

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

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (date of earliest event reported): November 5, 2019



**XEROX HOLDINGS CORPORATION
XEROX CORPORATION**

(Exact name of registrant as specified in its charter)

New York
New York
(State or other jurisdiction
of incorporation)

001-39013
001-04471
(Commission
File Number)

83-3933743
16-0468020
(IRS Employer
Identification No.)

201 Merritt 7
Norwalk, Connecticut
06851-1056
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (203) 968-3000

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

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

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Xerox Holdings Common Stock, \$1.00 par value	XRX	New York Stock Exchange

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

Emerging growth company

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

Item 1.01. Entry Into a Material Definitive Agreement.

On November 5, 2019, Xerox Holdings Corporation (the “Company”) announced that it had restructured its relationship with FUJIFILM Holdings Corporation (“FH”) through a series of agreements intended to simplify and set a new course for the companies’ strategic sourcing relationship going forward. As further described below, the Company entered into definitive agreements relating, among other things, to: sales to indirect subsidiaries of FH of the Company’s indirect 25% equity interest in Fuji Xerox Co., Ltd., a Japanese company (“FX”), and of the Company’s indirect 51% partnership interest in Xerox International Partners (“XIP”); modified sourcing terms for future product programs; the grant of a trademark license to enable FX to transition to a new brand while compensating the Company for continued use of its name; the grant of an IP license to allow FX to provide certain OEM products to certain named parties on a worldwide basis in exchange for a fixed royalty; and dismissal of a pending lawsuit FH filed against Xerox Corporation (“XC”).

Sale of FX Interest

Pursuant to the Stock Purchase Agreement, dated as of November 5, 2019 (the “Stock Purchase Agreement”), among XC, Xerox Limited (“XL”), FH, FUJIFILM Asia Pacific Pte. Ltd. (“FFAP”) and FX, among other things, FX will conduct a buyback of its shares from both FH and XL on a pro rata basis, pursuant to which XL will receive \$769,890,000 (the “Share Buyback”). Following the Share Buyback, FFAP will purchase all of the outstanding equity interests of FX owned by XL (the “FFAP Purchase” and, together with the Share Buyback, the “FX Sale Transaction”), for a purchase price of \$1,430,110,000 (the “FFAP Purchase Price”), which amount shall be increased by the amount of the dividends attributable to the period from October 1, 2019 to the date on which the FFAP Purchase occurs, calculated in accordance with the terms of the Stock Purchase Agreement.

Subject to the satisfaction or waiver of the conditions set forth in the Stock Purchase Agreement and on the terms set forth therein, the closing of the FX Sale Transaction will occur on November 8, 2019; provided, however, that if FH has not received early termination of the waiting period of the pre-transaction notification (*jizen-todokede*) required under the Foreign Exchange and Foreign Trade Act of Japan (the “FEFTA Approval”) on or before November 5, 2019, then the Share Buyback will occur on November 8, 2019 and the FFAP Purchase will occur within three (3) business days following receipt of the FEFTA Approval. If the FEFTA Approval has not been received by March 24, 2020, then FH will consummate the FFAP Purchase on March 30, 2020, by either (i) replacing FFAP with another entity as the purchaser in the FFAP Purchase so the FEFTA Approval is no longer required in connection with the FFAP Purchase or (ii) implementing another transaction structure that allows XL to sell all of its remaining equity interest in FX and receive the FFAP Purchase Price.

The closing of the FX Sale Transaction is conditioned upon the absence of any legal requirement or order preventing or making unlawful the transactions contemplated thereby, other than the FEFTA Approval. Moreover, each party’s obligation to consummate such closing is conditioned upon the accuracy of the other party’s representations and warranties (generally subject to a Material Adverse Effect (as defined in the Stock Purchase Agreement) qualifier). The Stock Purchase Agreement contains customary representations and warranties regarding the parties thereto, customary covenants, indemnification provisions and other provisions customary for transactions of this nature.

The foregoing description of the Stock Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the Stock Purchase Agreement, a copy of which is filed as Exhibit 2.1 hereto and is incorporated herein by reference.

The Stock Purchase Agreement has been provided solely to inform investors of its terms. The representations, warranties and covenants contained in the Stock Purchase Agreement were made only for the purposes of such agreement and as of specific dates, were made solely for the benefit of the parties to the Stock Purchase Agreement and may be intended not as statements of fact, but rather as a way of allocating risk to one of the parties if those statements prove to be inaccurate. In addition, such representations, warranties and covenants may have been qualified by certain disclosures not reflected in the text of the Stock Purchase Agreement and may apply standards of materiality in a way that is different from what may be viewed as material by shareholders of, or other investors in, the Company. The Company’s shareholders and other investors are not third-party beneficiaries under the Stock Purchase Agreement and should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or conditions of the Company or FH or any of their respective subsidiaries or affiliates.

Amendment No. 1 to Technology Agreement

In connection with the FX Sale Transaction and concurrently with the execution and delivery of the Stock Purchase Agreement, FX and XC entered into Amendment 1, dated as of November 5, 2019 (the “TA Amendment”), to that certain Technology Agreement (the “TA”), dated as of April 1, 2006, by and between FX and XC, relating to licenses granted to FX by XC for XC’s trademarks and certain non-marking Document Processing Activities. The TA Amendment, among other things, (i) extends to two (2) years following the expiration of the TA (the “Transition Period”) the time period by which FX is required

to transition away from the use of Xerox trademarks upon expiration of the TA, (ii) grants FX limited licenses to use Xerox trademarks for the Transition Period, subject to certain quality control standards and for a royalty in the amount of \$100,000,000, payable to XC within three (3) business days from the first date of the Transition Period, and (iii) amends FX's licenses for certain non-marking Document Processing Activities to become worldwide, royalty-free, and non-exclusive upon the expiration of the TA.

The TA Amendment will become effective concurrently with the FFAP Purchase unless the Share Buyback has occurred but the FEFTA Approval has not been received by November 24, 2019, in which case the TA Amendment will become effective as of the later of (i) November 27, 2019 or (ii) if such effectiveness is prohibited by any legal requirement or order, three (3) business days following the elimination of any such prohibition (such time, as to any Ancillary Agreement (as defined below), the "Ancillary Agreements Effectiveness").

The foregoing description of the TA Amendment does not purport to be complete and is qualified in its entirety by reference to the TA Amendment, a copy of which is filed as Exhibit 10.1 hereto and is incorporated herein by reference.

Amendment No. 1 to Master Program Agreement

In connection with the FX Sale Transaction and concurrently with the execution and delivery of the Stock Purchase Agreement, FX and XC entered into Amendment No. 1, dated as of November 5, 2019 (the "MPA Amendment"), to that certain Master Program Agreement (the "MPA"), dated as of September 9, 2013, relating to the supply arrangement from FX to XC for xerographic document products. The MPA Amendment removes from the MPA termination provisions that are triggered by (i) a change in the composition of the board of directors of XC, (ii) a sale of substantially all assets of XC or (iii) any other change-in-control type scenario related to XC, and extends the effective term of certain product specific supply agreements governing existing product programs.

In addition, the MPA Amendment provides, among other things, that if the TA expires on March 31, 2021 solely due to non-renewal by FX or XC, then FX will be restricted for an agreed period from selling, licensing, leasing, or distributing Graphic Communications Products in certain jurisdictions (collectively, the "Limited Exclusive Territory"), except through XC, (ii) XC and its subsidiaries will be restricted from manufacturing, purchasing, or procuring Graphic Communications Products that are being sold or distributed in the Limited Exclusive Territory, unless procured through FX (excluding Graphic Communications Products that are not substantially similar in terms of specifications and availability, taken as a whole, as Graphic Communications Products designed and manufactured by FX) and (iii) XC will be appointed as FX's nonexclusive reseller and distributor of its Graphic Communications Products outside the Limited Exclusive Territory. The MPA Amendment also includes provisions governing the entry into and/or termination of certain future documents relating to the MPA.

The MPA Amendment will become effective at the time of the Ancillary Agreements Effectiveness.

The foregoing description of the MPA Amendment does not purport to be complete and is qualified in its entirety by reference to the MPA Amendment, a copy of which is filed as Exhibit 10.2 hereto and is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

Attached as Exhibit 99.2 hereto is a copy of a presentation that will be used by the Company in informational meetings.

The information contained in this Item 7.01 and in Exhibit 99.2 hereto shall not be deemed "filed" with the Commission for purposes of Section 18 of the Exchange Act of 1934, as amended, or otherwise subject to the liability of that section.

Item 8.01. Other Events.

Sale of XIP Interest

Pursuant to the Partnership Interest Purchase Agreement, dated as of November 5, 2019 (the "XIP Purchase Agreement"), among XC, Xerox International Joint Marketing, Inc., a subsidiary of XC that holds a 51% partnership interest in XIP ("XIJM"), FH, FX and FX Global, Inc., a subsidiary of FX that holds a 49% partnership interest in XIP ("FXGI"), among other things, XIJM will sell its 51% partnership interest in XIP to an affiliate of FX (the "XIP Sale") for an aggregate purchase price of \$23,000,000. The XIP Sale will occur concurrently with the FFAP Purchase, subject to the satisfaction or waiver of specified conditions set forth therein and on the terms set forth therein.

The closing of the XIP Sale is conditioned upon (i) the absence of any legal requirement or order preventing or making unlawful the XIP Sale and (ii) the consummation of the FX Sale Transaction. Moreover, each party's obligation to consummate the XIP Sale is conditioned upon the accuracy of the other party's representations and warranties (generally subject to a Material Adverse Effect (as defined in the XIP Purchase Agreement) qualifier). The XIP Purchase Agreement contains customary representations and warranties regarding XC, XIJM and FX, customary covenants, indemnification provisions and other provisions customary for transactions of this nature.

Other Ancillary Agreements

On November 5, 2019, in connection with the FX Sale Transaction and concurrently with the execution and delivery of the Stock Purchase Agreement, the Company and FH and/or certain of their respective subsidiaries entered into the following other ancillary agreements (together with the TA Amendment and the MPA Amendment, the “Ancillary Agreements”):

- FX and XC entered into amendments to (i) that certain License Agreement for Xerox Global Services Offerings, dated as of July 1, 2011, (ii) that certain XGS-FXGS Master Agreement for Global Services Offerings, dated as of January 1, 2008, and (iii) that certain Master Consulting Services Agreement, dated as of January 1, 2010, each for Xerox Global Services Offerings;
- FX and XC entered into a memorandum of understanding relating to the license of certain software from XC to FX;
- FX and XC entered into an OEM license agreement, granting FX the right to provide certain named original equipment manufacturers with OEM products outside the Territory (as defined in the OEM License Agreement) in exchange for a one-time upfront license fee of \$77,000,000, payable by FX to XC when the OEM license agreement becomes effective; and
- FH, FX, FXGI, XC, XL, and XIJM entered into an agreement to dismiss with prejudice the litigation captioned *Fujifilm Holdings Corp. v. Xerox Corp.*, No. 1:18 cv 05458-JGK-BSM (S.D.N.Y.) and to release claims as set forth in the agreement.

Each of such other ancillary agreements will become effective as of the Ancillary Agreements Effectiveness.

Press Release

On November 5, 2019, the Company issued a press release announcing that it had restructured its relationship with FH through a series of agreements intended to simplify and set a new course for the companies’ strategic sourcing relationship going forward. A copy of the press release is attached as Exhibit 99.1 hereto and is incorporated herein by reference.

Forward-Looking Statements

This Current Report on Form 8-K contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. The words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “will”, “should”, “targeting”, “projecting”, “driving” and similar expressions, as they relate to us, our performance and/or our technology, are intended to identify forward-looking statements. These statements reflect management’s current beliefs, assumptions and expectations and are subject to a number of factors that may cause actual results to differ materially. Such factors include but are not limited to: the ability to satisfy the conditions to closing of the proposed transactions, on the expected timing or at all; the ability to obtain required regulatory approvals for the proposed transactions, on the expected timing or at all; the occurrence of any event that could give rise to the termination of the stock purchase agreement or other transaction documents; the effects of disruption caused by the announcement of the contemplated transactions; the risk of litigation in connection with the contemplated transactions; and other factors that are set forth in the “Risk Factors” section, the “Legal Proceedings” section, the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section and other sections of Xerox Corporation’s 2018 Annual Report on Form 10-K, as well as in Xerox Corporation’s and the Company’s Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. These forward looking statements speak only as of the date of this report or as of the date to which they refer, and the Company assumes no obligation to update any forward-looking statements as a result of new information or future events or developments, except as required by law.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
2.1*	Stock Purchase Agreement, dated as of November 5, 2019, by and among FUJIFILM Holdings Corporation, FUJIFILM Asia Pacific Pte. Ltd., Xerox Corporation, Xerox Limited and Fuji Xerox Co., Ltd.
10.1**	Amendment 1, dated as of November 5, 2019, to that certain Technology Agreement, dated as of April 1, 2006, by and between Fuji Xerox Co., Ltd. and Xerox Corporation
10.2**	Amendment 1, dated as of November 5, 2019, to that certain Master Program Agreement, dated as of September 9, 2013, by and between Fuji Xerox Co., Ltd. and Xerox Corporation
99.1	Press release, dated November 5, 2019, of Xerox Holdings Corporation, announcing the execution and delivery of the Stock Purchase Agreement, the XIP Purchase Agreement and the Ancillary Agreements
99.2	Presentation, dated November 5, 2019, of Xerox Holdings Corporation
104	The cover page from this Current Report on Form 8-K (formatted as Inline XBRL document)

* The schedules and similar attachments to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to provide a copy of the omitted schedules and similar attachments on a supplemental basis to the Commission or its staff, if requested.

