
**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): September 27, 2009

XEROX CORPORATION

(Exact name of registrant as specified in its charter)

New York
(State or other jurisdiction
of incorporation)

001-04471
(Commission File Number)

16-0468020
(I.R.S. Employer
Identification No.)

45 Glover Avenue
P. O. Box 4505
Norwalk, Connecticut
(Address of principal executive offices)

06856-4505
(Zip Code)

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

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))
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Item 1.01. Entry into a Material Definitive Agreement.

Merger Agreement

On September 27, 2009, Xerox Corporation (“Xerox”), Boulder Acquisition Corp. (“Merger Sub”), a wholly-owned subsidiary of Xerox, and Affiliated Computer Services, Inc. (“ACS”) entered into an Agreement and Plan of Merger (the “Merger Agreement”), providing for the acquisition of ACS by Xerox. Subject to the terms and conditions of the Merger Agreement, which has been approved by the boards of directors of all parties, ACS will be merged with and into Merger Sub.

As a result of the merger, each outstanding share of ACS’s Class A common stock, other than shares owned by Xerox, Merger Sub, or ACS (which will be cancelled) and other than those shares with respect to which appraisal rights are properly exercised and not withdrawn (collectively, “Excluded Shares”), will be converted into the right to receive a combination of (i) 4.935 shares of common stock of Xerox (“Common Stock”) and (ii) \$18.60 in cash, without interest. As a result of the merger, each outstanding share of Class B common stock of ACS, other than Excluded Shares, will be converted into the right to receive (i) 4.935 shares of Common Stock, (ii) \$18.60 in cash, without interest and (iii) a fraction of a share of a new series of convertible preferred stock to be issued by Xerox and designated as Series A Convertible Perpetual Preferred Stock (“Convertible Preferred Stock”) equal to (x) 300,000 divided by (y) the number of shares of Class B common stock of ACS issued and outstanding as of the effective time of the merger. A description of the Convertible Preferred Stock is set forth in Item 5.03 below.

The consummation of the merger is subject to certain conditions, including, among others: (i) the adoption of the Merger Agreement by ACS’s stockholders, (ii) the approval of the issuance of Common Stock by Xerox’s stockholders, (iii) the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the receipt of other material antitrust approvals and (iv) the lenders providing Xerox with debt financing in connection with the Merger shall not have declined to provide such financing at closing primarily due to the occurrence of a Material Adverse Effect or a Parent Material Adverse Effect (both as defined in the Merger Agreement) or due to Xerox failing to receive (A) from Standard & Poor’s, within one week of the date of closing, a reaffirmation of the corporate credit rating of Xerox after giving effect to the Merger and the other transactions contemplated hereby, which shall be BBB- or higher (stable) at closing and (B) from Moody’s, within one week of the date of closing, a reaffirmation of the corporate family rating of Xerox after giving effect to the Merger and the other transactions contemplated hereby, which shall be Baa3 or higher (stable) at closing. In addition, the credit ratings (after giving effect to the Merger and the other transactions contemplated hereby, including, any issuance of Notes (as defined in the Debt Commitment Letter (as defined below)), of each issue of notes outstanding at closing (not including the outstanding 8% trust preferred securities) of Xerox or any of its subsidiaries shall be at least BBB- (stable) from Standard & Poor’s and Baa3 (stable) from Moody’s at closing.

The Merger Agreement contains customary covenants, including covenants providing for each of the parties: (i) to use reasonable best efforts to cause the transaction to be consummated, (ii) not to solicit alternate transactions, and (iii) to call and hold a special stockholders’ meeting and recommend adoption of the Merger Agreement, in the case of ACS, and issuance of Common Stock, in the case of Xerox.

The Merger Agreement contains certain termination rights and provides that (i) upon the termination of the Merger Agreement under specified circumstances, including a change in the recommendation of the board of ACS, ACS will owe Xerox a cash termination fee of \$194 million, (ii) upon the termination of the Merger Agreement under specified circumstances, including a change in the recommendation of the board of Xerox, Xerox will owe ACS a cash termination fee of \$235 million and (iii) upon the termination of the Merger Agreement due to Xerox’s failure to obtain the required stockholder approval at the Xerox stockholders’ meeting, Xerox will owe ACS a cash termination fee of \$65 million.

Xerox is also obligated to pay a cash termination fee of \$323 million if the Merger Agreement is terminated because the merger is not consummated by June 27, 2010 and on such date, all closing conditions except the financing condition are satisfied.

The foregoing description of the Merger Agreement is included to provide you with information regarding its terms. It does not purport to be a complete description and is qualified in its entirety by reference to the full text of the Merger Agreement, which is filed as Exhibit 2.1 hereto and is incorporated herein by reference.

Voting Agreement

In connection with the execution of the Merger Agreement, Darwin Deason (the "Stockholder"), owner of 43.6% of the outstanding voting power of ACS as of September 28, 2009, entered into a Voting Agreement, dated as of September 27, 2009 (the "Voting Agreement"), with Xerox, pursuant to which, among other things, the Stockholder agreed to vote his shares in favor of the adoption of the Merger Agreement and against any takeover bid by a third party. The Stockholder's agreement to vote his shares of ACS common stock as described above is subject to limitations if the ACS board of directors changes its recommendation with respect to the merger, in which case the Stockholder is required to vote in favor of the merger only a number of shares equal to 21.8% of the outstanding voting power of ACS, with the remaining shares, subject to the following sentence, being required to be voted proportionate to the manner in which all other shares of ACS common stock not beneficially owned by the Stockholder are voted at the special meeting to approve the Merger Agreement. If the ACS board of directors changes its recommendation with respect to the merger in connection with a financially superior takeover proposal, the Stockholder is entitled to vote the remaining shares in his sole discretion.

The Stockholder has granted an irrevocable proxy in favor of designated officers of Xerox to vote its shares of ACS common stock as required.

The Voting Agreement prohibits the Stockholder from taking various actions that could reasonably be expected to facilitate a competing takeover proposal for ACS, except that if the ACS board has determined that a competing takeover proposal could reasonably be expected to lead to a financially superior takeover proposal (i) the Stockholder is entitled to participate in discussions or negotiations regarding such takeover proposal and (ii) if the ACS board changes its recommendation of the merger in connection with such financially superior takeover proposal, the Stockholder is entitled to enter into a voting agreement or proxy with respect to the remaining shares.

The Voting Agreement will terminate on the earliest of (a) the effective time of the merger, (b) the termination of the Merger Agreement and (c) the making of any waiver, amendment or modification of the Merger Agreement or the Certificate of Amendment that (i) reduces the value or changes the type of consideration payable to holders of ACS common stock in the merger or (ii) is otherwise adverse to holders of ACS common stock.

The foregoing description of the Voting Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Voting Agreement, which is filed as Exhibit 10.1 hereto and is incorporated herein by reference.

Debt Commitment Letter

Concurrently, and in connection with entering into the Merger Agreement, Xerox entered into a debt commitment letter (the "Debt Commitment Letter") with JPMorgan Chase Bank, N.A. and J.P. Morgan

Securities Inc. pursuant to which, subject to the conditions set forth therein, JPMorgan Chase Bank, N.A. committed to provide to Xerox unsecured bridge financing of up to \$3.0 billion (the "Bridge Facility"), the proceeds of which will be used (i) first, to repay or redeem ACS's indebtedness outstanding on the date of consummation of the merger (the "Closing Date") other than its 5.20% senior notes due 2015, 4.70% senior notes due 2010 and capitalized lease obligations and (ii) second, to fund, in part the cash consideration for the merger and pay certain fees and expenses in connection with the merger. The Bridge Facility will mature on the first anniversary of the Closing Date; however, subject to certain conditions, Xerox may elect to (a) extend the maturity date for up to \$1.5 billion of the aggregate principal amount of the Bridge Facility to the second anniversary of the Closing Date and (b) further extend the maturity date for up to \$750 million of the aggregate principal amount of the Bridge Facility to the third anniversary of the Closing Date.

The foregoing description of the Debt Commitment Letter is included to provide you with information regarding its terms. It does not purport to be a complete description and is qualified in its entirety by reference to the full text of the Debt Commitment Letter, which is filed as Exhibit 10.2 hereto and is incorporated herein by reference.

Item 5.03 Amendments to Articles of Incorporation or Bylaws.

Issuance of Series A Convertible Perpetual Preferred Stock

Pursuant to the terms of the Merger Agreement, Xerox agreed to issue 300,000 shares of Xerox's Series A Convertible Perpetual Preferred Stock, having a liquidation preference of \$1,000 per share (the "Series A Preferred Stock") to the holders of Class B common stock of ACS.

Cash dividends will be payable quarterly on the Series A Preferred Stock when, as and if declared by the board of directors, out of any funds legally available for the payment of dividends, on a cumulative basis, at a rate per year equal to 8.0% of the liquidation preference. If Xerox does not pay dividends in full on any dividend payment date, cash dividends will be payable, on a cumulative basis, at a rate per year equal to 8.0% of the sum of the liquidation preference and the amount of accrued and unpaid dividends as of the most recent dividend payment date. In addition, if Xerox does not pay dividends in full on any dividend payment date, the ability of Xerox to declare, pay dividends on, redeem, purchase or otherwise acquire its common stock or any preferred stock ranking on a parity with or junior to the Series A Preferred Stock, will be subject to certain restrictions.

Each share of Series A Preferred Stock may be converted at any time, at the option of the holder, into 89.8876 shares of common stock (which reflects an initial conversion price of approximately \$11.125 per share of common stock, which is a 25% premium over \$8.90, which was the average closing price of Xerox's common stock over the 7-trading day period ended on September 14, 2009), subject to customary anti-dilution adjustments. In addition, the holder will have the right to convert, under certain circumstances, each share of Series A Preferred Stock into shares of common stock at an increased conversion rate. On or after the fifth anniversary of the issue date, Xerox will have the right, at its option, to cause, under certain circumstances, any or all of the Series A Preferred Stock to be converted into shares of common stock at the then applicable conversion rate.

Upon the occurrence of certain fundamental change events, the holder of Series A Preferred Stock has the right to require Xerox to redeem any or all of the Series A Preferred Stock in cash at a redemption price per share equal to the liquidation preference and any accrued and unpaid dividends to, but not including the redemption date. At any time on or following the fifth anniversary of a transfer by the holder of the Series A Preferred Stock to a person other than a permitted transferee, Xerox has the option to redeem any or all of such transferred shares of Series A Preferred Stock in cash at a redemption price per share equal to the fair market value of such redeemed shares and any accrued and unpaid dividends to, but not including the redemption date.

The terms of the Series A Preferred Stock are more fully described in the Certificate of Amendment of the Certificate of Incorporation of Xerox (the "Certificate of Amendment") establishing the rights, preferences, privileges, qualifications, restrictions and limitations relating to the Series A Preferred Stock. A form of the Certificate of Amendment is included as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated by reference herein.

Additional Information

This communication is being made in respect of the proposed merger transaction involving Xerox, ACS and Boulder Acquisition Corp. In connection with the proposed transaction, Xerox will file with the SEC a registration statement on Form S-4 that will include a joint proxy statement of Xerox and ACS that also constitutes a prospectus of Xerox. Each of Xerox and ACS will mail a proxy statement/prospectus to their respective stockholders, and each will be filing other documents regarding the proposed transaction with the SEC as well. BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, INVESTORS ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS REGARDING THE PROPOSED TRANSACTION AND ANY OTHER RELEVANT DOCUMENTS CAREFULLY IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Stockholders will be able to obtain a free copy of the proxy statement/prospectus, as well as other filings containing information about Xerox and ACS, without charge, at the SEC's Internet site (<http://www.sec.gov>). Copies of the proxy statement/prospectus and the filings with the SEC that will be incorporated by reference in the proxy statement/prospectus can also be obtained, without charge, from Xerox's website, www.xerox.com, under the heading "Investor Relations" and then under the heading "SEC Filings" or, without charge, from ACS's website, www.acs-inc.com, under the tab "Investor Relations" and then under the heading "SEC Filings".

