of its Affiliates (x) that is in a different amount than, or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a "Payment Notice") or (y) that was not preceded or accompanied by a Payment Notice, it shall be on notice, in each such case, that an error has been made with respect to such Payment. Each Lender and Issuing Lender agrees that, in each such case, or if it otherwise becomes aware a Payment (or portion thereof) may have been sent in error, such Lender or Issuing Lender shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender or Issuing Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(c) The Borrower and each other Loan Party hereby agrees that (x) in the event an erroneous Payment (or portion thereof) are not recovered from any Lender or Issuing Lender that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender and Issuing Lender with respect to such amount and (y) an erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Loan Party.

(d) Each party's obligations under this Section 9.22(d) shall survive the resignation or replacement of the Administrative Agent or any transfer of rights or obligations by, or the replacement

of, a Lender or Issuing Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations under any Loan Document.

SECTION 9.23 Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Swap Agreements or any other agreement or instrument that is a QFC (such support "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

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

[Signature pages follow]

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

NICE LTD, as Parent

By: Signed by: Beth Gaspich CEC829BA9C394B0...
Name: Beth Gaspich
Title: Corporate Chief Financial Officer

By: Signed by: udi.dayan A08736394075475...
Name:Udi Dayan
Title: Vice President, Corporate Finance

NICE SYSTEMS INC., as the Borrower

By: Signed by: Beth Gaspich CEC829BA9C394B0...
Name: Beth Gaspich
Title: Corporate Chief Financial Officer

By: Signed by: udi.dayan A08736394075475...
Name: Udi Dayan
Title: Vice President, Corporate Finance

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

By: Chandan Kumar

Name: Chandan Kumar
Title: Vice President

JPMORGAN CHASE BANK, N.A., as a Lender, an Issuing Lender and a Swingline Lender

By: Chandan Kumar

Name: Chandan Kumar
Title: Vice President

Morgan Stanley Bank, N.A.,

as a Lender

By: Michael King
Name: Michael King
Title: Authorized Signatory

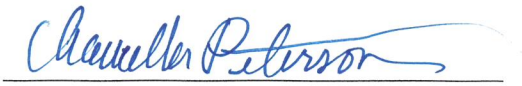
CITIBANK, N.A.,

as a Lender

By:

Name: Nurit Leiderman
Title: Managing Director

Citizens Bank, N.A., as a Lender

By: 

Name: Chancellor Peterson
Title: Senior Vice President

Exhibit 8.1

Significant Subsidiaries

The following is a list of our significant subsidiaries and other subsidiaries, including the country of incorporation or residence. Each of our subsidiaries listed below is wholly-owned.

Name of Subsidiary	Country of Incorporation or Residence
NICE Systems Australia PTY Ltd.	Australia
NICE Systems Technologies Brasil LTDA	Brazil
NICE Systems Canada Ltd.	Canada
NICE Interactive Solutions India Private Ltd.	India
Actimize Ltd.	Israel
NICE Japan Ltd.	Japan
NICE Technologies Mexico S.R.L.	Mexico
NICE Netherlands B.V.	Netherlands
NICE Systems (Singapore) Pte. Ltd.	Singapore
NICE Technologies Sole Proprietorship LLC	United Arab Emirates
Actimize UK Limited	United Kingdom
NICE Systems Technologies UK Limited	United Kingdom
NICE Systems UK Ltd.	United Kingdom
Actimize Inc.	United States
inContact Inc.	United States
NICE Systems Inc.	United States
NICE Systems Technologies Inc.	United States
LiveVox Inc.	United States
Cognigy GmbH	Germany

NICE LTD.

POLICY STATEMENT ON INSIDER TRADING

INTRODUCTION

This Policy Statement on Insider Trading (the "**Policy**") explains the requirements and procedures that apply to all directors, officers, employees, consultants, contractors and temporary personnel of NICE Ltd., its subsidiaries and all entities directly or indirectly under its control (respectively, the "**Company**" or "**NICE**" and **"Covered Persons"**), under United States and Israeli securities laws regarding trading in securities of the Company (and in some cases in the securities of other companies as described herein). This Policy also addresses issues regarding the disclosure of confidential information about the Company's business and affairs to outsiders.