** Portions of this exhibit have been omitted pursuant to Item 601(b)(2) of Regulation S-K because they are both (i) not material and (ii) would likely cause competitive harm to the registrant if publicly disclosed. The schedules and similar attachments to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to provide an unredacted copy of the exhibit or a copy of the omitted schedules and similar attachments on a supplemental basis to the Commission or its staff, if requested.

SIGNATURES

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

Date: November 5, 2019

XEROX HOLDINGS CORPORATION

By: /s/ Douglas H. Marshall

Name: Douglas H. Marshall

Title: Secretary

Date: November 5, 2019

XEROX CORPORATION

By: /s/ Douglas H. Marshall

Name: Douglas H. Marshall

Title: Secretary

STOCK PURCHASE AGREEMENT

by and among

FUJIFILM HOLDINGS CORPORATION

FUJIFILM ASIA PACIFIC PTE. LTD.

XEROX CORPORATION

XEROX LIMITED

and

FUJI XEROX CO., LTD.

Dated as of November 5, 2019

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STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement, dated as of November 5, 2019 (“**Agreement**”), is made by and among: FUJIFILM Holdings Corporation (“**FH**”), as a seller in connection with the Share Buyback (as defined below); FUJIFILM Asia Pacific Pte. Ltd. (“**FFAP**”), which is an indirect wholly owned subsidiary of FH and the buyer in connection with the FFAP Purchase (as defined below); Xerox Corporation (“**XC**”), Xerox Limited (“**XL**”), a wholly owned subsidiary of XC, as a Seller in connection with the Share Buyback and the Seller in connection with the FFAP Purchase; and Fuji Xerox Co., Ltd. (“**FX**”), as the buyer in connection with the Share Buyback. FH and FFAP are collectively referred to herein as the “**Buyers**”. XC and XL are collectively referred to herein as the “**Sellers**”. The Buyers, the Sellers and FX are collectively referred to herein as the “**Parties**”.

RECITALS

1. As of the date of this Agreement, XC and FH conduct a joint venture through FX, the issued and outstanding shares of which are owned: (a) 25% by XL; and (b) 75% by FH;
2. In connection with, and prior to the FFAP Purchase (as defined herein), FX will conduct a buyback of its shares from both FH and XL on a pro rata basis on the terms set forth in this Agreement (the “**Share Buyback**”);
3. The Sellers desire to sell, and FFAP desires to purchase, all of the issued and outstanding shares of capital stock of FX (the “**Shares**”) owned by XL following the Share Buyback, for the consideration and on the terms set forth in this Agreement (the “**FFAP Purchase**” and, together with the Share Buyback, the “**FX Sale Transaction**”);
4. In connection with the FX Sale Transaction and concurrently with the execution and delivery of this Agreement:
 - a. FH, FX, FX Global, Inc. (“**FXGI**”), XC and Xerox International Joint Marketing, Inc. (“**XIJM**”) have entered into a purchase agreement (the “**XIP Purchase Agreement**”), relating to the acquisition by FX of XIJM’s partnership interest in Xerox International Partners (“**XIP**”) (such acquisition by FX of XIJM’s partnership interest in XIP, the “**XIP Sale Transaction**”);
 - b. FX and XC have entered into an amendment (the “**TA Amendment**”) to that certain April 1, 2006 Technology Agreement (the “**2006TA**”), relating to licenses granted to FX by XC for XC’s trademarks and certain non-marking DPA (as defined in the 2006 TA);
 - c. FX and XC have entered into an amendment (the “**MPA Amendment**”) to that certain Master Program Agreement, dated as of September 9, 2013, relating to the supply arrangement from FX to XC for xerographic document products;
 - d. FX and XC entered into amendments (the “**Amended GSO Agreements**”) to (i) that certain License Agreement for Xerox Global Services Offerings, dated as of July 1, 2011, (ii) that certain XGS-FXGS Master Agreement for Global Service Offerings, dated as of January 1, 2008, and (iii) that certain Master Consulting Services Agreement, dated as of January 1, 2010, each for Xerox Global Services Offerings;
 - e. FX and XC have entered into a memorandum of understanding (the “**SLA MOU**”) relating to the license of certain software from XC to FX;

- f. FX and XC have entered into an OEM license agreement (the “**OEM License Agreement**”), granting FX the right to provide certain named original equipment manufacturers with OEM products outside the Territory (as defined in the OEM License Agreement); and
 - g. FH, FX, FXGI, XC, XL, and XIJM have entered into an agreement (the “**Dismissal and Release Agreement**”) to dismiss with prejudice the litigation captioned *Fujifilm Holdings Corp. v. Xerox Corp.*, No. 1:18-cv-05458-JGK-BSM (S.D.N.Y.) (the “**Litigation**”) and to release certain claims contemplated thereby; and
5. This Agreement and the XIP Purchase Agreement will be effective upon execution and the Ancillary Agreements will be effective pursuant to their respective terms.

AGREEMENT

In consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

Article 1. Definitions

For purposes of this Agreement, the following terms have the meanings specified or referred to in this Article 1:

“**2006TA**” has the meaning set forth in the Recitals of this Agreement.

“**Acceptance Notice**” has the meaning set forth in Section 2.4(a)(i).

“**Action**” means any claim, action, cause of action, suit, demand, controversy, tender of indemnity, legal or administrative proceeding, investigation by or before any Governmental Body, or any other administrative, judicial, arbitration, mediation or similar proceeding.

“**Affiliate**” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person. For the purposes of this definition, “**control**” (including, with correlative meanings, the terms “**controlling**,” “**controlled by**” and “**under common control with**”), when used with respect to any Person, means the power to direct or cause the direction of the management or policies of such Person, directly or indirectly, whether through the ownership of voting securities, by Contract or otherwise. For all purposes of this Agreement, FH and FX and their respective Subsidiaries shall be deemed to be Affiliates of one another and FH, FX and their respective Subsidiaries, on the one hand, and XC and its Subsidiaries, on the other hand, shall be deemed not to be Affiliates of one another.

“**Amended GSO Agreements**” has the meaning set forth in the Recitals of this Agreement.

“**Ancillary Agreements**” means (a) the TA Amendment, (b) the MPA Amendment, (c) the Amended GSO Agreements, (d) the SLA MOU, (e) the OEM License Agreement and (f) the Dismissal and Release Agreement.

“**Ancillary Agreements Effectiveness**” has the meaning set forth in Section 2.3(c).

“**Ancillary Agreements Effectiveness Date**” means the date and time as of which the Ancillary Agreements Effectiveness actually takes place.

“**Business Day**” means a day on which commercial banks in New York, New York, Singapore, Tokyo, Japan and the United Kingdom are generally open to conduct their regular banking business.

“**Buyers**” has the meaning set forth in the preamble of this Agreement.

“**Contemplated Transactions**” means (a) the FX Sale Transaction, (b) the XIP Sale Transaction and (c) the execution and performance of the Ancillary Agreements.

“**Contract**” means any agreement, contract, obligation, promise, or undertaking (whether written or oral and whether express or implied) that is legally binding.

“**Designated IP Addresses**” means the IP addresses set forth in Schedule 6.7.

“**Dismissal and Release Agreement**” has the meaning set forth in the Recitals of this Agreement.

“**Drop Dead Date**” has the meaning set forth in Section 8.1(a).

“**Encumbrance**” means any charge, claim, community property interest, condition, equitable interest, lien, option, pledge, security interest, right of first refusal, or restriction of any kind, including any restriction on use, voting, transfer, receipt of income, or exercise of any other attribute of ownership.

“**Expenses**” has the meaning set forth in Section 10.4.

“**FEFTA**” has the meaning set forth in Section 2.3(a)(ii).

“**FFAP**” has the meaning set forth in the preamble of this Agreement.

“**FFAP Purchase**” has the meaning set forth in the Recitals of this Agreement.

“**FFAP Purchase Closing**” has the meaning set forth in Section 2.3(a).

“**FFAP Purchase Closing Date**” means the date and time as of which the FFAP Purchase Closing actually takes place.

“**FH**” has the meaning set forth in the preamble of this Agreement.

“**FH Share Buyback Purchase Price**” has the meaning set forth in Section 2.2(c).

“**FX**” has the meaning set forth in the preamble of this Agreement.

“**FX Sale Transaction**” has the meaning set forth in the Recitals of this Agreement.

“**Governmental Authorization**” means any approval, consent, license, permit, waiver, or other authorization issued, granted, given, or otherwise made available by or under the authority of any Governmental Body or pursuant to any Legal Requirement.

“**Governmental Body**” means any: (a) nation, state, county, city, town, village, district, or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign, or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (d) multi-national organization or body; or (e) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature.

“**Joint Enterprise Contract**” means the 2001 Joint Enterprise Contract, dated as of January 2001, by and between XC and FH.

“**Legal Requirement**” means any federal, state, local, foreign, international, multinational, or other administrative order, constitution, law, ordinance, principle of common law, regulation, statute, or treaty.

“**Litigation**” has the meaning set forth in the Recitals.

“**Material Adverse Effect**” of a Party means any event, circumstance, change or effect that prevents, materially impedes or materially impairs the ability of such Party to perform its obligations under this Agreement, the XIP Purchase Agreement, or any of the Ancillary Agreements to which it is a party.

“**MPA Amendment**” has the meaning set forth in the Recitals of this Agreement.

“**No-fee Period**” has the meaning set forth in Section 6.7.

“**OEM License Agreement**” has the meaning set forth in the Recitals of this Agreement.

“**OEM License Fee**” has the meaning set forth in Section 2.4(c)(i).

“**Order**” means any award, decision, injunction, judgment, order, ruling, or verdict entered, issued, made, or rendered by any court, administrative agency, or other Governmental Body.

“**Organizational Documents**” means (a) the articles or certificate of incorporation and the bylaws of a corporation; (b) the partnership agreement and any statement of partnership of a general partnership; (c) the limited partnership agreement and the certificate of limited partnership of a limited partnership; (d) any charter or similar document adopted or filed in connection with the creation, formation, or organization of a Person; and (e) any amendment to any of the foregoing.

“**Person**” any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union, or other entity or Governmental Body.

“**Sellers**” has the meaning set forth in the preamble of this Agreement.

“**Share Buyback**” has the meaning set forth in the Recitals of this Agreement.

“**Share Buyback Closing**” has the meaning set forth in Section 2.3(a).

“**Share Buyback Closing Date**” means the date and time as of which the Share Buyback Closing actually takes place.

“**Shares**” has the meaning set forth in the Recitals of this Agreement.

“**SLA MOU**” has the meaning set forth in the Recitals of this Agreement.

“**Subsidiaries**” means with respect to any Person (the “**Owner**”), any corporation or other Person of which securities or other interests having the power to elect a majority of that corporation’s or other Person’s board of directors or similar governing body, or otherwise having the power to direct the business and policies of that corporation or other Person (other than securities or other interests having such power only upon the happening of a contingency that has not occurred) are held by the Owner or one or more of its Subsidiaries; provided that, prior to the closing of the XIP Sale Transaction, XIP shall not be considered a Subsidiary of either Buyers or Sellers.

“**TA Amendment**” has the meaning set forth in the Recitals of this Agreement.

“**XIP**” has the meaning set forth in the Recitals of this Agreement.

“**XIP Purchase Agreement**” has the meaning set forth in the Recitals of this Agreement.

“**XIP Sale Transaction**” has the meaning set forth in the Recitals of this Agreement.

“**XIJM**” has the meaning set forth in the Recitals of this Agreement.

“**XC**” has the meaning set forth in the preamble of this Agreement.

“**XL**” has the meaning set forth in the preamble of this Agreement.

“**XL Share Buyback Purchase Price**” has the meaning set forth in Section 2.2(a).

“**XL Share Transfer Purchase Price**” has the meaning set forth in Section 2.2(b).

Article 2. Sale and Transfer of Shares; Closings

2.1 Sale and Transfer of Shares.

(a) On the terms and subject to the conditions of this Agreement, at the Share Buyback Closing, XL shall sell and transfer to FX Three Million Four Hundred Ninety-Nine Thousand Five Hundred (3,499,500) Shares at a per Share purchase price of Two Hundred Twenty U.S. Dollars (USD 220), and FX shall purchase all of such Shares from XL.

(b) On the terms and subject to the conditions of this Agreement, at the Share Buyback Closing, FH shall sell and transfer to FX Ten Million Four Hundred Ninety-Eight Thousand Five Hundred (10,498,500) Shares at a per Share purchase price of Twenty-Three Thousand Seven Hundred Sixty-Two Japanese Yen (JPY 23,762), and FX shall purchase all of such Shares from FH.

(c) On the terms and subject to the conditions of this Agreement, at the FFAP Purchase Closing, XL shall sell and transfer to FFAP all of the Shares of capital stock of FX owned by XL following the Share Buyback, and FFAP shall purchase all of such Shares from XL.

2.2 Purchase Price.

(a) The aggregate purchase price to be paid to XL in connection with the Share Buyback shall be Seven Hundred Sixty-Nine Million Eight Hundred Ninety Thousand U.S. Dollars (USD 769,890,000) (the “**XL Share Buyback Purchase Price**”).