Xerox, ACS and their respective directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding Xerox's directors and executive officers is available in Xerox's proxy statement for its 2009 annual meeting of stockholders and Xerox's 2008 Annual Report on Form 10-K, which were filed with the SEC on April 6, 2009 and February 13, 2009, respectively, and information regarding ACS's directors and executive officers is available in ACS's proxy statement for its 2009 annual meeting of stockholders and ACS's 2009 Annual Report on Form 10-K, which were filed with the SEC on April 14, 2009 and August 27, 2009, respectively. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the proxy statement/prospectus and other relevant materials to be filed with the SEC when they become available.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 2.1 | Agreement and Plan of Merger, dated as of September 27, 2009, among Xerox Corporation, Boulder Acquisition Corp. and Affiliated Computer Services, Inc. |
| 3.1 | Certificate of Amendment of the Certificate of Incorporation of Xerox Corporation establishing Series A Convertible Perpetual Preferred Stock, dated as of September 27, 2009. |
| 10.1 | Voting Agreement, dated as of September 27, 2009 between Xerox Corporation and Darwin Deason. |
| 10.2 | Debt Commitment Letter from JPMorgan Chase Bank, N.A. and J.P. Morgan Securities Inc., dated as of September 27, 2009. |

SIGNATURES

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

Date: September 28, 2009

XEROX CORPORATION

By: /s/ Ursula M. Burns

Name: Ursula M. Burns

Title: Chief Executive Officer

EXHIBIT INDEX

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AGREEMENT AND PLAN OF MERGER

Dated as of September 27, 2009

among

XEROX CORPORATION,

BOULDER ACQUISITION CORP.

and

AFFILIATED COMPUTER SERVICES, INC.

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| ARTICLE I THE MERGER | 1 |
| SECTION 1.01. The Merger | 1 |
| SECTION 1.02. Closing | 2 |
| SECTION 1.03. Effective Time | 2 |
| SECTION 1.04. Effects of the Merger | 2 |
| SECTION 1.05. Certificate of Incorporation and By-laws | 2 |
| SECTION 1.06. Directors of the Surviving Corporation | 2 |
| SECTION 1.07. Officers of the Surviving Corporation | 3 |
| ARTICLE II EFFECT OF THE MERGER ON THE CAPITAL STOCK OF THE CONSTITUENT CORPORATIONS; EXCHANGE OF CERTIFICATES | 3 |
| SECTION 2.01. Effect on Capital Stock | 3 |
| SECTION 2.02. Exchange of Certificates; Book Entry Shares | 6 |
| ARTICLE III REPRESENTATIONS AND WARRANTIES | 10 |
| SECTION 3.01. Representations and Warranties of the Company | 10 |
| SECTION 3.02. Representations and Warranties of Parent and Merger Sub | 27 |
| ARTICLE IV COVENANTS RELATING TO THE BUSINESS | 43 |
| SECTION 4.01. Conduct of Business | 43 |
| SECTION 4.02. No Solicitation by the Company | 49 |
| SECTION 4.03. No Solicitation by Parent | 52 |
| ARTICLE V ADDITIONAL AGREEMENTS | 55 |
| SECTION 5.01. Preparation of the Form S-4 and the Joint Proxy Statement; Stockholders' Meetings | 55 |
| SECTION 5.02. Access to Information; Confidentiality | 57 |
| SECTION 5.03. Reasonable Best Efforts; Further Action | 58 |
| SECTION 5.04. Company Stock Options | 60 |
| SECTION 5.05. Employee Benefit Arrangements | 61 |
| SECTION 5.06. Indemnification, Exculpation and Insurance | 62 |
| SECTION 5.07. Public Announcements | 63 |
| SECTION 5.08. Section 16 Matters | 63 |
| SECTION 5.09. Stock Exchange Listing | 63 |
| SECTION 5.10. Transaction Litigation | 63 |
| SECTION 5.11. Employee Matters | 63 |
| SECTION 5.12. Takeover Laws | 65 |
| SECTION 5.13. Financing | 65 |
| SECTION 5.14. Certain Tax Matters | 69 |
| SECTION 5.15. Company Cooperation on Certain Matters | 70 |
| SECTION 5.16. Agreements with the Stockholder Party | 70 |

| | | |
|---|--|----|
| SECTION 5.17. | Debt Tender Offers | 70 |
| ARTICLE VI CONDITIONS PRECEDENT | | 71 |
| SECTION 6.01. | Conditions to Each Party's Obligation to Effect the Merger | 71 |
| SECTION 6.02. | Conditions to Obligations of Parent and Merger Sub | 72 |
| SECTION 6.03. | Conditions to Obligation of the Company | 73 |
| ARTICLE VII TERMINATION, AMENDMENT AND WAIVER | | 74 |
| SECTION 7.01. | Termination | 74 |
| SECTION 7.02. | Effect of Termination | 76 |
| SECTION 7.03. | Fees and Expenses | 76 |
| SECTION 7.04. | Amendment | 78 |
| SECTION 7.05. | Extension; Waiver | 78 |
| SECTION 7.06. | Procedure for Termination or Amendment | 79 |
| ARTICLE VIII GENERAL PROVISIONS | | 79 |
| SECTION 8.01. | Nonsurvival of Representations and Warranties | 79 |
| SECTION 8.02. | Notices | 79 |
| SECTION 8.03. | Definitions. For purposes of this Agreement: | 80 |
| SECTION 8.04. | Interpretation | 83 |
| SECTION 8.05. | Counterparts | 83 |
| SECTION 8.06. | Entire Agreement; Third-Party Beneficiaries | 84 |
| SECTION 8.07. | GOVERNING LAW | 84 |
| SECTION 8.08. | Assignment | 84 |
| SECTION 8.09. | Specific Enforcement; Consent to Jurisdiction | 85 |
| SECTION 8.10. | Waiver of Jury Trial | 85 |
| SECTION 8.11. | Severability | 86 |
| Exhibit A | Form of Voting Agreement | |
| Exhibit B | Form of Certificate of Amendment | |

INDEX OF DEFINED TERMS

| | <u>Page</u> |
|---------------------------------------|-------------|
| Actions | 17 |
| Affiliate | 80 |
| Agreement | 1 |
| Antitrust Law | 59 |
| Bankruptcy and Equity Exception | 13 |
| Bloomberg | 3 |
| Book-Entry Shares | 4 |
| Business Day | 81 |
| Certificate of Amendment | 4 |
| Certificate of Merger | 2 |
| Certificates | 6 |
| Class A Book-Entry Shares | 4 |
| Class A Cash Consideration | 4 |
| Class A Certificate | 4 |
| Class A Exchange Ratio | 3 |
| Class A Merger Consideration | 4 |
| Class B Book-Entry Shares | 4 |
| Class B Cash Consideration | 4 |
| Class B Certificate | 4 |
| Class B Exchange Ratio | 4 |
| Class B Merger Consideration | 4 |
| Class B Stock Consideration | 4 |
| Class Stock Consideration | 4 |
| Closing | 2 |
| Closing Date | 2 |
| Code | 1 |
| Commitment Letter | 41 |
| Commonly Controlled Entity | 20 |
| Company | 1 |
| Company Adverse Recommendation Change | 57 |
| Company Benefit Plan | 20 |
| Company Bylaws | 11 |
| Company Certificate | 11 |
| Company Class A Common Stock | 3 |
| Company Class B Common Stock | 3 |
| Company Common Stock | 3 |
| Company Credit Facility | 13 |
| Company Disclosure Letter | 10 |
| Company Employees | 46 |
| Company Foreign Benefit Plans | 20 |
| Company Pension Plan | 20 |

| | |
|---|----|
| Company Personnel | 81 |
| Company Preferred Stock | 11 |
| Company Recommendation | 14 |
| Company SEC Documents | 15 |
| Company Stock Options | 12 |
| Company Stock Plans | 12 |
| Company Stockholder Approval | 26 |
| Company Stockholders' Meeting | 55 |
| Company Termination Fee | 76 |
| Company Welfare Plan | 20 |
| Confidentiality Agreement | 58 |
| Contract | 14 |
| Convertible Preferred Stock Consideration | 4 |
| Debt Offers | 70 |
| Definitive Agreements | 65 |
| DGCL | 1 |
| Dissenting Shares | 5 |
| DOJ | 59 |
| Effective Time | 2 |
| ERISA | 20 |
| ESPP | 12 |
| Exchange Act | 15 |
| Exchange Agent | 6 |
| Exchange Fund | 6 |
| Financing | 41 |
| Financing Action | 67 |
| Financing Sources | 81 |
| Foreign Antitrust Laws | 59 |
| Foreign Corrupt Practices Act | 19 |
| Form S-4 | 55 |
| FTC | 59 |
| GAAP | 15 |
| Governmental Entity | 14 |
| Hazardous Materials | 81 |
| HSR Act | 14 |
| Infringe | 25 |
| Insurance Indemnitee | 62 |
| Intellectual Property | 26 |
| Intervening Event | 81 |
| IRS | 21 |
| Joint Proxy Statement | 55 |
| Key Personnel | 81 |
| Knowledge | 81 |
| Law | 14 |
| Liens | 11 |
| Material Adverse Effect | 81 |

| | |
|--------------------------------------|----|
| Material Contract | 18 |
| Merger | 1 |
| Merger Sub | 1 |
| Merger Sub Bylaws | 2 |
| Merger Sub Certificate | 2 |
| Notes | 70 |
| NYSE | 15 |
| Option Exchange Ratio | 82 |
| Order | 14 |
| Outside Date | 74 |
| Parent | 1 |
| Parent Adverse Recommendation Change | 57 |
| Parent Benefit Plan | 36 |
| Parent Bylaws | 28 |
| Parent Certificate | 28 |
| Parent Class B Stock | 28 |
| Parent Common Share | 3 |
| Parent Commonly Controlled Entity | 36 |
| Parent Convertible Preferred Stock | 4 |
| Parent Disclosure Letter | 27 |
| Parent Foreign Benefit Plans | 37 |
| Parent Material Adverse Effect | 82 |
| Parent Material Contract | 34 |
| Parent Pension Plan | 36 |
| Parent Personnel | 82 |
| Parent Preferred Stock | 28 |
| Parent Proxy Materials | 55 |
| Parent Recommendation | 57 |
| Parent Retiree Welfare Plan | 38 |
| Parent SEC Documents | 31 |
| Parent Share Issuance | 30 |
| Parent Stockholder Approval | 42 |
| Parent Stockholders' Meeting | 55 |
| Parent Superior Proposal | 53 |
| Parent Takeover Proposal | 53 |
| Parent Termination Fee | 76 |
| Parent Welfare Plan | 36 |
| PBGC | 22 |
| Permits | 18 |
| person | 82 |
| Preferred Exchange Ratio | 4 |
| Proxy Materials | 51 |
| Release | 83 |
| Representatives | 83 |
| Required Refinancing Indebtedness | 42 |
| SEC | 15 |

| | |
|-----------------------------|----|
| Securities Act | 15 |
| Significant Subsidiary | 11 |
| Special Committee | 1 |
| Stockholder Party | 1 |
| Subsidiary | 83 |
| Superior Proposal | 50 |
| Surviving Corporation | 2 |
| Takeover Proposal | 50 |
| Tax | 24 |
| Tax Return | 25 |
| Taxing Authority | 25 |
| Termination Fees | 76 |
| Top-20 Customer Contract | 18 |
| U.S. Company Benefit Plan | 20 |
| U.S. Parent Benefit Plan | 37 |
| Vote Down Fee | 76 |
| Voting Agreement | 1 |
| WARN | 46 |
| willful and material breach | 76 |

AGREEMENT AND PLAN OF MERGER (this "Agreement") dated as of September 27, 2009, among XEROX CORPORATION, a New York corporation ("Parent"), BOULDER ACQUISITION CORP., a Delaware corporation and a direct wholly owned Subsidiary of Parent ("Merger Sub"), and AFFILIATED COMPUTER SERVICES, INC., a Delaware corporation (the "Company").