Please read this Policy carefully and contact the General Counsel of the Company if at any time you have questions about this Policy or its application to a particular situation or you plan to trade in the Company's securities but are unsure about whether you are able to do so at the time.

1. GENERAL RULES

In general, United States and Israeli securities laws and/or our Company Policy:

- Prohibit buying or selling Company securities (or in some cases the securities of other companies) while in possession of material non-public information ("**Inside Information**").

- Prohibit buying or selling Company securities during certain prescribed periods of time before and after earnings releases.

- Prohibit disclosing Inside Information to outsiders, including family members and others (tipping), who then trade in the Company's securities on the basis of that Inside Information or trade in the securities of another company, about which they have acquired Inside Information through their position in the Company.

- Prohibit the sale of any unregistered Company securities without complying with all the requirements of Rule 144 under the Securities Act of 1933, as amended (the "**Securities Act**"). This Rule, also described in more detail later in this Policy, has detailed reporting requirements, and strict limitations and/or requirements that:

- May limit the number of shares that may be sold during an established period of time;

- For certain securities, establish the length of time for which they must be held before they are sold;

- May mandate the availability of publicly available information about the Company; and

- May govern the manner of sale.

- For directors and certain officers of the Company, may impose reporting requirements with respect to the covered person's ownership of and transactions in Company securities.

- Prohibit answering questions or providing information about the Company and its affairs to Company outsiders unless you are specifically authorized to do so, or it is a regular part of your position, and only in accordance with the Company's Disclosure Policy.

2. INSIDER TRADING

The United States federal securities laws and Israeli securities laws prohibit corporate insiders in possession of Inside Information with respect to their company from engaging in transactions in its securities. If the Inside Information concerns another company, an insider may not trade in that other company's securities as well.

(i) Policy on Insider Trading

All Covered Persons are strictly prohibited from, directly or indirectly, (i) purchasing or selling the Company's securities (for their own or "Related Accounts" as defined below) while in possession of Inside Information, regardless of how obtained, and/or (ii) "tipping" others as to such Inside Information. This prohibition applies to anyone in the Company who has access by any means (including, without limitation, tips from other employees) to Inside Information about the Company or its business. The term "Related Account" means (i) any account maintained by family members of Covered Persons and others living in the same household and (ii) accounts that are controlled or subject to the influence of the director, officer or employee, his or her family members, or others in his or her household, or accounts for which such persons act as a fiduciary, such as a trustee. Please note that "purchase" and "sale" include a broad range of transaction types, including a purchase of derivative securities, gifts, and other types of transfers.

The Covered Persons are also prohibited (for their own or Related Accounts) from trading in the securities of any other company about which they have acquired Inside Information through their position in the Company, including, without limitation, the Company's competitors, suppliers, customers or any other person or company with whom the Company does business.

(ii) "Materiality" and "Inside Information"

Information is "material" for the purposes of the United States federal securities laws, Israeli securities laws and this Policy if a reasonable investor would consider it important in arriving at a decision to buy, sell or hold securities, or if the information is reasonably certain to have a substantial effect on the price of a company's securities. No simple "bright line" test exists to determine when information is material; assessments of materiality involve a highly fact-specific inquiry. For this reason, you should direct any questions about whether information is material to the Company's General Counsel. In addition to the following, other types of information may also be "material" and considered as Inside Information at any particular time, depending upon the circumstances.

(iii) Examples of material Inside Information include the following:

1. Company financial results, earnings, possible dividend increases or decreases, stock splits or stock dividends and other financial information.

2. Anticipated public or private offerings of Company securities.

3. The fact that an acquisition candidate, business unit divestiture, joint venture, tender offer or other restructuring activity is being evaluated or considered, that discussions or negotiations are in progress, or that such a transaction is being undertaken.

4. Any significant litigation, actual or threatened disputes or governmental investigations and any significant developments in any significant litigation, dispute or governmental investigation.

5. Any changes in management or control of the Company.

6. Gain or loss of a significant customer; progress or lack of progress on product development, intent or failure to launch a new release or product.

7. Significant cybersecurity risks and incidents, including vulnerabilities and breaches, and incidents and breaches relating to Company customers, suppliers, partners or other third parties.

8. Significant disruption in the Company's operations or loss, potential loss, breach or unauthorized access of its property or assets, including its facilities and information technology infrastructure.