(b) The aggregate purchase price to be paid to XL in connection with the FFAP Purchase shall be One Billion Four Hundred Thirty Million One Hundred Ten Thousand U.S. Dollars (USD 1,430,110,000) plus the amount of dividends payable by FX to XL for the period from and including October 1, 2019 to the FFAP Purchase Closing Date and determined in accordance with Section 6.4 (the “**XL Share Transfer Purchase Price**”).

(c) The aggregate purchase price to be paid to FH in connection with the Share Buyback shall be Two Hundred Forty Nine Billion Four Hundred Sixty-Five Million Three Hundred Fifty-Seven Thousand Japanese Yen (JPY 249,465,357,000) (the “**FH Share Buyback Purchase Price**”).

2.3 Closings.

(a) The closing of the Share Buyback (the “**Share Buyback Closing**”) and the closing of the FFAP Purchase (the “**FFAP Purchase Closing**”) provided for in this Agreement shall each take place at the offices of Morrison & Foerster LLP, Shin-Marunouchi Building, 29th Floor, 5-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan, as set forth below:

(i) Subject to the satisfaction (or waiver) of all conditions to the Share Buyback Closing set forth in Article 7, the Share Buyback Closing shall occur at 10:00 a.m. on November 8, 2019.

(ii) Subject to the satisfaction (or waiver) of all conditions to the FFAP Purchase Closing set forth in Article 7, the FFAP Purchase Closing shall occur immediately following the Share Buyback Closing; provided that, if FH has not received early termination of the waiting period for the pre-transaction notification (*jizen-todokede*) required under the Foreign Exchange and Foreign Trade Act of Japan (“**FEFTA**”) applicable to the FFAP Purchase on or before November 5, 2019, then the FFAP Purchase Closing shall occur 3 Business Days following early termination or expiration of the waiting period or approval of the pre-transaction notification required under FEFTA, as applicable; provided, further, that if the pre-transaction notification required under FEFTA has not expired or if FH has not otherwise received approval for the pre-transaction notification on or before March 24, 2020, then the FFAP Purchase Closing will occur at 10:00 a.m. on March 30, 2020. If the FFAP Purchase Closing occurs on March 30, 2020 and there has been no expiration of the waiting period or approval of the pre-transaction notification under FEFTA on or before March 24, 2020, FH shall either (i) purchase, or cause an Affiliate of FH to purchase, all of the Shares of capital stock of FX owned by XL following the Share Buyback in a transaction that does not require a pre-transaction notification under FEFTA, or (ii) subject to the consent of XC, which it shall provide so long as the proposed structure has no detrimental economic impact on XL, its shareholder or any of its Affiliates, implement another structure that allows (A) XL to sell all of the Shares of capital stock of FX owned by XL following the Share Buyback to FH or any of its Affiliates and (B) the XL Share Transfer Purchase Price to be paid to the Sellers.

(iii) Each of the Share Buyback Closing and the FFAP Purchase Closing provided for in this Agreement may take place at such other times and places as the Parties may agree.

(b) The closing of the XIP Sale Transaction shall take place concurrently with the FFAP Purchase Closing in accordance with the terms of the XIP Purchase Agreement.

(c) Subject to the satisfaction (or waiver) of all conditions to the Ancillary Agreements Effectiveness (as defined herein) set forth in Article 7, each of the Ancillary Agreements shall become effective concurrently with the FFAP Purchase Closing; provided that if the Share Buyback Closing has occurred but FH has not received approval for the pre-transaction notification required under FEFTA on or before November 24, 2019, then each of the Ancillary Agreements shall become effective as of November 27, 2019; provided, further, that if, as of November 27, 2019, the Ancillary Agreements cannot become effective because the condition to the Ancillary Agreements Effectiveness set forth in Section 7.1(a)(i) has not been satisfied as of such date, the Ancillary Agreements Effectiveness shall become effective 3 Business Days following the satisfaction of the conditions to the Ancillary Agreements Effectiveness set forth in Article 7. The effectiveness of the Ancillary Agreements is referred to herein as the “**Ancillary Agreements Effectiveness**.” Notwithstanding anything contained herein to the contrary, if the FFAP Purchase Closing has not occurred, then the Ancillary Agreements Effectiveness shall not occur unless the Share Buyback Closing has already occurred.

(d) Subject to the provisions of Article 8, failure to consummate the purchase and sale provided for in this Agreement on the date and time and at the place determined pursuant to this Section 2.3 will not result in the termination of this Agreement and will not relieve any Party of any obligation under this Agreement.

2.4 Closing Obligations.

(a) At the Share Buyback Closing:

(i) XC shall cause XL to deliver, and XL shall deliver, to FX an acceptance notice in connection with the Share Buyback pursuant to the Companies Act of Japan (“**Acceptance Notice**”), which provides for the purchase by FX of Three Million Four Hundred Ninety-Nine Thousand Five Hundred (3,499,500) Shares from XL;

(ii) FH shall deliver to FX an Acceptance Notice in connection with the Share Buyback, which provides for the purchase by FX of Ten Million Four Hundred Ninety-Eight Thousand Five Hundred (10,498,500) Shares from FH;

(iii) FX shall deliver to each of FH and XL a Shareholders Ledger (*kabunushi meibo*) reflecting (i) the transfer of the number of shares to be transferred from XL to FX in connection with the Share Buyback, as specified in XL’s Acceptance Notice, and (ii) the transfer of the number of shares to be transferred from FH to FX in connection with the Share Buyback, as specified in FH’s Acceptance Notice; and

(iv) FX shall remit or cause to be remitted (i) to XL, the XL Share Buyback Purchase Price by wire transfer of immediately available funds, to an account designated by XC prior to the date hereof, and (ii) to FH, the FH Share Buyback Purchase Price by wire transfer of immediately available funds to an account designated by FH.

(b) At the FFAP Purchase Closing:

(i) XC shall cause XL to deliver, and XL shall deliver, to FX a Request to Change Registered Items in Shareholders Ledger (*kabunushi meibo kisajikō kakikae seikyū sho*), substantially in the form attached as Exhibit A, in connection with the transfer to FFAP, or another purchaser substituted for FFAP pursuant to Section 2.3(a)(ii), as applicable, of all the remaining Shares held by XL immediately following the Share Buyback;

(ii) FX shall deliver to each of FH and FFAP, or another purchaser substituted for FFAP pursuant to Section 2.3(a)(ii), as applicable, a Shareholders Ledger (*kabunushi meibo*) reflecting the transfer of all the remaining Shares held by XL immediately following the Share Buyback from XL to FFAP, or such other purchaser, as applicable;

(iii) FFAP, or another purchaser substituted for FFAP pursuant to Section 2.3(a)(ii), as applicable, shall remit or cause to be remitted to XL the XL Share Transfer Purchase Price by wire transfer of immediately available funds, to an account designated by XC prior to the date hereof;

(iv) XC and XL, on the one hand, and FX, on the other hand, shall cause to be delivered written resignations, each effective as of the FFAP Purchase Closing Date, of the directors listed on Schedule 2.4(b)(iv), together with a mutual release from each such director and FX, substantially in the forms attached as Exhibits B and C, respectively; and

(v) FH and XC shall cause the Joint Enterprise Contract to be terminated.

(c) On the Ancillary Agreements Effectiveness Date:

(i) FX shall pay to XC Seventy-Seven Million U.S. Dollars (USD 77,000,000) (the “OEM License Fee”) in connection with the OEM License Agreement; and

(ii) the Ancillary Agreements will become effective, in each case, without further action by any party and in accordance with the terms of each Ancillary Agreement.

Article 3. Representations and Warranties of the Sellers

Each Seller represents and warrants to each Buyer as follows, as of the date of this Agreement, the Share Buyback Closing Date, the FFAP Purchase Closing Date and the Ancillary Agreements Effectiveness Date:

3.1 Corporate Existence and Power.

Each Seller is duly organized and validly existing under the laws of its jurisdiction of organization. Each Seller has all corporate powers and all Governmental Authorizations required to own, lease and operate its assets and properties and to carry on its business as now conducted except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

3.2 Corporate Authorization.

(a) The execution, delivery and performance by each Seller of this Agreement, the XIP Purchase Agreement (to the extent such Seller is a party) and the Ancillary Agreements to which such Seller is a party, and the consummation by such Seller of the transactions contemplated hereby and thereby, are within such Seller’s corporate powers and have been duly authorized by all necessary corporate action on the part of such Seller. Assuming the due authorization, execution and delivery by the other parties hereto, this Agreement constitutes a valid and binding agreement of each Seller, enforceable against such Seller in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar laws of general applicability relating to or affecting creditor’s rights, and to general equitable principles). The board of directors of each Seller has adopted resolutions approving the execution, delivery and performance by it of this Agreement, the XIP Purchase Agreement (to the extent such Seller is a party) and the Ancillary Agreements to which such Seller is a party, and the consummation by such Seller of the transactions contemplated hereby and thereby, which resolutions have not been subsequently rescinded, modified or withdrawn. Each Seller has duly executed this Agreement, the XIP Purchase Agreement (to the extent such Seller is a party) and the applicable Ancillary Agreements to which it is a party.

(b) The board of directors of XC has unanimously (i) determined that it is in the best interests of the shareholders of XC to enter into this Agreement and (ii) duly authorized and approved the execution, delivery and performance by XC of this Agreement, the XIP Purchase Agreement and the Ancillary Agreements to which XC is a party, and the consummation by such Seller of the transactions contemplated hereby and thereby.

3.3 No Conflicts.

The execution, delivery and performance by each Seller of this Agreement, the XIP Purchase Agreement (to the extent such Seller is a party) and the Ancillary Agreements to which such Seller is a party do not and will not:

(a) contravene, conflict with, or result in any violation or breach of any provision of the Organizational Documents of such Seller;

(b) contravene, conflict with or result in a violation or breach of any provision of any Legal Requirement or Order binding on such Seller;

(c) require any consent, approval or other action by any Person under, constitute a default or breach under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which such Seller is entitled under any provision of any Contract to which such Seller is a party or by which any of such Seller's respective properties or assets is bound or affected, in each case, with or without notice or lapse of time, or both; or

(d) result in the creation or imposition of any Encumbrance on the Shares owned by XL, except, in the case of clauses (b), (c) and (d), for such contraventions, conflicts, defaults, breaches, terminations, cancellations, accelerations, losses, or Encumbrances as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

3.4 Ownership of Shares.

Subject to the Share Buyback, XL is and will be at all times until immediately prior to the FFAP Purchase Closing the record and beneficial owner and holder of the number of Shares identified as issued to XL in Section 5.4, which Shares, subject to the Share Buyback, are and at all times until immediately prior to the FFAP Purchase Closing, shall be free and clear of all Encumbrances (except as created by the Organizational Documents of FX, this Agreement and the Joint Enterprise Contract).

3.5 Brokers Or Finders.

The Sellers and their agents have incurred no obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payment in connection with this Agreement.

Article 4. Representations and Warranties of Buyers

Each Buyer represents and warrants to each Seller as follows, as of the date of this Agreement, the Share Buyback Closing Date, the FFAP Purchase Closing Date and the Ancillary Agreements Effectiveness Date:

4.1 Corporate Existence and Power.

Each Buyer is duly organized and validly existing under the laws of its jurisdiction of organization. Each Buyer has all corporate powers and all Governmental Authorizations required to own, lease and operate its assets and properties and to carry on its business as now conducted except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.2 Corporate Authorization.

The execution, delivery and performance by each Buyer of this Agreement, the XIP Purchase Agreement (to the extent such Buyer is a party) and the Ancillary Agreements to which such Buyer is a party, and the consummation by such Buyer of the transactions contemplated hereby and thereby, are within such Buyer's corporate powers and have been duly authorized by all necessary corporate action on the part of such Buyer. Assuming the due authorization, execution and delivery by the other parties hereto, this Agreement constitutes a valid and binding agreement of each Buyer, enforceable against such Buyer in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar laws of general applicability relating to or affecting creditor's rights, and to general equitable principles). The board of directors of each Buyer has adopted resolutions approving the execution, delivery and performance by such Buyer of this Agreement, the XIP Purchase Agreement (to the extent such Buyer is a party) and the Ancillary Agreements to which such Buyer is a party, and the consummation by such Buyer of the transactions contemplated hereby and thereby, which resolutions have not been subsequently rescinded, modified or withdrawn. Each Buyer has duly executed this Agreement, the XIP Purchase Agreement (to the extent such Buyer is a party) and the applicable Ancillary Agreements to which it is a party.

4.3 No Conflicts.

The execution, delivery and performance by each Buyer of this Agreement, the XIP Purchase Agreement (to the extent such Buyer is a party) and the Ancillary Agreements to which such Buyer is a party do not and will not:

(a) contravene, conflict with, or result in any violation or breach of any provision of the Organizational Documents of such Buyer;

(b) contravene, conflict with or result in a violation or breach of any provision of any Legal Requirement or Order binding on such Buyer;

(c) require any consent, approval or other action by any Person under, constitute a default or breach under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which such Buyer is entitled under any provision of any Contract to which such Buyer is a party or by which any of their respective properties or assets is bound or affected, in each case, with or without notice or lapse of time, or both, except, in the case of clauses (b) and (c), for such contraventions, conflicts, defaults, breaches, terminations, cancellations, accelerations, losses, or Encumbrances as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

4.4 Brokers Or Finders.

Neither of the Buyers nor any of their respective officers and agents have incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payment in connection with this Agreement.