WHEREAS, the Board of Directors of the Company, acting upon the unanimous recommendation of the Strategic Transaction Committee of the Board of Directors of the Company (the "Special Committee"), has, by unanimous vote of all of the directors (other than Mr. Darwin Deason (the "Stockholder Party"), who abstained), (i) determined that it is in the best interests of the Company and its stockholders, and declared it advisable, to enter into this Agreement, (ii) approved the execution, delivery and performance of this Agreement and the consummation of the merger of the Company with and into Merger Sub (the "Merger") upon the terms and subject to the conditions set forth in this Agreement and (iii) subject to Section 4.02, resolved to recommend adoption of this Agreement by the stockholders of the Company;

WHEREAS, the Board of Directors of Merger Sub has unanimously approved and declared advisable, this Agreement and the Merger, upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the Board of Directors of Parent has unanimously determined that (i) it is in the best interests of Parent and its stockholders to consummate the Merger provided for herein and (ii) subject to Section 4.03, resolved to recommend approval of the Parent Share Issuance by the stockholders of Parent;

WHEREAS, simultaneously with the execution of this Agreement, the Stockholder Party is entering into an agreement in the form of Exhibit A hereto (the "Voting Agreement") pursuant to which, subject to the terms thereof, the Stockholder Party has agreed, among other things, to vote his shares of the Company Common Stock in favor of the adoption of this Agreement; and

WHEREAS, for U.S. Federal income tax purposes, it is intended that (i) the Merger qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and the rules and regulations promulgated thereunder and (ii) this Agreement shall constitute a "plan of reorganization" within the meaning of Treasury Regulation Section 1.368-2(g);

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements contained in this Agreement, and subject to the conditions set forth herein, the parties hereto agree as follows:

ARTICLE I

THE MERGER

SECTION 1.01. The Merger. Upon the terms and subject to the conditions set forth in this Agreement, and in accordance with the General Corporation Law of the State of Delaware (the "DGCL"), the Company shall be merged with and into Merger Sub at the Effective Time. As a result of the Merger, the separate corporate existence of the Company shall cease and Merger Sub shall continue as the surviving corporation of the Merger (the "Surviving Corporation").

SECTION 1.02. Closing. The closing of the Merger (the “Closing”) shall take place at 9:00 a.m., local time, on a date to be specified by the parties, which shall be no later than the third Business Day (as defined in Section 8.03) after satisfaction or (to the extent permitted by applicable Law) waiver of the conditions set forth in Article VI (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or (to the extent permitted by applicable Law) waiver of those conditions). Notwithstanding the foregoing, the Closing may be consummated at such other time or date as Parent and the Company may agree to in writing. The date on which the Closing occurs is referred to in this Agreement as the “Closing Date”. The Closing shall be held at the offices of Simpson Thacher & Bartlett LLP, 425 Lexington Ave., New York, New York 10017, unless another place is agreed to in writing by Parent and the Company.

SECTION 1.03. Effective Time. Subject to the provisions of this Agreement, at the Closing, the parties shall cause the Merger to be consummated by filing with the Secretary of State of the State of Delaware a certificate of merger (the “Certificate of Merger”), in such form as required by, and executed and acknowledged by the parties in accordance with, the relevant provisions of the DGCL, and shall make all other filings or recordings required under the DGCL in connection with the Merger. The Merger shall become effective upon the filing of the Certificate of Merger with the Secretary of State of the State of Delaware or at such later time as Parent and the Company shall agree and shall specify in the Certificate of Merger (the time the Merger becomes effective being hereinafter referred to as the “Effective Time”).

SECTION 1.04. Effects of the Merger. The Merger shall have the effects set forth herein and in the applicable provisions of the DGCL. Without limiting the generality of the foregoing and subject thereto, at the Effective Time, all the property, rights, privileges, immunities, powers and franchises of the Company and Merger Sub shall vest in the Surviving Corporation and all debts, liabilities and duties of the Company and Merger Sub shall become the debts, liabilities and duties of the Surviving Corporation.

SECTION 1.05. Certificate of Incorporation and By-laws.

(a) The Certificate of Incorporation of Merger Sub (the “Merger Sub Certificate”), as in effect immediately prior to the Effective Time, shall be the Certificate of Incorporation of the Surviving Corporation until thereafter changed or amended as provided therein or by applicable Law.

(b) The Bylaws of Merger Sub (the “Merger Sub Bylaws”), as in effect immediately prior to the Effective Time, shall be the Bylaws of the Surviving Corporation until thereafter changed or amended as provided therein or by applicable Law.

SECTION 1.06. Directors of the Surviving Corporation. The directors of Merger Sub immediately prior to the Effective Time shall be the directors of the Surviving Corporation until the earlier of their resignation or removal or until their respective successors are duly elected and qualified, as the case may be.

SECTION 1.07. Officers of the Surviving Corporation. The officers of the Company immediately prior to the Effective Time shall be the initial officers of the Surviving Corporation, each to hold office until the earlier of their resignation or removal or until their respective successors are duly elected and qualified, as the case may be.

ARTICLE II

EFFECT OF THE MERGER ON THE CAPITAL STOCK OF THE CONSTITUENT CORPORATIONS; EXCHANGE OF CERTIFICATES

SECTION 2.01. Effect on Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of any holder of any shares of the Company's Class A Common Stock, par value \$0.01 per share (the "Company Class A Common Stock"), or the Company's Class B Common Stock, par value \$0.01 per share (the "Company Class B Common Stock") and, together with the Company Class A Common Stock, the "Company Common Stock"), or of any shares of capital stock of Parent or Merger Sub:

(a) Capital Stock of Merger Sub. Each issued and outstanding share of capital stock of Merger Sub shall be converted into and become one validly issued, fully paid and nonassessable share of common stock of the Surviving Corporation.

(b) Cancellation of Treasury Stock and Parent-Owned Stock. Each share of Company Common Stock that is directly owned by the Company or that is directly or indirectly owned by Parent or Merger Sub immediately prior to the Effective Time shall automatically be canceled and shall cease to exist, and no consideration shall be delivered in exchange therefor; *provided* for the avoidance of doubt, that no shares of Company Common Stock that are owned by a Subsidiary which is directly or indirectly wholly-owned by the Company shall be canceled pursuant to this Section 2.01(b).

(c) Stock Owned by Subsidiaries of the Company. Each share of Company Common Stock beneficially owned by a Subsidiary which is directly or indirectly wholly-owned by the Company shall be converted into and become the number of validly issued, fully paid and nonassessable shares of common stock, par value \$1.00 per share, of Parent ("Parent Common Stock") obtained by dividing the dollar value of the Class A Merger Consideration as of the last Business Day before the date hereof (determined using the closing price per share of Parent Common Stock on the NYSE on such date, as such price is reported on the screen entitled "Comp/CLOSE/PRICE" for Parent on Bloomberg L.P. ("Bloomberg") (or such other source as the parties shall agree in writing)) by the closing price per share of Parent Common Stock on the NYSE on such date, as such price is reported on the screen entitled "Comp/CLOSE/PRICE" for Parent on Bloomberg (or such other source as the parties shall agree in writing).

(d) Conversion of Company Common Stock.

(i) Subject to Section 2.02(e), each share of Company Class A Common Stock issued and outstanding immediately prior to the Effective Time (but excluding (x) shares to be canceled in accordance with Section 2.01(b), (y) shares to be converted in accordance with Section 2.01(c) and (z) any Dissenting Shares) shall be converted into the right to receive (A) 4.935 (the "Class A Exchange Ratio") validly

issued, fully paid and nonassessable shares of Parent Common Stock (the “Class A Stock Consideration”) and (B) \$18.60 in cash, without interest (the “Class A Cash Consideration”) and, together with the Class A Stock Consideration, the “Class A Merger Consideration”). At the Effective Time, all shares of Company Class A Common Stock converted into the right to receive the Class A Merger Consideration pursuant to this Section 2.01(d) shall no longer be outstanding and shall automatically be canceled and shall cease to exist, and each holder of a certificate (a “Class A Certificate”) or book-entry shares (“Class A Book-Entry Shares”) which immediately prior to the Effective Time represented any such shares of Company Class A Common Stock shall cease to have any rights with respect thereto, except the right to receive the Class A Merger Consideration, any dividends or other distributions payable pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable pursuant to Section 2.02(e), without interest, in each case to be issued or paid in consideration therefor upon surrender of such Class A Certificate in accordance with Section 2.02(b), in the case of certificated shares, and automatically, in the case of book-entry shares.

(ii) Subject to Section 2.02(e), each share of Company Class B Common Stock issued and outstanding immediately prior to the Effective Time (but excluding (x) shares to be canceled in accordance with Section 2.01(b), (y) shares to be converted in accordance with Section 2.01(c) and (z) any Dissenting Shares) shall be converted into the right to receive (A) 4.935 (the “Class B Exchange Ratio”) validly issued, fully paid and nonassessable shares of Parent Common Stock (the “Class B Stock Consideration”), (B) \$18.60 in cash, without interest (the “Class B Cash Consideration”), and (C) a fraction of a share of a new series of convertible preferred stock to be issued by Parent at the Effective Time and to be designated as Series A Convertible Preferred Stock, par value \$1.00 per share (the “Parent Convertible Preferred Stock”), equal to the Preferred Exchange Ratio (the “Convertible Preferred Stock Consideration”) and, together with the Class B Stock Consideration and Class B Cash Consideration, the “Class B Merger Consideration”), having terms as set forth in the form of Certificate of Amendment (the “Certificate of Amendment”) attached as Exhibit B hereto. At the Effective Time, all shares of Company Class B Common Stock converted into the right to receive the Class B Merger Consideration pursuant to this Section 2.01(d) shall no longer be outstanding and shall automatically be canceled and shall cease to exist, and each holder of a certificate (a “Class B Certificate”) or book-entry shares (“Class B Book-Entry Shares”) and, together with Class A Book-Entry Shares, the “Book-Entry Shares”) which immediately prior to the Effective Time represented any such shares of Company Class B Common Stock shall cease to have any rights with respect thereto, except the right to receive the Class B Merger Consideration, any dividends or other distributions payable pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable pursuant to Section 2.02(e), without interest, in each case to be issued or paid in consideration therefor upon surrender of such Class B Certificate in accordance with Section 2.02(b), in the case of certificated shares, and automatically, in the case of book-entry shares. “Preferred Exchange Ratio” means a number equal to (1) 300,000 divided by (2) the number of shares of Class B Common Stock issued and outstanding as of the Effective Time.

(iii) In the event that between the date of this Agreement and the Effective Time, there is a change in the number of shares of Parent Common Stock or

Company Common Stock or securities convertible or exchangeable into or exercisable for shares of Parent Common Stock or Company Common Stock issued and outstanding as a result of a reclassification, stock split (including a reverse split), stock dividend or distribution, recapitalization, merger, subdivision, issuer tender or exchange offer, or other similar transaction, the Class A Exchange Ratio, Class B Exchange Ratio and the conversion related provisions of the Certificate of Amendment, as applicable, shall be appropriately adjusted to reflect such action.

(iv) The right of any holder of Company Common Stock to receive the Class A Merger Consideration or the Class B Merger Consideration, as applicable, any dividends or other distributions payable pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable pursuant to Section 2.02(e) shall, to the extent provided in Section 2.02(j), be subject to and reduced by the amount of any withholding that is required under applicable Tax Law.

(v) At the Effective Time, subject to and in accordance with Section 5.04, all Company Stock Options (as defined in Section 3.01(c)(iii)) issued and outstanding at the Effective Time under a Company Stock Plan (as defined in Section 3.01(c)(iii)) shall be assumed by Parent.

(e) Dissenting Shares.