The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. To be "public" the information must have been disseminated in a manner designed to reach investors generally, and the investors must be given the opportunity to absorb the information. Even after public disclosure of information about the Company is made public, you must wait 24 hours after the information was publicly disclosed before you can treat the information as public.

In addition, to the extent that a director, officer or other employee, through their position in the Company, obtains Inside Information concerning another company, such individual may not use that information and trade in that other company's securities.

(iv) Situations in Which Certain Parties may come into Insider Information

Certain Covered Persons, by virtue of their positions with the Company, may from time to time be likely to possess Inside Information about limited specified events. For example, if the Company believes a cybersecurity breach may have occurred, the chief information officer and the employees involved in investigating and assessing the incident could be considered to have Inside Information for purposes of this event even though these personnel are not likely to have Inside Information in relation to the release of the Company's financial results.

(v) "Tipper" and "Tippee" Liability

The Covered Persons also are prohibited from recommending or suggesting to anyone else (including family or household members or friends) to buy, sell or hold the securities of any company, including those of the Company, while they are in the possession of Inside Information.

Disclosure of Inside Information to a third party ("tipping") may result in criminal or civil liability for both the "tipper" and "tippee" if such third party ("tippee") trades on the basis of such information or uses that information to tip another person who trades on the basis of such information. It is the Company's policy to prohibit the disclosure of Inside Information to any person, whether inside or outside the Company, unless the person receiving such information has a reason to know such information.

Without limitation to the foregoing, remote work (including by working from home) poses unique challenges. In the era of working outside the traditional office and remote work, Covered Persons who may have access to Inside Information have a responsibility to take steps to ensure that Inside Information remains confidential and to prevent access to Insider Information by other unauthorized individuals, such as, partners or spouses, while working remotely.

3.Blackout Periods for Trading in the Company's Securities

In order to reduce the Company's exposure to potential liability, the Company has adopted the following rules and policies to address certain particular common or recurring circumstances. These are by no means the only circumstances in which the foregoing principles are applicable.

Quarterly Blackout Period. All members of the Board of Directors of the Company, senior management (down to vice-president level) as well as additional employees having access to Inside Information by virtue of their position as aforementioned and the Related Accounts of such persons, are prohibited from trading in the Company's securities for four periods (each, a "**Quarterly Blackout Period**") during the year. Each Quarterly Blackout Period begins two weeks prior to the end of a fiscal quarter (March 31, June 30, September

30 and December 31) and ends 24 hours after the Company publicly announces its quarterly results of operations (or year end results).

Other Blackout Periods. From time to time, other types of Inside Information regarding the Company (such as negotiation of mergers, acquisitions or dispositions, investigation and assessment of cybersecurity incidents or new product developments) may be pending and not be publicly disclosed. While such Inside Information is pending, the Company may impose special blackout periods during which certain members of the Board of Directors of the Company, officers, as well as additional employees are prohibited from trading in the Company's securities (each a "**Special Blackout Period**"). If the Company imposes a Special Blackout Period, it will notify the persons affected.

Specific exceptions to a Quarterly Blackout Periods and Special Blackout Periods (jointly "Blackout Periods") may be made, with approval, in limited circumstances when the applicant does not possess Inside Information and the exception would not otherwise contravene the law or the purposes of this Policy. Any request for an exception shall be directed to the Company's General Counsel in writing and shall be approved by the Chief Executive Officer.

Notwithstanding the Blackout Periods described, no Covered Person with Inside Information concerning the Company may purchase or sell the Company's securities while the information remains non-public. If you are unsure whether the information in your possession is material or non-public, you should inquire of the Company's General Counsel.

4.Trading Pre-Approval for Restricted Persons

Except as permitted in connection with a Qualified Selling Plan approved in the manner described below and without derogating from the restrictions under the Quarterly Blackout Period or Other Blackout Periods, no Restricted Person may trade in Company securities, or make a gift of Company securities unless the following terms are fulfilled:

1. the Restricted Person proposing to trade has notified the General Counsel and the Chief Financial Officer in writing no later than two business days prior to the proposed trade date, by submission of the form attached as Attachment A (the "**Stock Trade Request**"): (i) of the amount and nature of the proposed trade and (ii) that he or she is not in possession of inside information concerning the Company;

2. the Restricted Person proposing to trade, if a director or executive officer, will conduct the trade in accordance with Rule 144 under the Securities Act;

3. the Restricted Person proposing to trade, if a director or officer subject to the

reporting requirements of Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), will comply with the Company's Section 16 Compliance Policy; and

4. the General Counsel or the Chief Financial Officer has approved the trade by countersigning the Stock Trade Request and returned it to the Restricted Person.