Article 5. Representations and Warranties of FX

Buyers represent and warrant to the Sellers as follows, except as otherwise expressly stated in this [Article 5](#), as of the date of this Agreement, the Share Buyback Closing Date, the FFAP Purchase Closing Date and the Ancillary Agreements Effectiveness Date:

5.1 Corporate Existence and Power.

FX is duly organized and validly existing under the laws of Japan. FX has all corporate powers and all Governmental Authorizations required to own, lease and operate its assets and properties and to carry on its business as now conducted except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

5.2 Corporate Authorization.

The execution, delivery and performance by FX of this Agreement, the XIP Purchase Agreement and the Ancillary Agreements to which FX is a party, and the consummation by FX of the transactions contemplated hereby and thereby, are within FX's corporate powers and have been duly authorized by all necessary corporate action on the part of FX. Assuming the due authorization, execution and delivery by the other parties hereto, this Agreement constitutes a valid and binding agreement of FX, enforceable against FX in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar laws of general applicability relating to or affecting creditor's rights, and to general equitable principles). The board of directors of FX has adopted resolutions approving the execution, delivery and performance by FX of this Agreement, the XIP Purchase Agreement and the Ancillary Agreements to which FX is a party, and the consummation by FX of the transactions contemplated hereby and thereby, which resolutions have not been subsequently rescinded, modified or withdrawn. FX has duly executed this Agreement, the XIP Purchase Agreement and the applicable Ancillary Agreements to which it is a party.

5.3 No Conflicts.

The execution, delivery and performance by FX of this Agreement, the XIP Purchase Agreement and the Ancillary Agreements to which FX is a party do not and will not:

(a) contravene, conflict with, or result in any violation or breach of any provision of the Organizational Documents of FX or of any of FX's Subsidiaries;

(b) contravene, conflict with or result in a violation or breach of any provision of any Legal Requirement or Order binding on FX or of any of FX's Subsidiaries;

(c) require any consent, approval or other action by any Person under, constitute a default or breach under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which FX or of any of FX's Subsidiaries is entitled under any provision of any Contract to which FX or of any of FX's Subsidiaries is a party or by which any of their respective properties or assets is bound or affected, in each case, with or without notice or lapse of time, or both, except, in the case of clauses (b) and (c), for such contraventions, conflicts, defaults, breaches, terminations, cancellation, accelerations, losses, or Encumbrances as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

5.4 Capitalization.

As of the date hereof and as of the Share Buyback Closing Date, the authorized capital stock of FX consists of 80,000,000 Shares, 40,000,000 of which are outstanding and of which 10,000,000 Shares are issued to XL and 30,000,000 Shares are issued to FH.

5.5 Brokers Or Finders.

FX and its officers and agents have incurred no obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payment in connection with this Agreement.

Article 6. Covenants of the Parties

6.1 Further Assurances.

The Parties agree to cooperate in good faith and to use their commercially reasonable efforts (a) to furnish upon request to each other such further information as may be in its possession or control, (b) to execute and deliver to each other such other documents as may be in its possession or control, and (c) to do such other acts and things as are reasonably necessary or desirable, all as any other Party may reasonably request for the purpose of carrying out the intent of this Agreement; provided, however, that no Party shall be required to provide access to or make available to any information or document or take any action if doing so would, in the reasonable judgment of such Party and its outside counsel, violate any Law or jeopardize the attorney-client privilege of such Party or any of its Affiliates.

6.2 Confidentiality.

Following the execution of this Agreement, XC, FH and FX shall continue to be bound by the provisions of that certain Mutual Confidentiality Agreement, dated as of February 2019, by and among XC, FH, and FX (the "MCA"), provided that, (i) Sections 7(a) and (b) of the MCA shall be effective for a period of one year following the date of this Agreement, and (ii) in the event of a consummation of the XIP Sale Transaction, (a) information or data concerning XIP shall cease to be considered Confidential Information thereunder and, (b) notwithstanding Section 5 of the MCA, there shall be no obligation to return or destroy information or data concerning XIP.

6.3 Public Announcements.

Each of FH and XC may issue an initial press release announcing the transactions contemplated by the Agreement in the form previously agreed in writing by FH and XC and thereafter FH and XC shall, and shall cause their respective Subsidiaries (including, with respect to FH, FX) to, consult with each other before issuing any press release or making any other public statement with respect to this Agreement, the XIP Purchase Agreement or the Ancillary Agreements, or the transactions contemplated hereby and thereby, and, except in respect of any public statement or press release as may be required by Legal Requirements or any listing agreement with or rule of any national securities exchange or association, shall not, and shall cause their respective Subsidiaries not to, issue any such press release or make any such other public statement without the consent of FH in the case of XC, or XC in the case of FH; provided, however, that the foregoing shall not apply to any press release or other public statement to the extent it does not contradict in any material respect any initial press release announcing the transactions contemplated by this Agreement.

6.4 Dividends; Shareholder Rights.

Based on the closing of the books at the end of September 2019, (a) FX shall pay to XL, no later than the Share Buyback Closing, XL's dividend for the period from April 1, 2019 through September 30, 2019, which shall be in an amount equal to JPY 3,977,600,000 and (b) FFAP shall pay to XL, at the FFAP Purchase Closing, an amount equal to (i) JPY 21,735,000 multiplied by (ii) the number of days from and including October 1, 2019 through and including the FFAP Purchase Closing Date. For the avoidance of doubt, if the FFAP Purchase Closing occurs, XL shall have no right, and hereby waives any right, to dividends from FX for the period from October 1, 2019 to the FFAP Purchase Closing Date, subject to payments by FX and FFAP under this Section 6.4 and under Section 2.2(b).

6.5 Seconded.

Following the FFAP Purchase Closing, the Parties shall negotiate in good faith regarding the treatment of any employees of one Party seconded to another Party.

6.6 Filing of Stipulation to Stay the Litigation.

No later than three (3) Business Days after the date of this Agreement, FH and XC shall make a joint submission to the United States District Court for the Southern District of New York requesting that all remaining deadlines contained in the Revised Civil Scheduling Order be adjourned *sine die* and further providing that the parties shall provide the Court with an update no later than December 15, 2019.

6.7 Designated IP Addresses.

For a period of eighteen (18) months from the date hereof (the “**No-fee Period**”), XC shall, without charge, (a) hold and maintain the Designated IP Addresses (including the registrations therefor) and (b) permit FX and its Subsidiaries to continue to use and access the Designated IP Addresses in substantially the same manner as FX or its Subsidiaries has used or accessed such Designated IP Addresses prior to the date hereof; provided, that (i) if this Agreement is terminated pursuant to [Section 8.1\(b\)\(i\)](#), then FX shall have thirty (30) days from the date of such termination to cease all utilization of the Designated IP Addresses, (ii) if the Agreement is terminated pursuant to [Section 8.1\(a\)](#) or [Section 8.1\(b\)\(iii\)](#), then three (3) months after the date of such termination, FX’s right to use and access the Designated IP Addresses shall cease to be without charge, and the parties shall discuss and agree in good faith on fees for such use and access for the remainder of the No-fee Period, or (iii) if the Agreement is terminated pursuant to [Section 8.1\(b\)\(ii\)](#), then FX’s right to use and access the Designated IP Addresses shall cease at the end of the No-fee Period. If the FFAP Purchase Closing occurs on or before March 30, 2020, then following the No-fee Period, FX will cease all utilization of the Designated IP Addresses. Immediately following the cessation of FX’s ability to utilize in any way the Designated IP Addresses pursuant to this [Section 6.7](#) (other than for reasons that do not arise out of or relate to the use of such Designated IP Addresses by FX and/or FX’s Affiliates), such Designated IP Addresses will be available to XC and routable on the Internet for any and all purposes as XC may require. In addition, at all times during FX’s permitted use of the Designated IP Addresses pursuant to this [Section 6.7](#), and as of immediately following FX’s ability to utilize in any way the Designated IP Addresses pursuant to this [Section 6.7](#), such Designated IP Addresses (x) shall not be listed on or in any relevant IPv4 blacklists (including those maintained at, or by the entities operating, the following websites: Abuseat (cbl.abuseat.org); BackScatterer (www.backscatterer.org); Barracuda (www.barracuda.com); NiX Spam (www.heise.de/ix); RedHawk (www.redhawk.org); SORBS (www.sorbs.net); SpamCannibal (www.spamcannibal.org/cannibal.cgi); Spamcop (www.spamcop.net); Spamhaus (www.spamhaus.org); UCEPROTECT (www.uceprotect.net); Senderbase (<https://www.senderbase.org>); or RIPE NCC (<https://stat.ripe.net/widget/blacklist>), (y) shall not be associated with SPAM, unsolicited electronic mail or other unsolicited or unwelcome electronic messages or (z) shall not be related to the distribution of malware, spyware, virus or other destructive or disruptive software or computer code.

6.8 Resignation of Statutory Auditor.

As soon as practicable following the date of this Agreement, XC and XL shall use commercially reasonable efforts to cause to be delivered, at the FFAP Purchase Closing, a written resignation of the statutory auditor listed on [Schedule 6.8](#), together with a mutual release from such statutory auditor, substantially in the forms attached as [Exhibits B](#) and [C](#), respectively. FX shall deliver the mutual release with respect to such statutory auditor, substantially in the form attached as [Exhibit C](#).

6.9 Tax Matters.

(a) Tax Elections and Actions. No Buyer shall make or change, or cause to be made or changed, any election with respect to U.S. federal tax matters of FX or any Subsidiary of FX that is applicable to any taxable year that includes the FFAP Purchase Closing Date or any prior taxable year without the consents of the Sellers if such election would reasonably be expected to materially increase the U.S. federal tax liability of the Sellers (other than any Section 754 election with respect to XIP as contemplated in the XIP Purchase Agreement). The Buyers shall take any action solely with respect to U.S. federal tax matters of FX or any Subsidiary of FX with respect to any taxable year that includes the FFAP Purchase Closing Date or any prior taxable year reasonably requested by the Sellers and in accordance with applicable Legal Requirement; provided that (i) such action would not reasonably be expected to result in a material detriment to the Buyers and their respective Affiliates (including, for the avoidance of doubt, FX and its Subsidiaries) and (ii) the Sellers shall indemnify the Buyers and their respective Affiliates (including, for the avoidance of doubt, FX and its Subsidiaries) for all costs, expenses and taxes incurred in connection with or attributable to such actions (provided further that the Parties shall in good faith discuss the estimated amounts of such costs, expenses and taxes before any such actions).

(b) Tax Cooperation and Information. The Buyers will use commercially reasonable efforts to cooperate with the Sellers, at the Sellers' sole costs and expenses (provided that the Buyers shall discuss with the Sellers the estimated costs and expenses to be incurred in connection with the foregoing before such costs and expenses are actually incurred), to enable the Sellers to comply with U.K., and U.S. federal and state, tax obligations with respect to FX or any Subsidiary of FX with respect to any taxable year that includes the FFAP Purchase Closing Date or any prior taxable year. Such cooperation will include (i) the retention and timely provision to the Sellers of records and information to enable the Sellers to comply with the Sellers' U.K., and U.S. federal and state, tax obligations with respect to FX and any Subsidiary of FX, (ii) making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder and (iii) timely filing appropriate forms and certificates provided by the Sellers with respect to any tax treaties applicable to the Sellers.

(c) The Buyers shall use commercially reasonable efforts to cooperate with the Sellers, at the Sellers' sole costs and expenses (provided that the Buyers shall discuss with the Sellers the estimated costs and expenses to be incurred in connection with the foregoing before such costs and expenses are actually incurred), with respect to any tax claim, audit, or proceeding (x) of FX or any Subsidiary of FX that could reasonably be expected to affect the tax liabilities of any Seller or (y) of any Seller to the extent relating to FX or any Subsidiary of FX, in each case implicating any taxable year that includes the FFAP Purchase Closing Date or any prior taxable year. In the case of such tax audit or proceeding of FX or any Subsidiary of FX, such cooperation shall include (i) apprising the Sellers of any such tax audit or proceeding, (ii) informing the Sellers on a timely basis with respect to material developments in such tax proceeding or audit, (iii) consulting with the Sellers with respect to positions to be taken with respect to such audit and considering, in good faith, the views of the Sellers with respect thereto, and (iv) not settling or compromising any material issue in such tax audit or proceeding without the consent of the Sellers, which consent cannot be unreasonably withheld. In the case of a tax audit or proceeding of any Seller, such cooperation shall include providing, at the Sellers' sole cost and expenses (provided that the Buyers shall discuss with the Sellers the estimated costs and expenses to be incurred in connection with the foregoing before such costs and expenses are actually incurred) any and all information of FX or its Subsidiaries with respect to any taxable year that includes the FFAP Purchase Closing Date or any prior taxable year in the possession of the Buyers that is directly relevant to such audit or proceeding and reasonably requested by such Seller.

Article 7. Conditions Precedent

7.1 Conditions Precedent To Each Party's Obligation To Close.

(a) The respective obligation of each Party to effect the Share Buyback Closing, the FFAP Purchase Closing and the Ancillary Agreements Effectiveness is subject to the satisfaction on or before the Share Buyback Closing, the FFAP Purchase Closing and the Ancillary Agreements Effectiveness, as applicable, of the following condition, unless waived (if permissible by Legal Requirements) in writing by each of FH and XC:

(i) No Prohibition; No Injunction. No Legal Requirement shall be in effect and no Order shall have been issued since the date hereof which is in effect that, in either case, prevents or renders unlawful the consummation of part or all of the Contemplated Transactions, other than the pre-transaction notification (*jizen-todokede*) required under the FEFTA applicable to the FFAP Purchase.