(i) Shares of Company Common Stock that are issued and outstanding immediately prior to the Effective Time and which are held by holders who have not voted in favor of or consented to the Merger and who are entitled to demand and have properly demanded their rights to be paid the fair value of such shares of Company Common Stock in accordance with Section 262 of the DGCL (the "Dissenting Shares") shall not be canceled and converted into the right to receive the Class A Merger Consideration or the Class B Merger Consideration, as applicable, and the holders thereof shall be entitled to only such rights as are granted by Section 262 of the DGCL; *provided, however*, that if any such stockholder of the Company shall fail to perfect or shall effectively waive, withdraw or lose such stockholder's rights under Section 262 of the DGCL, such stockholder's Dissenting Shares in respect of which the stockholder would otherwise be entitled to receive fair value under Section 262 of the DGCL shall thereupon be deemed to have been canceled, at the Effective Time, and the holder thereof shall be entitled to receive the Class A Merger Consideration or the Class B Merger Consideration, as applicable (payable without any interest thereon), as compensation for such cancellation.

(ii) The Company shall give Parent (A) prompt notice of any notice received by the Company of intent to demand the fair value of any shares of Company Common Stock, withdrawals of such notices and any other instruments or notices served pursuant to Section 262 of the DGCL and (B) the opportunity to participate in negotiations and proceedings with respect to the exercise of appraisal rights under Section 262 of the DGCL. The Company shall not, except with the prior written consent of Parent or as otherwise required by an Order, (x) make any payment or other commitment with respect to any such exercise of appraisal rights, (y) offer to settle or settle any such rights or (z) waive any failure to timely deliver a written demand for appraisal or timely take any other action to perfect appraisal rights in accordance with the DGCL.

SECTION 2.02. Exchange of Certificates; Book Entry Shares.

(a) Exchange Agent. At or prior to the Effective Time, Parent shall deposit, or cause the Surviving Corporation to deposit with a bank or trust company designated by Parent and reasonably satisfactory to the Company (the “Exchange Agent”), for the benefit of the holders of Class A Certificates and Class B Certificates (together, the “Certificates”) and Book-Entry Shares, book-entry shares (or certificates if requested) representing shares of Parent Common Stock, book-entry shares (or certificates if requested) representing shares of Parent Convertible Preferred Stock and cash, in each case in an aggregate amount equal to the number of shares or amount of cash (as applicable) into which such shares of Company Common Stock have been converted pursuant to Section 2.01(d). In addition, Parent shall deposit with the Exchange Agent, as necessary from time to time at or after the Effective Time, any dividends or other distributions payable pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable pursuant to Section 2.02(e). All shares of Parent Common Stock, shares of Parent Convertible Preferred Stock, cash, dividends and distributions deposited with the Exchange Agent pursuant to this Section 2.02(a) shall hereinafter be referred to as the “Exchange Fund”. The Exchange Agent shall deliver the Parent Common Stock, Parent Convertible Preferred Stock, cash, dividends and distributions contemplated to be issued and delivered pursuant to Sections 2.01 and 2.02(c) out of the Exchange Fund. Except to the extent set forth in Section 2.02(h), the Exchange Fund shall not be used for any other purpose.

(b) Exchange Procedures.

(i) Certificates. As soon as reasonably practicable after the Effective Time, Parent shall cause the Exchange Agent to mail to each holder of record of a Certificate whose shares of Company Common Stock were converted into the right to receive the Class A Merger Consideration or the Class B Merger Consideration, as applicable, any dividends or other distributions payable pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable pursuant to Section 2.02(e) (i) a form of letter of transmittal (which shall specify that delivery shall be effected, and risk of loss and title to the Certificates shall pass, only upon proper delivery of the Certificates to the Exchange Agent and which shall be in customary form and contain customary provisions) and (ii) instructions for use in effecting the surrender of the Certificates in exchange for the Class A Merger Consideration or the Class B Merger Consideration, as applicable, any dividends or other distributions payable pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable pursuant to Section 2.02(e). Each holder of record of one or more Certificates shall, upon surrender to the Exchange Agent of such Certificate or Certificates, together with such letter of transmittal, duly executed, and such other documents as may reasonably be required by the Exchange Agent, be entitled to receive in exchange therefor, and Parent shall cause the Exchange Agent to pay and deliver in exchange therefor as promptly as practicable (i) the amount of cash to which such holder is entitled pursuant to Section 2.01(d), (ii) shares of Parent Common Stock (which shall be in uncertificated book-entry form unless a physical certificate is requested by such holder of record) representing, in the aggregate, the whole number of shares that such holder has the right to receive pursuant to Section 2.01(d) (after taking into account

all shares of Company Common Stock then held by such holder), (iii) shares of Parent Convertible Preferred Stock (which shall be in uncertificated book-entry form unless a physical certificate is requested by such holder of record) representing, in the aggregate, the whole number of shares that such holder has the right to receive pursuant to Section 2.01(d) (after taking into account all shares of Company Common Stock then held by such holder), (iv) any dividends or distributions payable pursuant to Section 2.02(c) and (v) cash in lieu of any fractional shares payable pursuant to Section 2.02(e), and the Certificates so surrendered shall forthwith be canceled. In the event of a transfer of ownership of a Certificate which is not registered in the transfer records of the Company, payment of the Class A Merger Consideration or the Class B Merger Consideration, as applicable, any dividends or distributions payable pursuant to Section 2.02(c) and any cash in lieu of any fractional shares payable pursuant to Section 2.02(e) may be made to a person other than the person in whose name the Certificate so surrendered is registered if such Certificate shall be properly endorsed or otherwise be in proper form for transfer and the person requesting such payment shall pay any transfer or other Taxes required by reason of the transfer or establish to the reasonable satisfaction of Parent that such Taxes have been paid or are not applicable. Until surrendered as contemplated by this Section 2.02(b), each Certificate shall be deemed at any time after the Effective Time to represent only the right to receive upon such surrender the Class A Merger Consideration or the Class B Merger Consideration, as applicable, any dividends or other distributions payable pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable pursuant to Section 2.02(e). No interest shall be paid or will accrue on any payment to holders of Certificates pursuant to the provisions of this Article II.

(ii) Book-Entry Shares. Notwithstanding anything to the contrary contained in this Agreement, any holder of Book-Entry Shares shall not be required to deliver a Certificate or an executed letter of transmittal to the Exchange Agent to receive the Merger Consideration that such holder is entitled to receive pursuant to this Article II. In lieu thereof, each holder of record of one or more Book-Entry Shares whose shares of Company Common Stock were converted into the right to receive the Class A Merger Consideration or the Class B Merger Consideration, as applicable, any dividends or other distributions payable pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable pursuant to Section 2.02(e) shall automatically upon the Effective Time (or, at any later time at which such Book-Entry Shares shall be so converted) be entitled to receive, and Parent shall cause the Exchange Agent to pay and deliver as promptly as practicable after the Effective Time (i) the amount of cash to which such holder is entitled pursuant to Section 2.01(d), (ii) shares of Parent Common Stock (which shall be in uncertificated book-entry form unless a physical certificate is requested by such holder of record) representing, in the aggregate, the whole number of shares that such holder has the right to receive pursuant to Section 2.01(d) (after taking into account all shares of Company Common Stock then held by such holder), (iii) shares of Parent Convertible Preferred Stock (which shall be in uncertificated book-entry form unless a physical certificate is requested by such holder of record) representing, in the aggregate, the whole number of shares that such holder has the right to receive pursuant to Section 2.01(d) (after taking into account all shares of Company Common Stock then held by such holder), (iv) any dividends or distributions payable pursuant to Section 2.02(c) and (v) cash in lieu of any fractional shares payable pursuant to Section 2.02(e), and the Book-Entry Shares of such holder shall forthwith be canceled.

(c) Distributions with Respect to Unexchanged Shares.

(i) Certificates. No dividends or other distributions with respect to shares of Parent Common Stock or Parent Convertible Preferred Stock, as applicable, with a record date after the Effective Time shall be paid to the holder of any unsurrendered Certificate with respect to the shares of Parent Common Stock or Parent Convertible Preferred Stock, as applicable, that the holder thereof has the right to receive upon the surrender thereof, and no cash payment in lieu of fractional shares of Parent Common Stock shall be paid to any such holder pursuant to Section 2.02(e), in each case until the holder of such Certificate shall have surrendered such Certificate in accordance with this Article II. Following the surrender of any Certificate, there shall be paid to the record holder of the certificate representing whole shares of Parent Common Stock or Parent Convertible Preferred Stock, as applicable, issued in exchange therefor, without interest, (A) at the time of such surrender, the amount of dividends or other distributions with a record date after the Effective Time theretofore paid with respect to such whole shares of Parent Common Stock or Parent Convertible Preferred Stock, as applicable, and the amount of any cash payable in lieu of a fractional share of Parent Common Stock to which such holder is entitled pursuant to Section 2.02(e) and (B) at the appropriate payment date, the amount of dividends or other distributions with a record date after the Effective Time but prior to such surrender and a payment date subsequent to such surrender payable with respect to such whole shares of Parent Common Stock or Parent Convertible Preferred Stock, as applicable.

(ii) Book-Entry Shares. Holders of Book-Entry Shares who are entitled to receive shares of Parent Common Stock or Parent Convertible Preferred Stock, as applicable, under this Article II shall be paid (A) at the time of payment of such Parent Common Stock or Parent Convertible Preferred Stock by the Exchange Agent under Section 2.02(b), the amount of dividends or other distributions with a record date after the Effective Time theretofore paid with respect to such whole shares of Parent Common Stock or Parent Convertible Preferred Stock, as applicable, and the amount of any cash payable in lieu of a fractional share of Parent Common Stock to which such holder is entitled pursuant to Section 2.02(e) and (B) at the appropriate payment date, the amount of dividends or other distributions with a record date after the Effective Time but prior to the time of such payment by the Exchange Agent under Section 2.02(b) and a payment date subsequent to the time of such payment by the Exchange Agent under Section 2.02(b) payable with respect to such whole shares of Parent Common Stock or Parent Convertible Preferred Stock, as applicable.

(d) No Further Ownership Rights in Company Common Stock. The Class A Merger Consideration or the Class B Merger Consideration, as applicable, any dividends or other distributions payable pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable pursuant to Section 2.02(e) paid upon the surrender of Certificates (or automatically, in the case of Book-Entry Shares) in accordance with the terms of this Article II shall be deemed to have been paid in full satisfaction of all rights pertaining to the shares of Company Common Stock formerly represented by such Certificates or such Book-Entry Shares, subject, however, to the

Surviving Corporation's obligation to pay any dividends or make any other distributions with a record date prior to the Effective Time which may have been declared or made by the Company on the shares of Company Common Stock in accordance with the terms of this Agreement prior to the Effective Time. At the close of business on the day on which the Effective Time occurs, the share transfer books of the Company shall be closed, and there shall be no further registration of transfers on the share transfer books of the Surviving Corporation of the shares of Company Common Stock that were outstanding immediately prior to the Effective Time. If, after the Effective Time, any Certificate is presented to the Surviving Corporation for transfer, it shall be canceled against delivery of and exchanged as provided in this Article II.

(e) **No Fractional Shares.** No certificates or scrip representing fractional shares or book-entry credit of Parent Common Stock shall be issued upon the surrender for exchange of Certificates or upon the conversion of Book-Entry Shares, no dividends or other distributions of Parent shall relate to such fractional share interests and such fractional share interests shall not entitle the owner thereof to vote or to any rights of a stockholder of Parent. Each holder of Company Common Stock who otherwise would have been entitled to a fraction of a share of Parent Common Stock shall receive in lieu thereof cash (rounded to the nearest cent) equal to the product obtained by multiplying (A) the fractional share interest to which such holder (after taking into account all shares of Company Common Stock formerly represented by all Certificates surrendered by such holder and all Book-Entry Shares formerly held by such holder that are converted) would otherwise be entitled by (B) the per share closing price of Parent Common Stock on the New York Stock Exchange on the last trading day immediately prior to the Closing Date, as such price is reported on the screen entitled "Comp/CLOSE/PRICE" on Bloomberg (or such other source as the parties shall agree in writing).