Proposed transactions by the General Counsel shall be subject to the approval of the Company's Chief Financial Officer. Proposed transactions by the Chief Financial Officer shall be subject to the approval of the Company's General Counsel. Each of the Chief Financial Officer and the General Counsel may designate one or more individuals who may perform their duties in the event that either of them is unable or unavailable to perform such duties.

"Restricted Person" includes directors, executive officers and others included on a restricted person list maintained by the Company's General Counsel.

5. Trading Plans

Subject to United States and Israeli securities laws, the restrictions set forth above shall not apply to purchases or sales made pursuant to a Qualified Selling Plan that was executed by a Covered Person (including an attached issuer certification letter, signed by the General Counsel on behalf of the Company). For purposes of this exception, a "Qualified Selling Plan" is a written plan, contract or instruction for purchasing or selling the Company's securities which meets each of the following requirements: (1) the plan is adopted by the director, officer or employee during a period when transactions in the Company's securities are permitted pursuant to this Policy; (2) the plan is adopted during a period when the director, officer or employee is not in possession of Inside Information; (3) the plan is adhered to strictly by the director, officer or employee, provided, however, that a Qualified Selling Plan may be terminated or altered only during a period that complies with the description in both subsections (1) and (2) above; (4) the plan either (a) specifies the amount of securities to be purchased or sold and the price at which and the date on which the securities are to be purchased or sold, (b) includes a written formula or algorithm, or computer program, for determining the amount of securities to be purchased or sold and the price at which and the date on which the securities are to be purchased or sold or (c) does not permit the director or employee to exercise any subsequent influence over how, when, or whether to effect purchases or sales, provided, in addition, that any other person who, pursuant to the plan, does exercise such influence must not have been aware of the Inside Information when doing so; (5) at the time a plan is adopted the plan conforms to all other requirements of Rule 10b5- 1(c) under the Exchange Act as then in effect; (6) the plan provides that the sales be effected on the NASDAQ Stock Market or any other stock market located outside Israel; and (7) the plan provides that the sales be effected via a non-Israeli broker (although coordination with an Israeli affiliate, branch, agent of such broker shall be permitted).

6. Trading After Public Announcements

In addition to fully comply with all other provisions of this Policy, all Covered Persons who have access to or who have prior knowledge of any Inside Information concerning the Company which is the subject of a public announcement shall refrain from trading (for their own or related accounts) in the Company's securities for a 24 hour period after the information is made public by the Company so as to allow time for the investing public to receive and absorb such information.

7. Special Prohibitions on members of the Board of Directors and Senior Management of the Company

Other than upon exercise or vesting of equity based awards pursuant to the Company's share incentive plans, and selling Company securities in anticipation of receipt of the same from the exercise or vesting of the equity based award, members of the Board of Directors and senior management of the Company are prohibited from engaging in "short selling" of the Company's securities. "Short Sales" are sales of a security by an investor who has borrowed the security for this purpose. The short seller borrows the security with the intention of later "covering" the short sale – that is, the investor will return to the lender (brokerage house), at a later date, an identical security that the investor will purchase in the market. The purpose of a short sale is to take advantage of the anticipation of the stock price going down.

Members of the Board of Directors and senior management should also be reminded that pursuant to the Israeli securities laws, the buying and selling of Company securities within three months from the date of a sale or purchase of Company securities, as applicable, may be viewed as a trade while in possession of Inside Information.

8. Post-Termination Transactions

This Policy shall continue to apply to transactions in Company securities even after termination of service to the Company. If an individual is in possession of Inside Information when his or her service terminates, that individual may not engage in transactions in Company securities until that information has become public or is no longer material.