(b) The respective obligation of each Party to effect the FFAP Purchase Closing is subject to Section 2.3(a) and the satisfaction on or before the FFAP Purchase Closing of the following conditions, unless waived (if permissible by Legal Requirements) in writing by each of FH and XC:

(i) Share Buyback Closing. The closing of the Share Buyback shall have occurred in accordance with Section 2.3(a)(i).

(ii) Ancillary Agreements Effectiveness. The Ancillary Agreements Effectiveness shall have occurred prior to, or occur contemporaneously with, the FFAP Purchase Closing in accordance with Section 2.3(c).

7.2 Condition Precedent To The Buyers' and FX's Obligations To Close.

The Buyers' obligation to purchase the Shares and to take the other actions required to be taken by the Buyers at the Share Buyback Closing, the FFAP Purchase Closing and the Ancillary Agreements Effectiveness, as well as FX's obligations to take actions required to be taken by FX at the Share Buyback Closing, the FFAP Purchase Closing and the Ancillary Agreements Effectiveness, are subject to the satisfaction, at or prior to the Share Buyback Closing, the FFAP Purchase Closing and the Ancillary Agreements Effectiveness, as applicable, of each of the following conditions (any of which may be waived by FH or FX, in whole or in part):

(a) Accuracy Of Representations. (i) All of the Sellers' representations and warranties in this Agreement (considered collectively and disregarding any qualifications with respect to Material Adverse Effect contained therein), and each of these representations and warranties (considered individually and disregarding any qualifications with respect to Material Adverse Effect contained therein), must have been accurate as of the date of this Agreement, and must be accurate as of the Share Buyback Closing Date, the FFAP Purchase Closing Date and the Ancillary Agreements Effectiveness Date, as applicable, as if made on the Share Buyback Closing Date, the FFAP Purchase Closing Date and the Ancillary Agreements Effectiveness Date, as applicable, except, in each case, as would not, or would not reasonably be expected to, result in a Material Adverse Effect; and (ii) the Sellers' representations and warranties in Section 3.4 must have been accurate in all respects as of the date of this Agreement, and must be accurate in all respects as of the Share Buyback Closing Date, the FFAP Purchase Closing Date and the Ancillary Agreements Effectiveness Date, as applicable, as if made on the Share Buyback Closing Date, the FFAP Purchase Closing Date and the Ancillary Agreements Effectiveness Date, as applicable, except to the extent that Section 5.4 is inaccurate.

7.3 Condition Precedent To The Sellers' Obligation To Close.

The Sellers' obligation to sell the Shares and to take the other actions required to be taken by the Sellers at the Share Buyback Closing, the FFAP Purchase Closing and the Ancillary Agreements Effectiveness is subject to the satisfaction, at or prior to the Share Buyback Closing, the FFAP Purchase Closing and the Ancillary Agreements Effectiveness, as applicable, of each of the following conditions (any of which may be waived by XC, in whole or in part):

(a) Accuracy Of Representations. All of the Buyers' respective representations and warranties in this Agreement (considered collectively and disregarding any qualifications with respect to Material Adverse Effect contained therein), and each of these representations and warranties (considered individually and disregarding any qualifications with respect to Material Adverse Effect contained therein), must have been accurate as of the date of this Agreement and must be accurate as of the Share Buyback Closing Date, the FFAP Purchase Closing Date and the Ancillary Agreements Effectiveness Date, as applicable, as if made on the Share Buyback Closing Date, the FFAP Purchase Closing Date and the Ancillary Agreements Effectiveness Date, as applicable, except, in each case, as would not, or would not reasonably be expected to, result in a Material Adverse Effect.

Article 8. Termination

8.1 Termination Events.

(a) This Agreement will terminate automatically on December 31, 2019 (the "**Drop Dead Date**"); provided that upon the consummation of the Share Buyback Closing, the Drop Dead Date shall be extended to 11:59 p.m. on March 31, 2020.

(b) This Agreement may, by notice given prior to or at the FFAP Purchase Closing, be terminated:

(i) by XC if (x) there has been a breach of any representation or warranty made by the Buyers or FX in this Agreement that would, or would reasonably be expected to, result in a Material Adverse Effect with respect to either Buyer or FX, respectively, (y) which breach cannot be cured or, if capable of cure, has not been cured by the Drop Dead Date and (z) such breach has not been waived by XC;

(ii) by FH if (x) there has been a breach of any representation or warranty made by the Sellers in this Agreement that would, or would reasonably be expected to, result in a Material Adverse Effect with respect to either Seller, (y) which breach cannot be cured or, if capable of cure, has not been cured by the Drop Dead Date and (z) such breach has not been waived by FH; or

(iii) by mutual written consent of the Buyers and the Sellers.

8.2 Effect Of Termination.

(a) Each Party's right of termination under Section 8.1 is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant to Section 8.1, all further obligations of the Parties under this Agreement will terminate, except that the obligations in Sections 6.2, 6.3, Article 9 and Article 10 will survive; provided, however, that if (i) this Agreement is terminated by XC pursuant to Section 8.1(b)(i) or (ii) this Agreement is terminated by FH pursuant to Section 8.1(b)(ii), in each case the terminating Party's right to pursue all legal remedies will survive such termination unimpaired.

(b) Notwithstanding anything in this [Article 8](#) to the contrary, the Parties agree that in the case this Agreement is terminated pursuant to [Section 8.1](#) after the Share Buyback Closing, the Share Buyback shall remain effective and not be voided or unwound.

(c) For the avoidance of doubt, if this Agreement is terminated pursuant to [Section 8.1](#) on or after the Ancillary Agreements Effectiveness Date, the Ancillary Agreements will remain in effect.

Article 9. Indemnification; Remedies

9.1 Survival.

All representations and warranties under this Agreement shall survive the FFAP Purchase Closing for the shorter of (i) seven years after the FFAP Purchase Closing and (ii) the expiration of the applicable statute of limitations with respect to each such representation and warranty. All covenants and obligations in this Agreement shall survive the Share Buyback Closing and the FFAP Purchase Closing, as applicable, pursuant to their terms.

9.2 Indemnification And Payment Of Damages By The Sellers.

The Sellers will indemnify and hold harmless the Buyers, and will pay to the Buyers the amount of any loss, liability, claim, damage, or expense (including reasonable costs of investigation and defense and reasonable attorneys' fees), whether or not involving a third-party claim, but excluding in each such case in respect of any diminution in value, punitive, consequential, indirect or special damages, or damages for lost profits, except to the extent any such damages are awarded to a third party in a claim pursuant to which a Party is entitled to indemnification hereunder (collectively, "**Damages**"), arising from or in connection with (i) any breach of any representation or warranty made by the Sellers in this Agreement or in any certificate delivered by the Sellers pursuant to this Agreement (in each case disregarding any qualifications with respect to Material Adverse Effect contained therein) and (ii) any material breach by the Sellers of any covenant or agreement that contemplates performance after the Share Buyback Closing or otherwise expressly by its terms survives the Share Buyback Closing.

9.3 Indemnification And Payment Of Damages By The Buyers.

The Buyers will indemnify and hold harmless the Sellers, and will pay to the Sellers the amount of any Damages arising from or in connection with (i) any breach of any representation or warranty made by the Buyers in this Agreement or in any certificate delivered by the Buyers pursuant to this Agreement (in each case disregarding any qualifications with respect to Material Adverse Effect contained therein) and (ii) any material breach by the Buyers of any covenant or agreement that contemplates performance after the Share Buyback Closing or otherwise expressly by its terms survives the Share Buyback Closing.

9.4 Indemnification And Payment Of Damages By The Buyers and FX.

The Buyers will indemnify and hold harmless the Sellers, and will pay to the Sellers the amount of any Damages arising, directly or indirectly, from or in connection with (i) any breach of any representation or warranty made by the Buyers on behalf of FX in this Agreement or in any certificate delivered by FX or by the Buyers on behalf of FX, pursuant to this Agreement (in each case disregarding any qualifications with respect to Material Adverse Effect contained therein), (ii) any material breach by FX prior to the FFAP Purchase Closing of any covenant or obligation of FX in [Section 6.4](#) and (iii) any material breach by FX of any covenant or agreement that contemplates performance after the Share Buyback Closing or otherwise expressly by its terms survives the Share Buyback Closing.

9.5 Procedure For Indemnification—Third Party Claims.

(a) Promptly after receipt by an indemnified party under Section 9.2, 9.3 or 9.4 of notice of the commencement of any Action against it, such indemnified party will, if a claim is to be made against an indemnifying party under such Section, give notice (including the facts and circumstance known at such time relating to the Action) to the indemnifying party of the commencement of such claim, but the failure to notify the indemnifying party will not relieve the indemnifying party of any liability that it may have to any indemnified party, except to the extent that the indemnifying party demonstrates that the defense of such action is materially prejudiced by the indemnifying party's failure to give such notice.

(b) If any Action referred to in Section 9.5(a) is brought against an indemnified party and it gives notice to the indemnifying party of the commencement of such Action, the indemnifying party will be entitled to participate in such Action and, to the extent that it wishes (unless (i) the indemnifying party is also a party to such Action and the indemnified party determines in good faith upon the advice of outside counsel that joint representation would be inappropriate, or (ii) the indemnifying party fails to provide reasonable assurance to the indemnified party of its financial capacity to defend such Action and provide indemnification with respect to such Action), to assume the defense of such Action and, after notice from the indemnifying party to the indemnified party of its election to assume the defense of such Action, the indemnifying party will not, as long as it diligently conducts such defense, be liable to the indemnified party under this Article 9 for any fees of other counsel or any other expenses with respect to the defense of such Action, in each case subsequently incurred by the indemnified party in connection with the defense of such Action. If the indemnifying party assumes the defense of an Action, (i) it will be conclusively established for purposes of this Agreement that the claims made in that Action are within the scope of and subject to indemnification; (ii) no compromise or settlement of such claims may be effected by the indemnifying party without the indemnified party's consent unless (A) there is no finding or admission of any violation of Legal Requirements or any violation of the rights of any Person and no effect on any other claims that may be made against the indemnified party, and (B) the sole relief provided is monetary damages that are paid in full by the indemnifying party; and (iii) the indemnified party will have no liability with respect to any compromise or settlement of such claims effected without its consent. If notice is given to an indemnifying party of the commencement of any Action and the indemnifying party does not, within ten calendar days after the indemnified party's notice is given, give notice to the indemnified party of its election to assume the defense of such Action, the indemnifying party, to the extent it is obligated pursuant to this Agreement, will be bound by any determination made in such Action or any compromise or settlement effected by the indemnified party.

(c) Notwithstanding the foregoing, if an indemnified party determines in good faith and at the advice of outside counsel that there is a reasonable probability that an Action may adversely affect it's or its Affiliates' ability to carry out its business operations other than as a result of monetary damages for which it would be entitled to indemnification under this Agreement, the indemnified party may, by notice to the indemnifying party, assume the exclusive right to defend, compromise, or settle such Action, but the indemnifying party will not be bound by any determination of an Action so defended or any compromise or settlement effected without its consent (which may not be unreasonably withheld).

9.6 Procedure For Indemnification—Other Claims.

A claim for indemnification for any matter not involving a third-party claim may be asserted by notice to the party from whom indemnification is sought.

9.7 Limitation on Damages.

Notwithstanding anything to the contrary contained herein, in no event shall the cumulative amount of Damages as to which the Buyers on the one hand, and the Sellers on the other hand, be liable for to the other Parties hereunder, in each case, exceed the sum of the (i) XL Share Transfer Purchase Price and (ii) XL Share Buyback Purchase Price.

Article 10. General Provisions

10.1 Interpretation.

(a) The words “hereof,” “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(b) References to Articles, Sections, and Schedules are to Articles, Sections, and Schedules of this Agreement unless otherwise specified. All and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein.

(c) Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular.

(d) Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation,” whether or not they are in fact followed by those words or words of like import.

(e) The word “or” shall be disjunctive but not be limiting or exclusive.

(f) “Writing,” “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form.

(g) References to any Legal Requirement shall be deemed to include any rules or regulations promulgated thereunder, and all amendments, supplements or replacements thereof.

(h) References to any Contract are to that Contract, as amended, modified or supplemented from time to time in accordance with the terms thereof.

(i) References to any Person include the successors and permitted assigns of that Person.

(j) References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. References to days are to calendar days; provided that any action otherwise required to be taken on a day that is not a Business Day shall instead be taken on the next Business Day. References to dates are Japanese dates and references to time are Japan Standard Time.

(k) The word “extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, and such phrase does not mean simply “if”.

(l) References herein to “the ordinary course of business” or phrases of similar import shall refer to the ordinary course of business consistent with past practice.

(m) USD mean U.S. Dollars, and JPY means Japanese Yen.

(n) The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof.

(o) This Agreement and the other Transaction Documents have been negotiated and drafted jointly by the parties and their attorneys, and no rule of construction disfavoring the drafting party shall apply.