(f) **Termination of the Exchange Fund.** Any portion of the Exchange Fund that remains undistributed to the holders of Company Common Stock for six months after the Effective Time shall be delivered to Parent, upon demand, and any holders of Company Common Stock who have not theretofore complied with this Article II shall thereafter look only to Parent for, and Parent shall remain liable for, payment of their claim for the Class A Merger Consideration or the Class B Merger Consideration, as applicable, any dividends or other distributions payable pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable pursuant to Section 2.02(e) in accordance with this Article II.

(g) **No Liability.** None of Parent, Merger Sub, the Company, the Surviving Corporation or the Exchange Agent shall be liable to any person in respect of any shares of Parent Common Stock, shares of Parent Convertible Preferred Stock, cash, dividends or other distributions from the Exchange Fund properly delivered to a public official pursuant to any applicable abandoned property, escheat or similar Law. If any Certificate shall not have been surrendered prior to four years after the Effective Time (or immediately prior to such earlier date on which any Class A Merger Consideration or Class B Merger Consideration, as applicable, (and any dividends or other distributions payable with respect thereto pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable with respect thereto pursuant to Section 2.02(e)) would otherwise escheat to or become the property of any Governmental Entity), any such shares (and any dividends or other distributions payable with respect thereto pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable with respect thereto pursuant to Section 2.02(e)) shall, to the extent permitted by applicable Law, become the property of Parent, free and clear of all claims or interest of any person previously entitled thereto.

(h) Investment of Exchange Fund. The Exchange Agent shall invest the cash included in the Exchange Fund as directed by Parent. Any interest and other income resulting from such investments shall be paid to and be income of Parent. If for any reason (including losses) the cash in the Exchange Fund shall be insufficient to fully satisfy all of the payment obligations to be made in cash by the Exchange Agent hereunder, Parent shall promptly deposit cash into the Exchange Fund in an amount which is equal to the deficiency in the amount of cash required to fully satisfy such cash payment obligations.

(i) Lost Certificates. If any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such Certificate to be lost, stolen or destroyed and, if required by Parent, the posting by such person of a bond in such reasonable amount as Parent may direct as indemnity against any claim that may be made against it with respect to such Certificate, the Exchange Agent shall deliver in exchange for such lost, stolen or destroyed Certificate the Class A Merger Consideration or the Class B Merger Consideration, as applicable, any dividends or other distributions payable pursuant to Section 2.02(c) and cash in lieu of any fractional shares payable pursuant to Section 2.02(e), in each case pursuant to this Article II.

(j) Withholding Rights. Parent, the Surviving Corporation or the Exchange Agent shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement such amounts as are required to be deducted and withheld with respect to the making of such payment under the Code, the Treasury Regulations thereunder, or any provision of state, local or foreign Tax Law. To the extent that amounts are so withheld and paid over to the appropriate Taxing Authority, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of Company Common Stock in respect of which such deduction and withholding was made.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

SECTION 3.01. Representations and Warranties of the Company. Except as disclosed in the Company SEC Documents or any other reports, schedules, forms, statements or other documents (including exhibits and other information incorporated therein), in each case, filed with or furnished by the Company to the SEC since January 1, 2007 and publicly available prior to the date of this Agreement (but excluding any forward looking disclosures set forth in any risk factor section, any disclosures in any section relating to forward looking statements and any other disclosures included therein to the extent they are predictive or forward-looking in nature), and except as set forth in the disclosure letter delivered by the Company to Parent prior to the execution of this Agreement (the "Company Disclosure Letter") (with specific reference to the particular Section or subsection of this Agreement to which the information set forth in such disclosure letter relates (and such items or matters disclosed in other sections of the Company Disclosure Letter to the extent the relevance of such items or matters to the referenced Section or subsection of this Agreement is readily apparent on the face of such disclosure)), the Company represents and warrants to Parent and Merger Sub as follows:

(a) Organization, Standing and Corporate Power. The Company and each of its Subsidiaries has been duly organized, and is validly existing and in good standing (with respect to jurisdictions that recognize that concept) under the Laws of the jurisdiction of its incorporation or formation, as the case may be, and has all requisite power and authority necessary to enable it to use its corporate or other name and to own, lease or otherwise hold and operate its properties and other assets and to carry on its business as currently conducted, except where the failure to be so organized, existing and in good standing, or to have such power and authority, individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect. The Company and each of its Subsidiaries is duly qualified or licensed to do business and is in good standing (with respect to jurisdictions that recognize that concept) in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties or other assets makes such qualification, licensing or good standing necessary, except where the failure to be so qualified, licensed or in good standing individually or in the aggregate has not had and would not reasonably be expected to have a Material Adverse Effect. The Company has made available to Parent, prior to the date of this Agreement, complete and accurate copies of the Second Amended and Restated Certificate of Incorporation of the Company, as amended (the "Company Certificate"), and the Bylaws of the Company (the "Company Bylaws"), and the comparable organizational documents of each Significant Subsidiary (as such term is defined in Rule 12b-2 under the Exchange Act) (a "Significant Subsidiary") of the Company, in each case as amended to the date hereof. The Company Certificate and the Company Bylaws so delivered are in full force and effect and the Company is not in violation of the Company Certificate or Company Bylaws.

(b) Subsidiaries. Section 3.01(b) of the Company Disclosure Letter lists, as of the date hereof, each Significant Subsidiary of the Company (including its jurisdiction of incorporation or formation). All of the outstanding capital stock of, or other equity interests in, each Significant Subsidiary of the Company, are directly or indirectly owned by the Company. All the issued and outstanding shares of capital stock of, or other equity interests in, each such Significant Subsidiary owned by the Company have been validly issued and are fully paid and nonassessable and are owned directly or indirectly by the Company free and clear of all pledges, liens, charges, encumbrances or security interests of any kind or nature whatsoever (other than liens, charges and encumbrances for current Taxes not yet due and payable) (collectively, "Liens"), and free of any restriction on the right to vote, sell or otherwise dispose of such capital stock or other equity interests. Except for the Subsidiaries of the Company, the Company does not own, directly or indirectly, as of the date hereof, any capital stock of, or other voting securities or equity interests in, any corporation, partnership, joint venture, association or other entity.

(c) Capital Structure; Indebtedness. The authorized capital stock of the Company consists of 500,000,000 shares of Class A Common Stock, 14,000,000 shares of Class B Common Stock and 3,000,000 shares of preferred stock, par value \$1.00 per share ("Company Preferred Stock"). At the close of business on September 23, 2009:

(i) 112,046,181 shares of Class A Common Stock were issued and outstanding (which number includes 21,001,929 shares of Class A Common Stock held by the Company in its treasury);

(ii) 6,599,372 shares of Class B Common Stock were issued and outstanding;

(iii) 23,619,367 shares of Class A Common Stock were reserved and available for issuance upon or otherwise deliverable in connection with the grant of equity-based awards or purchase rights under the Company's 1995 Employee Stock Purchase Plan (as amended, the "ESPP") or the exercise of Company Stock Options issued pursuant to the Company's Amended and Restated 2007 Equity Incentive Plan, the 1997 Stock Incentive Plan and the 1997 Stock Incentive Plan for Employees in France, in each case as amended to date (such plans, collectively, together with the ESPP, the "Company Stock Plans"), of which 16,956,910 shares of Class A Common Stock were subject to outstanding options to purchase Class A Common Stock ("Company Stock Options") or agreements to grant Company Stock Options and no more than 30,000 shares of Class A Common Stock were subject to outstanding purchase rights under the ESPP based on payroll information for the period ended September 30, 2009 (assuming the fair market value per share of Company Common Stock determined in accordance with the terms of the ESPP on the last day of the offering period in effect under the ESPP on the date hereof will be equal to the Merger Consideration and that payroll deductions continue at the current rate);

(iv) no shares of Company Preferred Stock were issued or outstanding or were held by the Company as treasury shares;

(v) no shares of Company Common Stock were held by any direct or indirect wholly-owned Subsidiary of the Company;

(vi) except as set forth above in this Section 3.01(c) and except for changes since September 23, 2009 resulting from the issuance of shares of Company Common Stock pursuant to the Company Stock Options and purchase rights under the ESPP set forth above in this Section 3.01(c) or as expressly permitted by Section 4.01(a), (x) there are not issued, reserved for issuance or outstanding (A) any shares of capital stock or other voting securities or equity interests of the Company, (B) any securities of the Company or any of its Subsidiaries convertible into or exchangeable or exercisable for shares of capital stock or other voting securities or equity interests of the Company or any Subsidiary of the Company, (C) any warrants, calls, options or other rights to acquire from the Company or any of its Subsidiaries, or any obligation of the Company or any of its Subsidiaries to issue, any capital stock, voting securities, equity interests or securities convertible into or exchangeable or exercisable for capital stock or voting securities of the Company or any Subsidiary of the Company or (D) any stock appreciation rights, "phantom" stock rights, performance units, rights to receive shares of Company Common Stock on a deferred basis or other rights (other than Company Stock Options and purchase rights under the ESPP) that are linked to the value of Company Common Stock and (y) there are not any outstanding obligations of the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any such securities or to issue, deliver or sell, or cause to be issued, delivered or sold, any such securities (except pursuant to the forfeiture of Company Stock Options or the acquisition by the Company of shares of Company Common Stock in settlement of the exercise price of a Company Stock Option or for purposes of satisfying Tax withholding obligations with respect to

holders of Company Stock Options). All outstanding Company Stock Options are evidenced by stock option agreements or other award agreements. All outstanding shares of capital stock of the Company are, and all shares which may be issued pursuant to the Company Stock Options or purchase rights under the ESPP will be, when issued in accordance with the terms thereof, duly authorized, validly issued, fully paid and nonassessable and not subject to preemptive rights. There are no bonds, debentures, notes or other indebtedness of the Company having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matters on which stockholders of the Company may vote. Neither the Company nor any of its Subsidiaries is a party to any voting Contract with respect to the voting of any of its securities; and

(vii) as of September 23, 2009 (unless otherwise noted), the only principal amount of outstanding indebtedness for borrowed money of the Company and its Subsidiaries (not including intercompany indebtedness or other amounts or operating leases) is (A) \$1,742,000,000 of term loans, \$33,043,807 of revolving loans, \$0 of swingline loans and \$79,268,019 in letters of credit in each case outstanding under the Company's Credit Agreement, dated as of March 20, 2006, with Citicorp USA Inc. and the lenders party thereto (the "Company Credit Facility"), (B) \$250,000,000 of 4.70% Senior Notes due 2010, (C) \$250,000,000 of 5.20% Senior Notes due 2015, (D) \$50,169,511 of capital leases as of August 31, 2009, and (E) no more than \$5,000,000 of other amounts of indebtedness as of August 31, 2009.

(d) Authority.

(i) The Company has all requisite corporate power and authority to execute and deliver this Agreement and, subject to receipt of the Company Stockholder Approval, to consummate the transactions contemplated hereby. The execution and delivery of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Company and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement or to consummate the transactions contemplated by this Agreement (other than the receipt of the Company Stockholder Approval (as defined in Section 3.01(r)). This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by each of the other parties hereto, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, moratorium, reorganization or similar Laws affecting the rights of creditors generally and the availability of equitable remedies (regardless of whether such enforceability is considered in a proceeding in equity or at law) (the "Bankruptcy and Equity Exception").

(ii) The Board of Directors of the Company, acting upon the unanimous recommendation of the Special Committee, at a duly held meeting has, by unanimous vote of all of the directors (other than the Stockholder Party, who abstained), (i) determined that it is in the best interests of the Company and its stockholders, and declared it advisable, to enter into this Agreement, (ii) approved the execution, delivery and performance of this Agreement and the consummation of the Merger upon the terms and subject to the conditions set forth in this Agreement, (iii) directed that the Company

submit the adoption of this Agreement to a vote at a meeting of the stockholders of the Company in accordance with the terms of this Agreement, (iv) subject to Section 4.02, resolved to recommend that the stockholders of the Company adopt this Agreement (including the recommendation of the Special Committee, the “Company Recommendation”) at the Company Stockholders’ Meeting and (v) approved this Agreement, the Voting Agreement and the Merger for purposes of Section 203 of the DGCL such that no stockholder approval (other than the Company Stockholder Approval) shall be required to consummate the Merger or the other transactions contemplated by this Agreement and the Voting Agreement or to permit the Company and the Stockholder Party to perform their respective obligations hereunder and thereunder, which resolutions have not as of the date hereof been subsequently rescinded, modified or withdrawn in any way.