9. NICE Ltd. Employee Share Purchase Plan ("ESPP")

The trading restrictions set forth herein do not apply to the purchase of Company securities through the NICE Ltd. Employee Share Purchase Plan resulting from periodic payroll contributions to the plan under an election made at the time of enrollment in the plan. However, no Covered Person may take action to enroll in the plan or to increase or decrease their contribution levels under the plan while in possession of Inside Information. Additionally, any subsequent sales of Company securities purchased under the plan are subject

to all of the trading restrictions contained herein.

10.Responsibility

All Covered Persons must strictly observe the provisions of this Policy. Any questions or concerns regarding this Policy should be referred promptly to the General Counsel of the Company.

This Policy does not address all the requirements and prohibitions pursuant to US and Israeli securities laws regarding trading or communication of Inside Information. It is the personal responsibility of each and every Covered Person to fully comply with the requirements under applicable insider trading laws, including, without limitation, in connection with satisfying the requirements for entry into a Qualified Selling Plan. In all cases, the responsibility for determining whether a Covered Person is in possession of Inside Information rests with such party, and any action on the part of the Company, the General Counsel or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate such person from liability under applicable securities laws.

11.Violations of Insider Trading Laws

Penalties for trading on or communicating Inside Information can be severe, both for individuals involved in such unlawful conduct and their employers and supervisors, and may include jail terms, criminal fines, civil penalties and civil enforcement injunctions. Given the severity of the potential penalties, compliance with this Policy is absolutely mandatory.

1. Legal Penalties. A person who violates insider trading laws by engaging in transactions in a company's securities when he or she has Inside Information can be sentenced to a substantial jail term and required to pay a criminal penalty of several times the amount of profits gained or losses avoided. In addition, a person who tips others may also be liable for transactions by the tippees to whom he or she has disclosed Inside Information. Tippers can be subject to the same penalties and sanctions as the tippees and the Securities Exchange Commission ("SEC") has imposed large penalties even when the tipper did not profit from the transaction.

   The SEC and the Israeli Securities Authority ("ISA") can also seek substantial civil penalties from any person who, at the time of an insider trading violation, "directly or indirectly controlled the person who committed such violation," which would apply to the Company and/or management and supervisory personnel. Even for violations that result in a small or no profit, the SEC and ISA can seek penalties from a company and/or its management and supervisory personnel as control persons.

2. Company-imposed Penalties. Employees who violate this Policy may be subject to disciplinary action by the Company, including dismissal for cause.

Except in relation to Quarterly Blackout Periods, as aforementioned, any exceptions to this Policy, if permitted, may only be granted by the Company's General Counsel and Chief Executive Officer in writing, and must be provided before any activity contrary to the above requirements takes place. In the event that the exception relates to either the Company's General Counsel or Chief Executive Officer, such exception may only be granted by the Company's Internal Audit Committee in writing and must be provided before any activity contrary to the above requirements takes place.

Attachment A

NICE LTD.

TRADE REQUEST

Instructions:
The Company requires mandatory pre-clearance for all directors and executive officers and others deemed "Restricted Persons" by the General Counsel who desire to trade in the ordinary shares or American depositary shares of NICE Ltd. (the "**Company**"). If you have questions in advance of a trade, including whether you are a Restricted Person, please contact the Company's General Counsel. Complete this stock trade request form and email it to the Company's General Counsel and the Company's Chief Financial Officer at least two business day prior to your intended trade date. Please note that we will act upon your request as promptly as possible, but cannot guarantee same day turnaround.

Trade Request
I would like to request the following open market transaction (select one):

Select One	Transaction Type	Quantity	Price*
	RSU/ Options Exercise		
	Sale		
	Purchase		
	Transfer		
	Gift		

** Trading price or price range in dollars and cents (e.g. specific price or "at market")*

Required Certifying Statement:
By submitting the request to pre-clear a transaction in the Company's securities described in this form, I hereby represent and warrant that I am not aware of any material non-public information relating to the Company and/or any of its subsidiaries and that this proposed transaction will be affected in full compliance with the Company's insider trading policy and applicable securities laws. I understand and acknowledge that information is "material," if it is a fact that the reasonable investor would consider important in arriving in a decision to buy, sell or hold securities, or if the information is reasonably certain to have a substantial effect on the price of a company's securities, prior to its dissemination in a manner designed to reach investors generally. I acknowledge and agree that the Company will rely on my representations set forth above in pre-clearing the transactions described in this form. I agree that I will inform the Company immediately by e-mail directed to the General Counsel and the Chief Financial Officer in the event I become aware of any material non-public information before the transaction referred to in this form is effected, and I understand that in such event it will be my obligation to inform the brokerage used by me in executing this transaction to discontinue any further trading activities on my behalf. I understand and acknowledge that any violation of the insider trading laws is a serious offense that may subject me to criminal and civil liability and penalties.