10.2 Notices.

All notices, requests and other communications to any party hereunder shall be in writing (including facsimile or electronic transmission if identified for such party below) and shall be given,

if to FH or FFAP, to:

FUJIFILM Holdings Corporation
9-7-3 Akasaka, Minato-ku
Tokyo 107-0052 JAPAN
Facsimile: 81-3-6271-1135
Email:
Attention: General Manager – Corporate Planning Div; and/or

if to FX, to:

Fuji Xerox Co., Ltd.
9-7-3 Akasaka, Minato-ku
Tokyo 107-0052 JAPAN
Facsimile: +81-3-6271-5238
Email:
Attention: General Manager of Corporate Strategy;

in each case with a copy to (for information purposes only, which shall not constitute notice):

Morrison & Foerster LLP
Shin-Marunouchi Building 29th Floor
5-1, Marunouchi 1-chome, Chiyoda-ku
Tokyo 100-6529, Japan
Facsimile: +81-3-3214-6512
Email:
Attention: Gary M. Smith; or

if to XC or XL, to:

Xerox Corporation
P.O. Box 4505
201 Merritt 7
Norwalk, CT 06851-1056, U.S.A.
Email: Louie.Pastor@xerox.com
Attention: Louis J. Pastor, Executive Vice President & General Counsel; and

in each case with a copy to (for information purposes only, which shall not constitute notice):

King & Spalding LLP
1185 Avenue of the Americas
New York, New York 10036-2601, U.S.A.
Email: tfesenmyer@kslaw.com
Attention: Timothy M. Fesenmyer

or to such other address or facsimile number as such Party may hereafter specify for the purpose by notice to the other Parties hereto. All such notices, requests and other communications shall be deemed given (a) upon actual delivery if personally delivered to the Party to be notified; (b) when sent if sent by email or facsimile to the Party to be notified; provided, that notice given by email or facsimile shall not be effective unless (i) such notice specifically states that it is being delivered pursuant to this Section 10.2 and (ii) either (A) a duplicate copy of such email or facsimile notice is promptly given by one of the other methods described in this Section 10.2 or (B) the receiving Party delivers a written confirmation of receipt for such notice either by email (excluding "out of office" or similar automated replies) or facsimile or any other method described in this Section 10.2; or (c) when delivered if sent by a courier (with confirmation of delivery).

10.3 Amendments and Waivers.

Any provision of this Agreement may be amended or waived, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party to this Agreement or, in the case of a waiver, by each party against whom the waiver is to be effective. No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by applicable Legal Requirements.

10.4 Fees and Expenses.

Whether or not the Contemplated Transactions are consummated, all Expenses incurred in connection with this Agreement and the Contemplated Transactions shall be paid by the Party incurring such Expense; provided that any transfer, documentary, sales, use, registration, value-added and other similar taxes and related amounts (including any penalties, interest and additions to tax) incurred in connection with the FFAP Purchase shall be equally shared by FFAP and XC. For purposes of this Agreement, "**Expenses**" means all out-of-pocket expenses (including all fees and expenses of counsel, accountants, investment bankers, financing sources, hedging counterparties, experts and consultants to a party hereto and its Affiliates) incurred by a Party or on its behalf in connection with or related to the preparation, negotiation, execution and performance of this Agreement, the making or obtaining of any required filings, notices or approvals of any Governmental Body in connection therewith and all other matters related to the Contemplated Transactions.

10.5 Binding Effect; Benefit; Assignment.

(a) The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns. No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the Parties and their respective successors and assigns.

(b) No Party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other Party hereto.

10.6 Governing Law; Forum.

This Agreement, and all claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to the principles of conflicts of laws in any jurisdiction to the extent that the application of the laws of any other jurisdiction would be required thereby. Each Party consents and submits to the exclusive jurisdiction of the United States District Court for the Southern District of New York located in New York County, New York (or in the Supreme Court of the State of New York, County of New York, if federal jurisdiction cannot be obtained) for the adjudication of any Action relating to or arising out of this Agreement and the Contemplated Transactions, and the Parties shall stipulate that any such Action be designated as related to the Litigation. Each party hereby irrevocably and unconditionally waives any objection which it may now or hereafter have to the laying of venue in any such applicable court and agrees not to plead or claim in any such applicable court that any such Action brought in such court has been brought in an inconvenient forum. Process in any such Action may be served on any party anywhere in the world, whether within or without the jurisdiction of any such applicable court. Without limiting the foregoing, each party hereby agrees that service of any process, summons, notice or document as provided in Section 10.2 shall be effective service of process for any such Action brought against such party in any such applicable court. Each party hereto agrees that a final judgment in any such Action brought in such court shall be conclusive and binding upon such party and may be enforced in any other courts to whose jurisdiction such party is or may be subject by suit upon such judgment.

10.7 Waiver of Jury Trial.

EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE CONTEMPLATED TRANSACTIONS.

10.8 Counterparts.

This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each Party shall have received a counterpart hereof signed by all of the other Parties. Until and unless each Party has received a counterpart hereof signed by each other Party, this Agreement shall have no effect and no Party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). Electronic or facsimile signatures shall be deemed to be original signatures.

10.9 Entire Agreement.

This Agreement, the XIP Purchase Agreement, the Ancillary Agreements and the MCA constitute the entire agreement between the Parties with respect to the subject matter hereof and thereof and supersede all prior agreements and understandings, both oral and written, between the Parties with respect thereto.

10.10 Severability.

If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other Governmental Body to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the Contemplated Transactions is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the Contemplated Transactions be consummated as originally contemplated to the fullest extent possible.

10.11 Specific Performance.

The parties hereto acknowledge and agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with its specific terms or were otherwise breached, and that monetary damages, even if available, would not be an adequate remedy therefor. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the United States District Court for the Southern District of New York, without proof of actual damages (and each party hereby waives any requirement for the security or posting of any bond in connection with such remedy), this being in addition to any other remedy to which they are entitled at law or in equity. The parties further agree not to assert that a remedy of specific performance is unenforceable, invalid, contrary to applicable Law or inequitable for any reason, nor to assert that a remedy of monetary damages would provide an adequate remedy for any such breach.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have executed and delivered this Stock Purchase Agreement as of the date first written above.

FUJIFILM Holdings Corporation

By: /s/ Shigetaka Komori

Name: Shigetaka Komori

Title: Chairman and Chief Executive Officer,
Representative Director

FUJIFILM Asia Pacific Pte. Ltd.

By: /s/ Masahiro Ota

Name: Masahiro Ota

Title: Managing Director

[Stock Purchase Agreement]

Xerox Corporation

By: /s/ Giovanni Visentin

Name: Giovanni Visentin

Title: Vice Chairman and Chief Executive Officer

Xerox Limited

By: /s/ Herve N. Tessler

Name: Herve N. Tessler

Title: Director

[Stock Purchase Agreement]

Fuji Xerox Co., Ltd.

By: /s/ Kouichi Tamai

Name: Kouichi Tamai

Title: President and Representative Director

[*Stock Purchase Agreement*]

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [***] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**AMENDMENT 1 TO THE APRIL 1, 2006 TECHNOLOGY AGREEMENT
BY AND BETWEEN XEROX CORPORATION AND FUJI XEROX CO., LTD.**

This Amendment 1 ("Amendment") to the April 1, 2006 Technology Agreement ("2006TA") by and between Xerox Corporation, a corporation organized under the laws of the State of New York with a principal office at 201 Merritt 7, Norwalk, CT 06851-1056 ("Xerox") and Fuji Xerox Co., Ltd. with a principal office at 9-7-3, Akasaka Minato-ku, Tokyo 107-0052, Japan ("Fuji Xerox" and, together with Xerox, the "Parties") is entered into on November 5, 2019.

Effective as of the Amendment Effective Date (as defined below), the Parties hereby agree as follows:

1. Fuji Xerox Rights to Xerox Trademarks Upon Expiration or Termination.

- (a) Section C7 (Fuji Xerox Rights to Xerox Trademarks Upon Expiration or Termination) of the 2006TA is hereby deleted in its entirety and replaced with the following.

"C7. Fuji Xerox Rights to Xerox Trademarks Upon Expiration or Termination:

- (a) In the event either Party opts not to renew this Agreement, then on the expiration date of this Agreement (the "Expiration Date"), this Agreement shall terminate in accordance with Section E14, including Xerox's license grant under Xerox Trademarks to Fuji Xerox as set forth in Section C1(a), which shall terminate in its entirety.
- (b) After receiving Xerox's notice to not renew this Agreement or sending Fuji Xerox's notice to Xerox to not renew this Agreement, as the case may be, Fuji Xerox shall transition away from the use of the Xerox Trademarks to a new brand (the "New Brand") in a manner that will allow Fuji Xerox to operate under the New Brand as soon as reasonably practicable after the Expiration Date, [***].
- (c) "Approved Statement(s)" means (i) the statement "Fuji Xerox Co. Ltd. will change/has changed its name to [new company name] as of [date]" and (ii) any other statement mutually agreed between the Parties respecting the name change by Fuji Xerox to the New Brand. As promptly as practicable following the notice from either Party to not renew as set forth above, Xerox and Fuji Xerox shall reasonably cooperate in the development of additional approved statements respecting the name change by Fuji Xerox to the New Brand in accordance with the foregoing clause (ii). Without the prior written consent of the other Party, neither Party shall deviate in any material respect from an Approved Statement in any announcement, press release, customer disclosure, or other internal or external release of information to the extent respecting such name change, except as required by applicable law or regulation.
- (d) During the two (2) year period commencing with the Expiration Date ("Transition Period"), subject to the Quality Control Standards and a payment of one hundred million U.S. dollars (USD \$100,000,000.00) payable by wire transfer of immediately available funds to an account designated by Xerox within three (3) business days of the first date of the Transition Period, Fuji Xerox shall have (i) an exclusive license to use Xerox Trademarks to manufacture, have made, use, lease, sell, distribute or otherwise dispose of Xerographic Products in the Territory; (ii) a non-exclusive license to use Xerox Trademarks to manufacture, have made, use, lease, sell, distribute or otherwise dispose of all other Products in the Territory; and (iii) a limited right, on a case by case basis and upon the prior written permission of Xerox, to use the "Fuji Xerox Co., Ltd." name on the nameplate attached to certain products sold outside of the Territory as set forth in Annex C-1 of this Agreement.

- (e) During the Transition Period, Fuji Xerox shall reasonably cooperate with Xerox in order to allow Xerox to take reasonably necessary steps to preserve the Xerox Trademarks in jurisdiction(s) in the Territory after the end of the Transition Period, including notifying Xerox, as promptly as practicable, in the event that Fuji Xerox ceases using certain Xerox Trademarks identified in Exhibit B in any jurisdiction in the Territory.
 - (f) Upon expiration of the Transition Period, Fuji Xerox shall immediately cease implementation of any new or expanded uses of Xerox Trademarks and discontinue existing uses of Xerox Trademarks; provided, however, that:
 - (i) the use of Xerox Trademarks affixed to Products that have already been sold, leased, distributed or licensed to customers of Fuji Xerox, its Subsidiaries or FX JV OPCOs shall not be affected by this Section C7(f); and
 - (ii) For the avoidance of doubt, the right of customers or distributors to which Products have already been sold, leased, licensed or otherwise distributed prior to the end of the Transition Period shall not be affected by termination of this Agreement or the Transition Period; and Fuji Xerox may continue to provide maintenance services with respect to such Products.
 - (g) Fuji Xerox acknowledges that its violation of the limited licenses granted in accordance with the provisions of this Agreement will result in immediate and irreparable harm to Xerox for which there is no adequate remedy at law. Notwithstanding the provisions of E29, Xerox shall be entitled to bring an action or proceeding for specific performance, injunctive relief and/or other equitable relief to compel Fuji Xerox to discontinue the infringement of the Xerox Trademarks, to cease and desist all unauthorized use of the Xerox Trademarks, to take all affirmative acts necessary to ensure discontinuance of use of the Xerox Trademarks after the expiration or termination of this Agreement, and to obtain such other or different relief as may be necessary and proper. The provisions of this Section C7(g) shall survive the termination or expiration of this Agreement.
 - (h) In addition, Fuji Xerox shall have the royalty-free perpetual, revocable (solely in the event of non-compliance with the limitations below) right after the Transition Period to use the "Fuji Xerox" name under the following limited conditions: [***].
 - (i) For avoidance of doubt, notwithstanding any provision of the 2006TA to the contrary: (i) Sections C7(b) through C7(i) above shall survive expiration of the 2006TA for the duration of the Transition Period upon nonrenewal of the 2006TA pursuant to Section E14; and (ii) all rights granted to Fuji Xerox by Xerox as set forth in this Section C7 are subject to the following provisions of the 2006TA, which shall survive and apply during the Transition Period and otherwise in accordance with their terms (if and as applicable): Part A (to the extent applicable), Section C1(b), Section C4, Section C8(a), Section C9, Section C10, Section C11, Section C12, Section C13, Section C14, and Section E19."
- (b) The following sections of the 2006TA are hereby modified and amended as follows.
- (i) The first sentence of Section B16(a) is hereby deleted in its entirety and replaced with the following:

"Except to the extent such negotiations relate to the development, manufacture or other preparation of Products for sale under the New Brand (as defined in the Section C7(b)), during the Term, Xerox and Fuji Xerox shall promptly notify the other party in writing upon the initiation of negotiations by Xerox, Fuji Xerox or one of their respective Subsidiaries with any third party involving any of the following, provided that if such third party is Fujifilm Co., Ltd., reporting of such events shall be made after such occurrence of the events on a quarterly basis:"