(e) Noncontravention. The execution and delivery of this Agreement by the Company do not, and the consummation by the Company of the Merger and the other transactions contemplated by this Agreement and compliance by the Company with the provisions of this Agreement will not, conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result in, termination, modification, cancellation or acceleration of any obligation or to the loss of a benefit under, or result in the creation of any Lien in or upon any of the properties, rights or assets of the Company or any of its Subsidiaries under, (i) subject to receipt of the Company Stockholder Approval, the Company Certificate or the Company Bylaws or the comparable organizational documents of any of its Significant Subsidiaries, (ii) any loan or credit agreement, bond, debenture, note, mortgage, indenture, lease, supply agreement, license agreement, distribution agreement or other contract, agreement, obligation, commitment or instrument (each, including all amendments thereto, a “Contract”), to which the Company or any of its Subsidiaries is a party or any of their respective properties, rights or assets is subject or (iii) subject to receipt of the Company Stockholder Approval and the governmental filings and other matters referred to in the following sentence, any (A) statute, law (including common law), ordinance, rule or regulation (domestic or foreign) issued, promulgated or entered into by or with any Governmental Entity (each, a “Law”) applicable to the Company, or any of its Subsidiaries or any of its properties, rights or assets or (B) order, writ, injunction, decree, judgment, award, settlement or stipulation issued, promulgated or entered into by or with any Governmental Entity (each, an “Order”) applicable to the Company or any of its Subsidiaries or their respective properties, rights or assets, other than, in the case of clauses (ii) and (iii), any such conflicts, violations, breaches, defaults, rights of termination, modification, cancellation or acceleration, losses or Liens that individually or in the aggregate have not had and would not reasonably be expected to have a Material Adverse Effect. No consent, approval, order or authorization of, action by or in respect of, or registration, declaration or filing with, any international, national, regional, state, local or other government, any court, administrative, regulatory or other governmental agency, commission or authority or any organized securities exchange (each, a “Governmental Entity”) is required by or with respect to the Company or any of its Subsidiaries in connection with the execution and delivery of this Agreement by the Company or the consummation of the Merger or the other transactions contemplated by this Agreement, except for (1) (A) the filing of a premerger notification and report form by the Company under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations thereunder (the “HSR Act”) and the termination of the waiting period required thereunder, and (B) filings with respect to, and the receipt, termination or expiration, as applicable, of approvals

or waiting periods required under any other applicable Antitrust Law, (2) applicable requirements of the Securities Act of 1933, as amended (including all rules and regulations promulgated thereunder, the "Securities Act"), the Securities Exchange Act of 1934, as amended (including the rules and regulations promulgated thereunder, the "Exchange Act"), other applicable foreign securities laws, and state securities, takeover and "blue sky" laws, as may be required in connection with this Agreement, the Voting Agreement and the transactions contemplated hereby and thereby, (3) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware, (4) any filings with and approvals of the New York Stock Exchange, Inc. (the "NYSE") and (5) such other consents, approvals, orders, authorizations, actions, registrations, declarations and filings the failure of which to be obtained or made individually or in the aggregate has not had and would not reasonably be expected to have a Material Adverse Effect.

(f) Company SEC Documents.

(i) The Company has timely filed or furnished all reports, schedules, forms, statements and other documents (including exhibits and other information incorporated therein) with the Securities and Exchange Commission (the "SEC") required to be filed or furnished by the Company under the Exchange Act since January 1, 2007 (such documents, together with any documents filed or furnished during such period by the Company to the SEC on a voluntary basis on Current Reports on Form 8-K, the "Company SEC Documents"). Each of the Company SEC Documents, as of the time of its filing or, if applicable, as of the time of its most recent amendment, complied in all material respects with, to the extent in effect at such time, the requirements of the Securities Act and the Exchange Act applicable to such Company SEC Document, and none of the Company SEC Documents when filed or, if amended, as of the date of such most recent amendment, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. Each of the consolidated financial statements (including the related notes) of the Company included in the Company SEC Documents (or incorporated therein by reference) complied at the time it was filed or, if amended, as of the date of such most recent amendment, as to form in all material respects with the applicable accounting requirements and the published rules and regulations of the SEC with respect thereto in effect at the time of such filing or amendment, had been prepared in accordance with generally accepted accounting principles in the United States ("GAAP") (except, in the case of unaudited statements, as permitted by the rules and regulations of the SEC) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly presented in all material respects the consolidated financial position of the Company and its consolidated Subsidiaries as of the dates thereof and the consolidated results of their operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal recurring year-end audit adjustments). Except as reflected or reserved against in the most recent audited balance sheet of the Company included in Company SEC Documents filed prior to the date of this Agreement, neither the Company nor any of its Subsidiaries has any material liabilities or material obligations of any nature (whether absolute, accrued, known or unknown, contingent or otherwise) other than (A) liabilities or obligations incurred since June 30, 2009 in the ordinary course of business which, individually or in the aggregate, have not

had and would not reasonably be expected to have a Material Adverse Effect, (B) liabilities or obligations incurred after the date hereof not in violation of this Agreement, (C) liabilities or obligations incurred pursuant to this Agreement and (D) liabilities or obligations not required to be set forth on the consolidated balance sheet of the Company under GAAP. Neither the Company nor any of its Subsidiaries is a party to, or has any commitment to become a party to, any joint venture, off-balance sheet partnership or any similar Contract or arrangement (including any Contract or arrangement relating to any transaction or relationship between or among the Company and any of its Subsidiaries, on the one hand, and any unconsolidated Affiliate, including any structured finance, special purpose or limited purpose entity or person, on the other hand, or any “off-balance sheet arrangement” (as defined in Item 303(a) of Regulation S-K of the SEC)), where the result, purpose or intended effect of such Contract or arrangement is to avoid disclosure of any material transaction involving, or material liabilities of, the Company or any of its Subsidiaries in the Company’s consolidated financial statements or other Company SEC Documents. None of the Subsidiaries of the Company are, or have at any time since January 1, 2007 been, subject to the reporting requirements of Section 13(a) or 15(d) of the Exchange Act.

(ii) The Company’s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act), as required by Rules 13a-15(a) and 15d-15(a) of the Exchange Act, are designed to ensure that material information relating to the Company, including its consolidated Subsidiaries, is made known to the chief executive officer and the chief financial officer of the Company by others within the Company, and to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The chief executive officer and the chief financial officer of the Company have evaluated the effectiveness of the Company’s disclosure controls and procedures and, to the extent required by applicable Law, presented in the Company’s most recent Form 10-K or Form 10-Q, as applicable, or any amendment thereto, their conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by such report or amendment based on such evaluation. The chief executive officer and the chief financial officer of the Company have disclosed, based on their most recent evaluation of the Company’s internal control over financial reporting, to the Company’s auditors and the audit committee of the Company’s Board of Directors (or persons performing the equivalent functions): (A) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company’s ability to record, process, summarize and report financial information; and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company’s internal control over financial reporting.

(iii) Since January 1, 2007, (i) neither the Company nor any of its Subsidiaries, nor, to the Knowledge of the Company, any director, officer or auditor of the Company or any of its Subsidiaries has received or otherwise had or obtained Knowledge of any credible complaint, allegation, assertion or claim, whether written or oral, regarding a deficiency with the accounting or auditing practices, procedures, methodologies or methods of the Company or any of its Subsidiaries or their respective internal accounting controls reasonably likely to lead to material non-compliance by the

Company with GAAP or the Exchange Act, including any material complaint, allegation, assertion or claim that the Company or any of its Subsidiaries has engaged in questionable accounting or auditing practices, which such complaint, allegation, assertion or claim was not publicly disclosed in the Company SEC Documents or satisfactorily addressed or otherwise cured and (ii) no attorney representing the Company or any of its Subsidiaries, whether or not employed by the Company or any of its Subsidiaries, has reported evidence of a material violation of securities laws, breach of fiduciary duty or similar violation by the Company or any of its Subsidiaries or their respective officers, directors, employees or agents to the Board of Directors of the Company or any committee thereof.

(g) Information Supplied. None of the information supplied or to be supplied by or on behalf of the Company specifically for inclusion or incorporation by reference in (i) the Form S-4 will, at the time the Form S-4 is filed with the SEC, at any time it is amended or supplemented, and at the time it becomes effective under the Securities Act, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading or (ii) the Joint Proxy Statement will, at the date it (and any amendment or supplement thereto) is first mailed to the stockholders of the Company and the stockholders of Parent and at the time of the Company Stockholders' Meeting and the Parent Stockholders' Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading, except that no representation or warranty is made by the Company with respect to statements made or incorporated by reference therein based on information supplied by or on behalf of Parent or Merger Sub. The Joint Proxy Statement will, with respect to information regarding the Company, comply as to form in all material respects with the requirements of the Exchange Act.

(h) Absence of Certain Changes or Events. Since June 30, 2009, there has not been any Material Adverse Effect. Since June 30, 2009 through the date of this Agreement, (i) the Company and its Subsidiaries have conducted their respective businesses only in the ordinary course and (ii) there has not been any action taken or committed to be taken by the Company or any Subsidiary of the Company which, if taken following entry by the Company into this Agreement, would have required the consent of Parent pursuant to Section 4.01(a)(i), (a)(ii), (a)(iv), (a)(v), (a)(viii), (a)(xii) or (a)(xvi).

(i) Litigation. There are no actions, suits, claims, hearings, proceedings, arbitrations, mediations, audits, inquiries or investigations (whether formal or informal, civil, criminal, administrative or otherwise) ("Actions") pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries or any of their respective assets, rights or properties or any of the officers or directors of the Company, except, in each case, for those that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Material Adverse Effect. Neither the Company nor any of its Subsidiaries nor any of their respective properties, rights or assets is or are subject to any Order, except for those that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Material Adverse Effect.

(j) Material Contracts.

(i) For purposes of this Agreement, a “Material Contract” shall mean any Contract required to be filed as an exhibit to the Company’s Annual Report on Form 10-K pursuant to Item 601(b)(2), (4), (9) or (10) of Regulation S-K under the Securities Act, and “Top-20 Customer Contract” shall mean any Contract between the Company or a Subsidiary of the Company, on the one hand, and any of the Company’s top-20 customers (by revenue for the most recently completed fiscal year of the Company), on the other hand. Except as set forth as an exhibit to the Company SEC Documents, as of the date hereof, neither the Company nor any of its Subsidiaries is a party to or bound by any Material Contract.

(ii) Each Material Contract and each Top-20 Customer Contract is valid and in full force and effect and enforceable in accordance with its respective terms, subject to the Bankruptcy and Equity Exception, except to the extent that (A) it has previously expired in accordance with its terms or (B) the failure to be in full force and effect, individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect.

(iii) Neither the Company nor any of its Subsidiaries, nor, to the Company’s Knowledge, any counterparty to any Material Contract or Top-20 Customer Contract, has violated any provision of, or committed or failed to perform any act which, with or without notice, lapse of time or both, would constitute a default under the provisions of any Material Contract or Top-20 Customer Contract, except in each case for those violations and defaults which, individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect. No party to any Material Contract or Top-20 Customer Contract has given the Company or any of its Subsidiaries written notice of its intention to cancel, terminate, materially change the scope of rights under or fail to renew any Material Contract or Top 20-Customer Contract and neither the Company nor any of its Subsidiaries, nor, to the Knowledge of the Company, any other party to any Material Contract or Top-20 Customer Contract, has repudiated in writing any material provision thereof.

(k) Compliance with Laws; Permits.