Attachment A

I understand that any approval granted for a trade request shall only remain valid for the two trading days following the date of receipt of approval (unless earlier terminated due to (a) a Quarterly Blackout Period or Other Blackout Period or; (b) due to me becoming aware of material non-public information (c) the General Counsel or the Chief Financial Officer advise that the approval granted is withdrawn, at their sole discretion. If the approved trade is not executed within such timeframe, I am required to seek new approval from the General Counsel or the Chief Financial Officer prior to engaging in any trade.

Additionally, if I am a director or officer subject to the reporting requirements of Section 16(a) of the Securities Exchange Act of 1934, as amended, I will comply with the Company's Section 16 Compliance Policy. If I am an executive officer or director of the Company, a sale of ordinary shares/ADSs will be conducted in accordance with Rule 144 under the Securities Act of 1933, as amended.

_____
Signature

_____
Printed Name

_____
Date

Approval:

Trade approved through: _____

Request denied _____

Signature _____

Exhibit 12.1

Certification of Principal Executive Officer pursuant to 17 CFR 240.13a-14(a),
as adopted pursuant to §302 of the Sarbanes-Oxley Act

I, Scott Russell, certify that:

1. I have reviewed this annual report on Form 20-F of NICE Ltd.;

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 company as of, and for, the periods presented in this report;

4. The company's other certifying officer 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 company 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 company, 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 company'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 company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company'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 company'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 company's internal control over financial reporting.

By: /s/ Scott Russell
Scott Russell
Chief Executive Officer

Date: February 26, 2026

Exhibit 12.2

Certification of Principal Financial Officer pursuant to 17 CFR 240.13a-14(a),
as adopted pursuant to §302 of the Sarbanes-Oxley Act

I, Beth Gaspich, certify that:

1. I have reviewed this annual report on Form 20-F of NICE Ltd.;

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 company as of, and for, the periods presented in this report;

4. The company's other certifying officer 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 company 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 company, 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 company'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 company’s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company’s internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company'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 company'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 company's internal control over financial reporting.

By: /s/ Beth Gaspich
Beth Gaspich
Chief Financial Officer

Date: February 26, 2026

Exhibit 13.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 20-F of NICE Ltd. (the "Company") for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Scott Russell, Chief Executive Officer of the Company, certifies, pursuant to 18 U.S.C. sec. 1350, as adopted pursuant to sec. 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, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Scott Russell
Scott Russell
Chief Executive Officer

February 26, 2026

Exhibit 13.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 20-F of NICE Ltd. (the "Company") for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Beth Gaspich, Chief Financial Officer of the Company, certifies, pursuant to 18 U.S.C. sec. 1350, as adopted pursuant to sec. 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, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Beth Gaspich
Beth Gaspich
Chief Financial Officer

February 26, 2026

Exhibit 15.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statements (Form S-8 Nos. 333-166364, 333-168100, 333-171165, 333-162795, 333-162110, 333-06784, 333-08146, 333-11842, 333-09350, 333-11154, 333-111112, 333-111113, 333-134355, 333-144589, 333-145981, 333-153230, 333-177510, 333-179408, 333-181375, 333-191176, 333-199904, 333-210341, 333-210343, 333-210344, 333-214584, 333-226930, 333-228911, 333-249186, 333-270969, 333-290600, and 333-290601) pertaining to the equity incentive plans of NICE Ltd. of our reports dated February 26, 2026, with respect to the consolidated financial statements of NICE Ltd. and the effectiveness of internal control over financial reporting of NICE Ltd., included in this Annual Report (Form 20-F), for the year ended December 31, 2025.

Tel Aviv, Israel
February 26, 2026

/s/ KOST, FORER, GABBAY & KASIERER

KOST, FORER, GABBAY & KASIERER
A Member of Ernst & Young Global