- (ii) The last sentence of Section C1(a) is hereby deleted in its entirety and replaced with the following sentences:
- “Fuji Xerox acknowledges and understands that the use of the “Fuji Xerox” Trademark and Trade Name outside of the Territory for advertisement or solicitation purposes is outside of any licenses granted hereunder and is strictly prohibited, subject (with respect to Trade Name) to the limited exception stated in Section C7(i). For avoidance of doubt, a mark containing the word “Fuji” shall not be deemed as confusingly similar, deceptive or misleading with respect to “Fuji Xerox”.”
- (iii) Section C5 is hereby deleted in its entirety and replaced with the following:
- “During the Term, Fuji Xerox and its Subsidiaries and such other companies as agreed in writing (except for certain small “start-up” companies to be mutually agreed to in writing) shall trade under the trade names that include the term “Xerox” in the Territory except where otherwise agreed between the Parties and except in the case of P.T. Astra-Graphia in Indonesia and as set forth in Section C7(b).”
- (iv) The first sentence of Section C6(a)(i) is hereby deleted in its entirety and replaced with the following:
- “Except as expressly set forth in Section C7(b), during the Term, all Products manufactured, made, used, sold, leased, distributed or otherwise disposed of within DPA inside the Territory by Fuji Xerox, its Subsidiaries and Fuji Xerox JV OPCOs shall prominently bear the “XEROX” or “FUJI XEROX” trademark.”
- (v) The third sentence of Section C6(a)(ii) is hereby deleted in its entirety and replaced with the following:
- “Except as expressly set forth in Section C7(b), during the Term, all such Products manufactured, made, used, sold, leased, distributed or otherwise disposed of within DPA in the Territory by Fuji Xerox, its Subsidiaries and Fuji Xerox JV OPCOs for the Office Segment may bear Fuji Xerox Trademarks as product names, if so desired by Fuji Xerox, provided such use is secondary to the “XEROX” or “FUJI XEROX” Trademark used; and provided further that prior to implementation of such Fuji Xerox trademarks, Fuji Xerox shall propose, in writing, to Xerox such Fuji Xerox Trademarks for Xerox’s prompt concurrence.”
- (vi) The second sentence of Section C6(a)(iii) is hereby deleted in its entirety and replaced with the following:
- “Except as expressly set forth in Section C7(b), during the Term, all Products manufactured, made, used, sold, leased, distributed or otherwise disposed of within DPA inside the Territory shall bear Xerox Trademarks as product names, be approved by Xerox and registered (where registerable) in the name of Xerox Corporation or Xerox Limited in the Territory at Xerox’s cost; provided that Xerox Corporation or Xerox Limited shall effectively manage that process.”
- (vii) Section C6(a)(iv) is hereby deleted in its entirety and replaced with the following:
- “Fuji Xerox may, from time to time, use other trademarks with respect to DPA; provided however, during the Term, all new names must be approved in advance by Xerox and such new names shall be registered (where registerable) in the name of Xerox Corporation or Xerox Ltd. except as provided in (1) Section C6(a)(ii) or (2) Section C7(b).”
- (viii) Section C8(b) is hereby deleted in its entirety.

- (ix) The first sentence of Section C12(a) is hereby deleted in its entirety and replaced with the following:
"Fuji Xerox shall manufacture, sell, lease, use, distribute or otherwise dispose of Xerox branded Products and all related Xerox branded packaging and promotional materials in compliance with the Quality Control Standards."
- (x) Section E17 is hereby deleted in its entirety and replaced with the following:
"Upon expiration or termination of this Agreement under Section E14, the Patent, Technical Information and Copyright licenses and rights granted to Fuji Xerox under the Amended 1999TA and such already granted to Fuji Xerox under Sections B1, B2, and B3 hereof as of the date of expiration or termination shall continue in effect as royalty-free, irrevocable, non-exclusive licenses, with the right to grant sublicenses as provided in Section B1, B2, and B3."

2. **Post-Expiration IP Access.** From and after the Expiration Date, Xerox's licenses granted to Fuji Xerox for that certain non-marking DPA set forth in Exhibit A of this Amendment shall be amended to be worldwide, royalty-free, non-exclusive, sublicensable solely to Fuji Xerox Subsidiaries, perpetual and irrevocable. Any licenses of future IP (i.e., developed after the Expiration Date) shall be agreed separately on an arms-length basis.
3. **Effect of Termination.** Except as set forth in this Amendment, after the Expiration Date, those terms contemplated to survive by Section E16 of the 2006TA shall survive as set forth therein.
4. **Amendment Effective Date.** Subject to the terms and conditions of that certain Stock Purchase Agreement, dated as of November 5, 2019, by and between FUJIFILM Holdings Corporation, FUJIFILM Asia Pacific Pte. Ltd., Xerox, Xerox Limited and Fuji Xerox (the "SPA"), this Amendment shall become effective on the Ancillary Agreements Effectiveness Date as defined in the SPA (the "Amendment Effective Date").
5. **Termination.** If the SPA is terminated pursuant to its terms prior to the Amendment Effective Date, this Amendment shall terminate and be of no further force and effect. For the avoidance of doubt, termination of the SPA on or after the Amendment Effective Date shall have no effect on this Amendment.
6. **Survival.** In the event of any conflict between the terms of this Amendment and the terms of the 2006TA, the terms of this Amendment shall control and be governing. Except as expressly stated in this Amendment, the 2006TA and all provisions not amended herein shall continue in full force and effect in accordance with their terms.

7. **Exhibits.**

- Exhibit A Certain Non-Marking DPA
Exhibit B Certain Xerox Trademarks
Exhibit C Xerox Trademarks List

[Signature Page Follows]

XEROX CORPORATION

FUJI XEROX CO., LTD.

By: /s/ Steve Bandrowczak

Printed Name: Steve Bandrowczak

By: /s/ Kouichi Tamai

Printed Name: Kouichi Tamai

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO THE REGISTRANT IF PUBLICLY DISCLOSED. [***] INDICATES THAT INFORMATION HAS BEEN REDACTED.

**AMENDMENT 1 TO THE SEPTEMBER 9, 2013 MASTER PROGRAM AGREEMENT
BY AND BETWEEN XEROX CORPORATION AND FUJI XEROX CO., LTD.**

This Amendment 1 (“Amendment”) to the September 9, 2013 Master Program Agreement (“MPA”) by and between Xerox Corporation, a corporation organized under the laws of the State of New York with a principal office at 201 Merritt 7, Norwalk, CT 06851-1056 (“Xerox”) and Fuji Xerox Co., Ltd. with a principal office at 9-7-3, Akasaka Minato-ku, Tokyo 107-0052, Japan (“Fuji Xerox” and, together with Xerox, the “Parties”) is entered into on November 5, 2019 (the “Signing Date”).

Effective as of the Amendment Effective Date (as defined below), the Parties agree as follows:

1. **References to the 2006TA.** From and after the expiration or the termination of the 2006TA (the “2006TA End Date”), references in the MPA to the 2006TA (except with respect to its surviving provisions) shall be deleted for purposes of all PSA-Ds and PSA-Ps executed after the 2006TA End Date. The Parties agree to negotiate in good faith within a reasonable period of time following the Amendment Effective Date appropriate provisions to replace such references to the 2006TA in the MPA to be effective following the 2006TA End Date. For avoidance of doubt, such references in the MPA to the 2006TA shall survive and continue to apply to all PSAs executed prior to the 2006TA End Date in accordance with their terms.
2. **Amendment of Termination Provisions.**
 - (a) Section A6.1 (Terms) is hereby deleted in its entirety and replaced with the following:

“Terms. This MPA shall be effective as of the Effective Date and shall continue in full force and effect for a period of five (5) years from the Amendment Effective Date, unless sooner terminated by the parties’ written agreement. This MPA shall automatically renew for successive five (5) year terms until either party gives to the other written notice of its intent not to renew at least six (6) months prior to the initial or any renewal expiration date. For the avoidance of doubt, termination or non-renewal of the 2006TA shall not terminate this MPA, which shall survive any such termination or non-renewal and continue in full force and effect in accordance with its terms.”
 - (b) Section C17.2 (Termination for Cause), subsection (ii), is hereby deleted in its entirety and replaced with the following:

“immediately upon written notice if the other party: (i) becomes insolvent, makes a general assignment for the benefit of creditors, goes into liquidation or receivership, ceases or threatens to cease to carry on business; or (ii) commits a material breach that, by its nature, is not curable. The occurrences specified in clause (i) above shall not be deemed to be a material breach of a PSA-P by the terminated party (i.e., the party that is insolvent, etc.) and, in such case, termination of the applicable PSA-P shall be the terminating party’s sole remedy unless the terminated party knowingly and willfully engaged in the activities described in such clause (i) for the purpose of avoiding its obligations under this MPA or the applicable PSA-Ps.”
3. **PSA-P Term Extensions.** The currently effective terms of each PSA-P listed in the table in Exhibit 1 to this Amendment shall be extended, respectively, as set forth therein. Upon expiration of the applicable extended effective term, each such PSA-P shall be automatically renewed for one (1) year and thereafter from year to year, unless either of the Parties gives the other Party at least six (6) months’ prior written notice to terminate the PSA-P before the expiration of the then-current term of such PSA-P.
4. **New PSAs.**
 - (a) The Parties agree to terminate the agreements listed in subsections (1) through (3) below and the provision of the MPA identified in subsection (4) below shall be deemed deleted and be of no further force and effect, in each case, as of the Amendment Effective Date for purposes of all PSA-Ds and PSA-Ps executed thereafter other than the Pending GC PSAs (as defined in Section 4(g) below):

- (1) TP Framework;
 - (2) P&CPA;
 - (3) Nextwave Master Agreement; and
 - (4) Section C10.3 (Domestication) of the MPA.
- (b) The first sentence of the second paragraph of Section A7 (Compliance with Laws and Regulations) is hereby deleted in its entirety and replaced with the following:
- “Seller shall, unless otherwise agreed, at the expense and responsibility of the party designated in the applicable PSA-D or PSA-P, to be individually negotiated by the parties on an arms-length and case-by-case basis, take all necessary steps to ensure that the Production Units to be publicly launched and marketed and/or Preproduction Units as specified and agreed to be upgraded to mass production specifications in applicable PSA or corresponding production program agreement shall pass the safety and regulatory standards by each competent organization or authority, including major standards bodies and monetary authorities, with which Buyer has agreed to comply with certain standards (hereinafter called “Safety Standards”) specified in a mutual written agreement or in the Specifications.”
- (c) Section C5 (Trade Terms) is hereby deleted in its entirety and replaced with the following:
- “The trade terms with respect to the Acquired Products under each PSA-P shall be individually negotiated by the parties on an arms-length and case-by-case basis.”
- (d) Section C6.2 (Volume Commitment) shall be added as follows:
- “Volume Commitment. The provisions relating to volume commitments, if any, for Acquired Products under each applicable PSA-P shall be individually negotiated by the parties on an arms-length and case-by-case basis.”
- (e) Section C7.1 (Equipment and Options) is hereby deleted in its entirety and replaced with the following:
- “The provisions relating to the discontinuance of Equipment and Options under each applicable PSA-P shall be individually negotiated by the parties on an arms-length and case-by-case basis.”
- (f) When negotiating a PSA-P or PSA-D, the Parties hereby agree to use commercially reasonable efforts to complete negotiations and execute PSA-Ds and PSA-Ps as promptly as possible, with a goal of no later than sixty (60) days after the commencement of such negotiations, in good faith and in accordance with the terms set forth in the MPA. For the avoidance of doubt, the Parties shall be under no obligation to enter into any PSA, no agreement shall be deemed formed by the operation of this provision, and a failure to reach agreement within such period despite such commercially reasonable efforts shall not be a material breach of this Amendment.
- (g) In addition, the Parties hereby agree to use best efforts to complete pending negotiations and execute concurrent PSA-Ds and PSA-Ps, respectively, for [***] programs (the “Pending GC PSAs”) as promptly as possible, with a goal of no later than sixty (60) days after the Signing Date, in good faith and in accordance with the terms set forth in the MPA. For the avoidance of doubt, the Parties shall be under no obligation to enter into any Pending GC PSAs, no agreement shall be deemed formed by the operation of this provision, and a failure to reach agreement within such period despite such best efforts shall not be a material breach of this Amendment.
- (h) With respect to any other new PSA executed on or after the Amendment Effective Date (i.e. excluding any existing PSAs and the Pending GC PSAs), such new PSA shall be individually negotiated by the Parties in good faith and on an arm’s-length, case-by-case basis, and either Party may propose terms for such PSA that differ from those contemplated in the MPA (including, for purposes of illustration, domestication, trade terms, end of life/discontinuance, reasonable allocation of compliance costs, and volume commitments).

- (i) The rights and obligations of the Parties under existing PSA-Ps and PSA-Ds as of the Amendment Effective Date, including those referencing the TP Framework, P&CPA, Nextwave Master Agreement and Section C10.3, shall remain in effect and unaffected by this Section 4.