(i) Except for those matters that individually or in the aggregate have not had and would not reasonably be expected to have a Material Adverse Effect:

(A) each of the Company and its Subsidiaries is and has been since January 1, 2007 in compliance with all Laws (including those related to human health and safety or to the environment) and Orders applicable to it, its properties, rights or assets or its business or operations;

(B) the Company and each of its Subsidiaries has in effect all approvals, authorizations, certificates, filings, franchises, licenses, exemptions, notices and permits of or with all Governmental Entities (collectively, “Permits”), including Permits related to human health and safety or to the environment, necessary for it to own, lease or operate its properties and other assets and to carry on its business and operations as currently conducted and as were conducted through the most recently completed fiscal year, and neither the Company nor any of its Subsidiaries has reason to believe that any such Permit will be revoked, will not be renewed, or will be modified on terms more burdensome than currently applicable;

(C) there has occurred no default under, or violation of, any such Permit;

(D) the consummation of the Merger would not cause the revocation, modification or cancellation of any such Permit; and

(E)(I) since January 1, 2007, neither the Company nor any of its Subsidiaries has, in a manner that could give rise to liability under applicable Laws, Released any Hazardous Materials in, on, under, from or affecting any properties or facilities currently or formerly owned, leased or operated by the Company or any of its Subsidiaries, (II) to the Knowledge of the Company, Hazardous Materials are not otherwise present at or affecting any such properties or facilities, or at any other location, that could reasonably be expected to result in liability to or otherwise adversely affect the Company or any of its Subsidiaries, and (III) to the Knowledge of the Company, there is no basis for any claim against it or any of its Subsidiaries or any liability or obligation of it or any of its Subsidiaries under any Laws related to human health and safety or to the environment.

(ii) To the Company's Knowledge, (a) it is in compliance in all material respects with the United States Foreign Corrupt Practices Act of 1977, as amended (the "Foreign Corrupt Practices Act") and any other United States and foreign Laws concerning corrupting payments; and (b) between January 1, 2005 and the date of this Agreement, the Company has not been investigated by any Governmental Entity with respect to, or given notice by a Governmental Entity of, any violation by the Company of the Foreign Corrupt Practices Act or any other United States or foreign Laws concerning corrupting payments.

This paragraph (k) does not relate to Tax matters, labor or employment matters, ERISA matters, or Intellectual Property matters, those topics being the subject of paragraphs (l), (m), (n), (o) and (q), as applicable.

(l) Labor Relations and Other Employment Matters.

(i)(A) Neither the Company nor any of its Subsidiaries is a party to any material collective bargaining agreement or other material contract or agreement with any labor organization, nor is any such contract or agreement, as of the date hereof, being negotiated or contemplated and, (B) there is no existing union or, to the Knowledge of the Company, attempt by organized labor to cause the Company or any of its Subsidiaries to recognize any union or collective bargaining representative, and, to the Knowledge of the Company, no organizational effort is, as of the date hereof, being made or threatened on behalf of any labor union with respect to employees of the Company or any of its Subsidiaries, (C) there are currently, and since January 1, 2007 have been, no work stoppages, strikes, slowdowns, warning strikes or other disruptions by employees of the

Company or any of its Subsidiaries except for such events that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Material Adverse Effect, and (D) neither the Company nor any of its Subsidiaries is, or since January 1, 2007 has been, in material violation of any applicable U.S. or foreign labor Laws except for noncompliance that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Material Adverse Effect.

(ii) To the Knowledge of the Company, the Company and its Subsidiaries have, whenever required by Law, duly informed and consulted each works' council, or similar representative body, or otherwise satisfied any applicable procedural and substantive requirements vis-à-vis any applicable works' council or similar representative body, in connection with the entering into of this Agreement.

(iii) The Company and its Subsidiaries have complied in all material respects with material collective bargaining agreements, material works agreements and all Laws pertaining to the engagement or termination of services of employees, officers, directors or consultants, except for noncompliance that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Material Adverse Effect.

(m) ERISA Compliance.

(i) Section 3.01(m)(i) of the Company Disclosure Letter contains a complete and accurate list of each material Company Benefit Plan. For the purposes of this Agreement, a "Company Benefit Plan" means an "employee benefit plan" (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") including multiemployer plans within the meaning of Section 3(37) of ERISA) and all employment, employee loan, collective bargaining, bonus, pension, retirement, profit sharing, deferred compensation, incentive compensation, equity-based compensation, paid time off, fringe benefit, vacation, severance, retention, change in control, and all other employee benefit plans, programs, policies or arrangements sponsored, maintained, contributed to or required to be maintained or contributed to by the Company or any of its Subsidiaries or any other person or entity that, together with the Company, is treated as a single employer under Section 414(b), (c), (m) or (o) of the Code (each, a "Commonly Controlled Entity") (exclusive of any such plan, program, policy or arrangement mandated by and maintained solely pursuant to applicable law), in each case providing benefits to any Company Personnel or under which the Company or any of its Subsidiaries or Commonly Controlled Entities otherwise have any material obligations or liabilities. Each Company Benefit Plan that is an "employee pension benefit plan" (as defined in Section 3(2) of ERISA) is sometimes referred to herein as a "Company Pension Plan" and each Company Benefit Plan that is an "employee welfare benefit plan" (as defined in Section 3(1) of ERISA) is sometimes referred to herein as a "Company Welfare Plan".

(ii) The Company has made available to Parent current, complete and accurate copies of (A) each material Company Benefit Plan (other than Company Benefit Plans maintained primarily for the benefit of individuals regularly employed outside the United States ("Company Foreign Benefit Plans")) (each a "U.S. Company Benefit Plan"), and with respect to Company Foreign Benefit Plans, Section 3.01(m)(i) of

Company Disclosure Letter identifies those material Company Benefit Plans which are Company Foreign Benefit Plans, with respect to which current, complete and accurate copies of which will be made available to Parent as soon as practicable following the date of this Agreement) (or, in either case, with respect to any unwritten Company Benefit Plans or Company Foreign Benefit Plans accurate descriptions thereof) (exclusive of local offer letters mandated under applicable non-U.S. law that do not impose any severance obligations other than any mandatory statutory severance), (B) for the most recent year (1) annual reports on Form 5500 required to be filed with the Internal Revenue Service (the “IRS”) or any other Governmental Entity with respect to each material U.S. Company Benefit Plan (if any such report was required) and all schedules and attachments thereto, (2) audited financial statements, and (3) actuarial valuation reports, (C) the most recent summary plan description and summary of material modifications for each material U.S. Company Benefit Plan for which such summary plan description is required, (D) each trust agreement and insurance or group annuity agreement relating to any material U.S. Company Benefit Plan and (E) the most recent IRS determination, in each of clauses (A)-(E), to the extent applicable.

(iii) Each Company Benefit Plan has been administered in accordance with its terms except as, individually or in the aggregate, has not had, or would not reasonably be expected to have a Material Adverse Effect. The Company and its Subsidiaries (with respect to each Company Benefit Plan) and each Company Benefit Plan, are in compliance in all respects with the applicable provisions of ERISA, the Code, and all other applicable Laws, except, in each case, for noncompliance that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Material Adverse Effect. The Company and its Subsidiaries (with respect to each Company Foreign Benefit Plan), and each Company Foreign Benefit Plan, are in compliance in all respects with the applicable Laws of foreign jurisdictions and the terms of all collective bargaining agreements, except, in each case, for noncompliance that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Material Adverse Effect.

(iv) Except as, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Material Adverse Effect, all Company Pension Plans intended to be qualified within the meaning of Section 401(a) of the Code have received favorable determination letters from the IRS, to the effect that such Company Pension Plans are so qualified and exempt from Federal income Taxes under Sections 401(a) and 501(a), respectively, of the Code, no such determination letter has been revoked (nor, to the Knowledge of the Company, has revocation been threatened) and no event has occurred since the date of the most recent determination letter relating to any such Company Pension Plan that would reasonably be expected to adversely affect the qualification of such Company Pension Plan or materially increase the costs relating thereto or require security under Section 307 of ERISA. The Company has provided to Parent a complete and accurate list of all amendments to any Company Pension Plan as to which a favorable determination letter has not yet been received.

(v) For each Company Benefit Plan with respect to which a Form 5500 has been filed, no material change has occurred with respect to the matters covered by the most recent Form 5500 since the date thereof.

(vi) With respect to any multiemployer plan (within the meaning of Section 4001(a)(3) of ERISA) to which the Company, its Subsidiaries or any Commonly Controlled Entity has any liability or contributes (or has at any time contributed or had an obligation to contribute), no such multiemployer plan is in reorganization or insolvent (as those terms are defined in Sections 4241 and 4245 of ERISA, respectively), except as, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Material Adverse Effect.

(vii) With respect to each Company Benefit Plan, except as, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Material Adverse Effect, (A) neither the Company, its Subsidiaries nor any Commonly Controlled Entity has any unsatisfied liability under Title IV of ERISA, (B) no condition exists that presents a material risk to the Company or any Commonly Controlled Entity of incurring a material liability under Title IV of ERISA, (C) the Pension Benefit Guaranty Corporation (the “PBGC”) has not instituted proceedings under Section 4042 of ERISA to terminate any Company Benefit Plan and no condition exists that presents a risk that such proceedings will be instituted, and (D) no event has occurred and no condition exists that would be reasonably expected to subject the Company, any Subsidiary of the Company or any Commonly Controlled Entity, to any Tax, fine, Lien, penalty or other liability imposed by ERISA, the Code or other applicable Laws, rules and regulations. With respect to each Company Benefit Plan that provides health benefits (whether or not insured) with respect to employees or former employees (or any of their beneficiaries) of the Company or any of its Subsidiaries after retirement or other termination of service, such Company Benefit Plan may be amended to reduce benefits or limit the liability of the Company or any of its Subsidiaries or terminated, in each case, without material liability to the Company or any of its Subsidiaries on or at any time after the Effective Time.

(viii) With respect to each Company Benefit Plan, except as, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Material Adverse Effect, (A) there are no Actions by any Governmental Entity with respect to termination proceedings or other claims (except claims for benefits payable in the normal operation of the Company Benefit Plans), suits or proceedings against or involving any Company Benefit Plan or asserting any rights or claims to benefits under any Company Benefit Plan that are pending, threatened or in progress (including, without limitation, any routine requests for information from the PBGC), (B) to the Knowledge of the Company, there are not any facts that could give rise to any liability in the event of any such Action, and (C) no written or oral communication has been received from the PBGC in respect of any Company Benefit Plan subject to Title IV of ERISA concerning the funded status of any such plan or any transfer of assets and liabilities from any such plan in connection with the transactions contemplated herein.

(ix) With respect to each Company Benefit Plan, except as, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Material Adverse Effect, (A) there has not occurred any prohibited transaction (within the meaning of Section 406 of ERISA or Section 4975 of the Code), (B) there has not occurred a reportable event (as such term is defined in Section 4043(c) of ERISA), (C) there is no present intention that any Company Benefit Plan be materially amended,

suspended or terminated, or otherwise modified to adversely change benefits (or the levels thereof) under any Company Benefit Plan at any time within the twelve months immediately following the date hereof, and (D) the provision of retiree welfare benefits under any Company Benefit Plan may be terminated at any time by the Company or its Subsidiaries without liability to the Company or its Subsidiaries.

(x) None of the execution and delivery of this Agreement, the obtaining of the Company Stockholder Approval or the consummation of the Merger or any other transaction contemplated by this Agreement (whether alone or in conjunction with any other event, including as a result of any termination of employment on or following the Effective Time) will (A) entitle any Company Personnel to severance or termination pay, (B) accelerate the time of payment or vesting, or trigger any payment or funding (through a grantor trust or otherwise) of, compensation or benefits under, increase the amount payable or trigger any other material obligation pursuant to, any Company Benefit Plan, (C) result in any breach or violation of, or a default under, any Company Benefit Plan or (D) result in payments under any Company Benefit Plan that would not be deductible under Section 280G of the Code.

(xi) Each Company Stock Option has been granted with an exercise price per share equal to or greater than the per share fair market value (as such term is used in Code Section 409A and the guidance and regulations issued thereunder) of Company Class A Common Stock underlying such Company Stock Option on the grant date thereof.