5. Graphic Communications Products Limited Mutual Exclusivity.

- (a) For purposes of this Section:
 - (1) "Affiliate" means any entity that Controls, is Controlled by, or is under common Control with a Party.
 - (2) "Control" means possession of, or the right to acquire possession of, directly or indirectly, the power to direct or cause the direction of the management, business affairs or policies of a Party (whether through ownership of securities, voting shares, partnership or other ownership interests, by contract or otherwise).
 - (3) "Graphic Communications Products" means Xerographic devices in the entry production color low product segment, light production mono product segment, and higher production or graphic communications product segments (e.g. LPM, EPC Low, EPC Mid, EPC High, Production Color and/or HECS), including without limitation the Pending GC Products. For purposes of clarity, "Graphic Communications Products" excludes digital front ends and feeding and finishing equipment.
 - (4) "Limited Exclusivity Term" means [***].
 - (5) "Limited Exclusive Territory" means [***].
- (b) During the Limited Exclusivity Term:
 - (1) Fuji Xerox covenants that it shall not directly or indirectly sell, license, lease, or otherwise distribute Graphic Communications Products in the Limited Exclusive Territory except through Xerox on distribution terms to be mutually agreed.
 - (2) Xerox covenants that neither it nor its Subsidiaries (as defined in the MPA) shall directly or indirectly manufacture, have manufactured, purchase or otherwise procure Graphic Communications Products (excluding only such products that are not substantially similar in terms of specifications and availability, taken as a whole, as Graphic Communications Products designed and manufactured by Fuji Xerox or its Subsidiaries during the Limited Exclusivity Term, e.g. iGen and Nuvera platforms), that are for sale, lease or other distribution in the Limited Exclusive Territory, except procurement from Fuji Xerox on sourcing terms to be mutually agreed.
 - (3) The Parties shall, on a product by product basis, use best efforts to negotiate exclusive distribution/sourcing terms, (including pricing, build quality, delivery terms, and volume commitment) in good faith and on an arm's-length, case-by-case basis, for each Graphic Communications Product that will be sold and distributed in the Limited Exclusive Territory during the Limited Exclusivity Term. [***]. The pricing for each Graphic Communications Product shall be individually negotiated by the parties on an arms-length and case-by-case basis, and the Parties shall discuss in good faith the allocation of costs for any reasonable Xerox unique features.
 - (4) In addition to the rights and obligations in Section 5(b)(1)-(3) above, Fuji Xerox appoints Xerox as its nonexclusive reseller and distributor of its Graphic Communications Product outside the Limited Exclusive Territory (but not in the Territory, as defined in the 2006TA).

6. Amendment Effective Date. Subject to the terms and conditions of that certain Stock Purchase Agreement, dated as of November 5, 2019, by and between FUJIFILM Holdings Corporation, FUJIFILM Asia Pacific Pte. Ltd., Xerox, Xerox Limited and Fuji Xerox (the "SPA"), this Amendment shall become effective on the Ancillary Agreements Effectiveness Date as defined in the SPA (the "Amendment Effective Date").

7. Termination. If the SPA is terminated pursuant to its terms prior to the Amendment Effective Date, this Amendment shall terminate and be of no further force and effect. For the avoidance of doubt, termination of the SPA on or after the Amendment Effective Date shall have no effect on this Amendment.

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8. **Survival.** Except as expressly stated in this Amendment, the MPA shall continue in full force and effect in accordance with its terms.
 9. **Exhibit.**
Exhibit 1 PSA-P Term Extensions

[Signature Page Follows]

XEROX CORPORATION

FUJI XEROX CO., LTD.

By: /s/ Steve Bandrowczak

By: /s/ Kouichi Tamai

Printed Name: Steve Bandrowczak

Printed Name: Kouichi Tamai

News from Xerox Holdings Corporation



Xerox Holdings Corporation
201 Merritt 7
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Xerox Restructures FUJIFILM Relationship, Will Receive \$2.3B from Related Transactions

Norwalk, Conn., Nov. 5, 2019 – Xerox Holdings Corporation (NYSE: XRX) announced that it has entered into agreements with FUJIFILM Holdings Corporation and certain of its subsidiaries that will simplify and set a new course for the companies' strategic sourcing relationship going forward. The terms of the agreements include the following:

- Sale of Xerox's 25% stake in Fuji Xerox Co., Ltd. (FX) to a subsidiary of FUJIFILM;
- Modified sourcing terms for future product programs that will ensure Xerox's product supply continuity;
- Sale to an affiliate of FX of Xerox's 51% stake in Xerox International Partners (XIP), an OEM joint venture between Xerox and FX, which, together with the grant of a new IP license, will allow FX to OEM certain products (such as printer engines) to named parties that are existing customers of XIP on a worldwide basis in exchange for a fixed royalty; and
- Dismissal of the \$1 billion lawsuit FUJIFILM filed against Xerox after last year's terminated merger.

"These agreements reset our relationship with FUJIFILM and provide both companies with tremendous opportunities to grow, together and independently," said John Visentin, vice chairman and CEO of Xerox. "These agreements also unlock significant unrealized value for our shareholders, provide greater clarity for our customers and help us speed our transformation to a digital-first company."

Total after-tax proceeds to Xerox from the transactions will include accrued but unpaid dividends through the date of the closings and are expected to be approximately \$2.3 billion. Xerox expects to use the proceeds opportunistically to pursue accretive M&A in core and adjacent industries, return capital to shareholders and pay down its \$550 million December 2019 debt maturity.

The agreements were unanimously approved by the board of directors of Xerox and do not require a shareholder vote. Closings of the sale transactions are subject to receipt of regulatory approval in Japan and other customary closing conditions and are expected to occur in November 2019, but there can be no assurance regarding timing of completion of the regulatory review process, which could delay timing of the closings.

Xerox expects to provide updated 2019 guidance by mid-December 2019 that incorporates the impact of the transactions (assuming closing of the transactions occurs as expected).

Additional information concerning the transactions will be included in a Current Report on Form 8-K that Xerox intends to file today with the Securities and Exchange Commission (SEC). Investors and security holders may obtain a free copy of the current report (when it is available) and other documents filed with the SEC at the SEC's website at www.sec.gov and at Xerox's website at <https://www.xerox.com>.

King & Spalding LLP acted as legal counsel to Xerox in connection with the transactions.

About Xerox

In the era of intelligent work, we're not just thinking about the future, we're making it. [Xerox Holdings Corporation](#) is a technology leader focused on the intersection of digital and physical. We use automation and next-generation personalization to redefine productivity, drive growth and make the world more secure. Every day, our innovative technologies and intelligent work solutions—Powered by Xerox®—help people communicate and work better. Discover more at www.xerox.com and follow us on Twitter at [@Xerox](#).

Forward-Looking Statements

This release, and other written or oral statements made from time to time by management contain “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. The words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “will”, “should”, “targeting”, “projecting”, “driving” and similar expressions, as they relate to us, our performance and/or our technology, are intended to identify forward-looking statements. These statements reflect management’s current beliefs, assumptions and expectations and are subject to a number of factors that may cause actual results to differ materially. Such factors include but are not limited to: the ability to satisfy the conditions to closing of the proposed transactions, on the expected timing or at all; the ability to obtain required regulatory approvals for the proposed transactions, on the expected timing or at all; the occurrence of any event that could give rise to the termination of the stock purchase agreement or other transaction documents; the effects of disruption caused by the announcement of the contemplated transactions; the risk of litigation in connection with the contemplated transactions; and other factors that are set forth in the “Risk Factors” section, the “Legal Proceedings” section, the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section and other sections of Xerox Corporation’s 2018 Annual Report on Form 10-K, as well as in Xerox Corporation’s and Xerox Holdings Corporation’s Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. These forward looking statements speak only as of the date of this release or as of the date to which they refer, and Xerox assumes no obligation to update any forward-looking statements as a result of new information or future events or developments, except as required by law.

-XXX-

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Xerox® and Powered by Xerox® are trademarks of Xerox in the United States and/or other countries

Xerox Restructures Relationship with FUJIFILM

November 5, 2019

The Xerox logo is displayed in a bold, red, lowercase sans-serif font. The letters are closely spaced, and a small trademark symbol (TM) is positioned to the upper right of the final 'x'.

Forward-Looking Statements

This presentation, and other written or oral statements made from time to time by management contain "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. The words "anticipate", "believe", "estimate", "expect", "intend", "will", "should", "targeting", "projecting", "driving" and similar expressions, as they relate to us, our performance and/or our technology, are intended to identify forward-looking statements. These statements reflect management's current beliefs, assumptions and expectations and are subject to a number of factors that may cause actual results to differ materially. Such factors include but are not limited to: the ability to satisfy the conditions to closing of the proposed transactions, on the expected timing or at all; the ability to obtain required regulatory approvals for the proposed transactions, on the expected timing or at all; the occurrence of any event that could give rise to the termination of the stock purchase agreement or other transaction documents; the effects of disruption caused by the announcement of the contemplated transactions; the risk of litigation in connection with the contemplated transactions; and other factors that are set forth in the "Risk Factors" section, the "Legal Proceedings" section, the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section and other sections of Xerox Corporation's 2018 Annual Report on Form 10-K, as well as in Xerox Corporation's and the Company's Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. These forward looking statements speak only as of the date of this presentation or as of the date to which they refer, and Xerox assumes no obligation to update any forward-looking statements as a result of new information or future events or developments, except as required by law.



Summary of Transactions

- Fujifilm/Fuji Xerox will pay Xerox an aggregate of approximately \$2.3 billion in exchange for:
 - Xerox's 25% equity interest in Fuji Xerox;
 - Xerox's 51% equity interest in Xerox International Partners ("XIP"), an existing OEM joint venture between Xerox and Fuji Xerox; and
 - A license of certain intellectual property that will enable Fuji Xerox and XIP to OEM products (limited to printer engines and related consumables and spares) in the A4 and A3 low/mid categories to certain current XIP customers on a worldwide basis.
- Xerox and Fuji Xerox will amend certain existing agreements related to product sourcing and licensing of intellectual property and software.
- Fujifilm will dismiss with prejudice its pending \$1 billion lawsuit related to Xerox's termination of the proposed 2018 combination transaction.

CLOSING: Expected to occur in November 2019, subject to Japanese regulatory approval and customary closing conditions.

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Strategic Rationale for Transactions

Collectively, these transactions are expected to:

- Monetize otherwise illiquid assets (Xerox's 25% stake in Fuji Xerox and 51% stake in XIP) at an attractive valuation (over 20 times 2019's expected aggregate cash flow of ~\$100 million);
- Facilitate maximum strategic flexibility by removing from existing sourcing agreements any termination rights related to a change of control of Xerox;
- Ensure continuity of supply by:
 - Extending the terms of existing product sourcing agreements with Fuji Xerox; and
 - Establishing a new framework for collaboration with Fuji Xerox on future product programs;
- Generate additional revenue and profit from licensing certain intellectual property to Fuji Xerox (on terms that will not compromise Xerox's competitiveness); and
- Eliminate the expense of defending the litigation Fujifilm filed against Xerox after 2018's terminated merger.

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Sale & Purchase Agreements

Strategic Rationale: Monetize otherwise illiquid assets at an attractive valuation.

Detailed Terms:

- Pursuant to the Fuji Xerox Purchase Agreement:
 - Xerox will sell its 25% interest in Fuji Xerox to subsidiaries of Fujifilm for \$2.2 billion.
 - Closing is expected to occur by November 27, 2019, subject to Japanese regulatory approval.
 - If Japanese regulatory approval is not received on or before March 24, 2020, then Fujifilm is required to consummate the Closing through an alternative structure on or before March 30, 2020.
 - Xerox will continue to receive its pro rata dividend from Fuji Xerox until Closing.

- Pursuant to the XIP Transaction Agreements:
 - Xerox will sell its 51% interest in XIP to an affiliate of Fuji Xerox for \$23 million.
 - Xerox will continue to receive its guaranteed fee and pro rata earnings distributions until Closing.
 - Following Closing, XIP will be able to continue its OEM business – with its existing customers only – pursuant to the OEM license agreement (see slide 7).



Amendments to Existing Agreements

Strategic Rationale: Facilitate maximum strategic flexibility and ensure continuity of supply for Xerox clients.

Detailed Terms:

- The Master Program Agreement, which governs the product supply agreements between Xerox and Fuji Xerox, will be amended to:
 - Remove any termination rights related to a change in control of Xerox;
 - Extend the expiration date for existing product specific supply agreements; and
 - Establish a new sourcing framework for future product programs.
- The Technology Agreement, pursuant to which Xerox and Fuji Xerox cross-license certain intellectual property, will:
 - Remain in place until the next renewal date (March 2021); and
 - Be amended to provide that, in the event the agreement is not renewed by either party in March 2021, then Fuji Xerox will be permitted to continue using the Fuji Xerox brand for 2 years as it transitions to a new brand in exchange for an upfront, prepaid fixed royalty of \$100 million.



New OEM License Agreement

Strategic Rationale: Generate additional revenue and profit from licensing certain intellectual property to Fuji Xerox (on terms that will not compromise Xerox's competitiveness).

Detailed Terms:

- Xerox receives a fixed, prepaid \$77 million royalty in exchange for a license of certain intellectual property that will enable Fuji Xerox and XIP to OEM A4 and A3 low/mid products **for a limited number of specifically identified OEMs that are currently customers of XIP**
- From a product standpoint, this new OEM license:
 - Only covers printer hardware (i.e. printer engines and related consumables and spares);
 - Does not permit use of any other Xerox IP or Fuji Xerox IP (i.e., does not permit use of Xerox's ConnectKey platform or software); and
 - Will **not** result in OEM devices that perform like Xerox devices, have a user experience like that of Xerox devices or have the same security, cloud, mobile or Intelligent Workplace Software as Xerox devices.

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Financial Impact

Proceeds:

- Total after-tax proceeds to Xerox from the transactions will include accrued but unpaid dividends through the date of the closings and are expected to be approximately \$2.3 billion
- \$2.2 billion of the proceeds attributable to sale of Xerox's 25% stake in FX

Use of Proceeds:

- Cash proceeds from these transactions expected to be used, together with Xerox's already strong balance sheet, to accelerate transformation to a digital first company
- Expect to use the proceeds opportunistically to pursue accretive M&A in core and adjacent industries, return capital to shareholders and pay down \$550 million December 2019 debt maturity

Updated Guidance: Xerox expects to provide updated 2019 guidance by mid-December 2019 that incorporates the impact of the transactions (assuming closing of the transactions occurs as expected)



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