(xii) Each Company Benefit Plan that is a nonqualified deferred compensation plan has been operated since January 1, 2005 in compliance with Code Section 409A and the guidance and regulations issued thereunder. No Company Benefit Plan that is a nonqualified deferred compensation plan that is intended to be grandfathered has been "materially modified" (within the meaning of IRS Notice 2005-1) at any time after October 3, 2004.

(n) No Parachute Gross Up. No Company Personnel is entitled to receive any additional payment from the Company or any of its Subsidiaries or the Surviving Corporation by reason of the excise Tax required by Section 4999(a) of the Code being imposed on such person by reason of the transactions contemplated by this Agreement.

(o) Taxes.

(i) The Company and each of its Subsidiaries have (A) timely filed (or had timely filed on their behalf) with the appropriate Taxing Authority all material Tax Returns required to be filed by them (giving effect to all extensions), and all such Tax Returns are true, correct and complete in all material respects and (B) timely paid (or had timely paid on their behalf) all material Taxes, whether or not reflected on a Tax Return, required to have been paid by them or have established on the Company's consolidated financial statements adequate reserves, in accordance with GAAP, for such Taxes.

(ii) There are no material liens for Taxes upon any property or assets of the Company or any of its Subsidiaries, except for liens for Taxes not yet due or for Taxes that are being contested in good faith by appropriate proceedings and for which adequate reserves, in accordance with GAAP, have been established.

(iii) No federal, state, local or foreign audits or other administrative proceedings or court proceedings that, in each case, would reasonably be expected to result in material liability for Taxes are, as of the date hereof, pending with regard to any Taxes or Tax Returns of the Company or any of its Subsidiaries, and none of the Company or any of its Subsidiaries has received a written notice of any material pending or proposed claims, audits or proceedings with respect to Taxes. The relevant statute of limitations is closed for all years through June 30, 1999 with respect to the consolidated U.S. Federal income Tax Returns for the consolidated group of which the Company is the common parent.

(iv) None of the Company or any of its Subsidiaries (A) has been included in any consolidated U.S. Federal income Tax Return (other than any such Tax Returns (1) in which they are currently included, (2) with respect to which the statute of limitations (as extended) has expired or (3) with respect to taxable years ending before January 1, 2001), (B) has received any written notice of deficiency or assessment from any Taxing Authority for any material amount of Tax that has not been fully settled or satisfied, or (C) has received any written notice from the IRS or any person to the effect that the Company or any of its Subsidiaries is potentially liable for a material amount of Taxes of another person pursuant to Section 1.1502-6 of the Treasury Regulations by virtue of having been a member of a consolidated group for U.S. Federal income tax purposes (other than as a result of having been a member of the consolidated group in which it is currently a member).

(v) No claim has been made in writing by any Taxing Authority in a jurisdiction where the Company and its Subsidiaries do not file Tax Returns that any such entity is, or may be, subject to a material amount of taxation by that jurisdiction.

(vi) None of the Company or any of its Subsidiaries has engaged in any "listed transaction" within the meaning of Section 1.6011-4(b)(2) of the Treasury Regulations.

(vii) The Company and each of its Subsidiaries have disclosed on their U.S. Federal income Tax Returns all positions taken therein that could give rise to substantial understatement of U.S. Federal income Tax within the meaning of Section 6662 of the Code and have properly prepared all applicable documentation described in Section 6662(e)(3) of the Code and the regulations thereunder.

(viii) As used in this Agreement, (A) "Tax" means all domestic or foreign federal, state or local taxes, charges, fees, levies or other assessments, including income, gross receipts, excise, real and personal property, profits, estimated, severance, occupation, production, capital gains, capital stock, goods and services, environmental, employment, withholding, stamp, value-added, alternative or add-on minimum, sales, transfer, use, license, payroll and franchise taxes or any other kind of tax, custom, duty or governmental fee, or other like assessment or charge of any kind whatsoever, and such term shall include any interest, penalties, fines, related liabilities or additions to tax

attributable to such taxes, charges, fines, levies or other assessments; (B) “Taxing Authority” means any federal, state, local or foreign government, any subdivision, agency, commission or authority thereof, or any quasi-governmental body exercising Tax regulatory authority; and (C) “Tax Return” means any report, return, document, declaration or other information or filing required to be filed with a Taxing Authority with respect to Taxes (whether or not a payment is required to be made with respect to such filing), including any documents with respect to or accompanying payments of estimated Taxes, or with respect to or accompanying requests for the extension of time in which to file any such report, return, document, declaration or other information and any amendments thereto.

(ix) Except for representations contained in this Section 3.01(o) and in Sections 3.01(b), (c), (e), (f), (g), (m) and (n), no representations in this Section 3.01 shall be construed as making any representation with respect to Taxes of the Company or any of its Subsidiaries.

(p) Title to Properties. Except for those matters that individually or in the aggregate have not had and would not reasonably be expected to have a Material Adverse Effect: (A) the Company and each of its Subsidiaries has good, valid and marketable title to, or valid leasehold or sublease interests or other comparable contract rights in or relating to all real property that is material to the Company and its Subsidiaries, taken as a whole, free and clear of all Liens, except for minor defects in title, recorded easements, restrictive covenants and similar encumbrances of record; (B) the Company and each of its Subsidiaries has complied with the terms of all leases of real property that is material to the Company and its Subsidiaries, taken as a whole, and all such leases are in full force and effect, enforceable in accordance with their terms against the Company or Subsidiary party thereto and, to the Knowledge of the Company, the counterparties thereto; and (C) neither the Company nor any of its Subsidiaries has received or provided any written notice of any event or occurrence that has resulted or would reasonably be expected to result (with or without the giving of notice, the lapse of time or both) in a default with respect to any such lease.

(q) Intellectual Property.

(i) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect: (A) the Company and its Subsidiaries own, license or have the right to use all Intellectual Property used in the operation of their businesses as currently conducted, free and clear of all Liens; (B) no Actions or orders are pending or, to the Knowledge of the Company, have been threatened (including cease and desist letters or requests for a license) in the last year against the Company or its Subsidiaries with regard to any Intellectual Property; (C) the operation of the Company and its Subsidiaries’ businesses as currently conducted does not infringe, misappropriate or violate (“Infringe”) the Intellectual Property of any other person and, to the Knowledge of the Company, no person is Infringing the Company’s or any of its Subsidiaries’ Intellectual Property; (D) all registrations and applications for registered Intellectual Property owned or controlled by the Company or any of its Subsidiaries that is or are material to the Company and its Subsidiaries, taken as a whole, are subsisting and unexpired, have not been abandoned or canceled and to the Knowledge of the Company, are valid and enforceable; (E) the Company and its Subsidiaries take

commercially reasonable actions to protect their Intellectual Property (including trade secrets and confidential information), and have required all persons who were hired by the Company or its Subsidiaries after January 1, 2005 and who create or contribute to material proprietary Intellectual Property to assign all of their rights therein to the Company or its Subsidiaries; and (F) the Company and its Subsidiaries take commercially reasonable actions to maintain and protect the integrity, security and operation of their software, networks, databases, systems and websites (and all information transmitted thereby or stored therein), and there have been no violations of same since January 1, 2007.

(ii) “Intellectual Property” shall mean all intellectual property rights, including without limitation patents, inventions, technology, discoveries, processes, formulae and know-how, copyrights and copyrightable works (including software, databases, applications, code, systems, networks, website content, documentation and related items), trademarks, service marks, trade names, logos, domain names, corporate names, trade dress and other source indicators, and the goodwill of the business appurtenant thereto, trade secrets, customer data and other confidential or proprietary information.

(r) Affiliated Transactions. Since January 1, 2008 through the date of this Agreement, there have been no transactions, agreements, arrangements or understandings between the Company or any of its Subsidiaries on the one hand, and the Affiliates of the Company on the other hand (other than the Company’s Subsidiaries), that would be required to be disclosed under Item 404 under Regulation S-K under the Securities Act and that have not been so disclosed in the Company SEC Documents.

(s) Voting Requirements. The affirmative vote of holders of a majority in voting power of the outstanding shares of Company Common Stock, voting together as a single class (the “Company Stockholder Approval”), at the Company Stockholders’ Meeting or any adjournment or postponement thereof is the only vote of the holders of any class or series of capital stock of the Company necessary to adopt this Agreement and approve the Merger and the other transactions contemplated by this Agreement.

(t) State Takeover Laws; Company Certificate Provisions. The Board of Directors of the Company has adopted resolutions sufficient to render inapplicable the limitations on “business combinations” contained in Section 203 of the DGCL to Parent and Merger Sub, this Agreement, the Voting Agreement and the Merger. No other state anti-takeover statute or regulation, nor any takeover-related provision in the Company Certificate or Company Bylaws, is applicable to Parent or Merger Sub, this Agreement, the Voting Agreement or the Merger that would (i) prohibit or restrict the ability of the Company to perform its obligations under this Agreement or the Certificate of Merger or its ability to consummate the Merger or the other transactions contemplated hereby, (ii) have the effect of invalidating or voiding this Agreement or the Voting Agreement, or the Certificate of Merger, or any provision hereof or thereof, or (iii) subject Parent or Merger Sub to any impediment or condition in connection with the exercise of any of its rights under this Agreement, the Voting Agreement or the Certificate of Merger.

(u) Brokers and Other Advisors. No broker, investment banker, financial advisor or other person (other than Citigroup Global Markets Inc. and Evercore Group L.L.C.) is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company. The Company has delivered to Parent complete and accurate copies of all Contracts under which any such fees or expenses are payable and all indemnification and other Contracts related to the engagement of the persons to whom such fees are payable.

(v) Opinion of Financial Advisors. The Special Committee has received the opinion of Evercore Group L.L.C., dated as of the date of this Agreement, to the effect that, as of such date, the Class A Merger Consideration is fair, from a financial point of view, to the holders of the shares of Company Class A Common Stock (other than those holders who also hold shares of Company Class B Common Stock) entitled to receive such Class A Merger Consideration. The Board of Directors of the Company has received the opinion of Citigroup Global Markets Inc., dated as of the date of this Agreement, to the effect that, as of such date, the Class A Merger Consideration is fair, from a financial point of view, to the holders of shares of Company Class A Common Stock (other than those holders who are also holders of Company Class B Common Stock and their Affiliates).

SECTION 3.02. Representations and Warranties of Parent and Merger Sub. Except as disclosed in the Parent SEC Documents or any other reports, schedules, forms, statements or other documents (including exhibits and other information incorporated therein), in each case, filed with or furnished by Parent to the SEC since January 1, 2007 and publicly available prior to the date of this Agreement (but excluding any forward looking disclosures set forth in any risk factor section, any disclosures in any section relating to forward looking statements and any other disclosures included therein to the extent they are predictive or forward-looking in nature), and except as set forth in the disclosure letter delivered by Parent to the Company prior to the execution of this Agreement (the "Parent Disclosure Letter") (with specific reference to the particular Section or subsection of this Agreement to which the information set forth in such disclosure letter relates (and such items or matters disclosed in other sections of the Parent Disclosure Letter to the extent the relevance of such items or matters to the referenced Section or subsection of this Agreement is readily apparent on the face of such disclosure)), Parent and Merger Sub jointly and severally represent and warrant to the Company as follows:

(a) Organization, Standing and Corporate Power. Each of Parent, Merger Sub and each of Parent's Subsidiaries has been duly organized and is validly existing and in good standing (with respect to jurisdictions that recognize that concept) under the Laws of the jurisdiction of its incorporation or formation, as the case may be, and has all requisite power and authority necessary to enable it to use its corporate or other name and to own, lease or otherwise hold and operate its properties and other assets and to carry on its business as currently conducted, except where the failure to be so organized, existing and in good standing, or to have such power and authority, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect. Each of Parent, Merger Sub and each of Parent's Subsidiaries is duly qualified or licensed to do business and is in good standing (with respect to jurisdictions that recognize that concept) in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties or other assets makes such qualification, licensing or good standing necessary, except where the failure to be so qualified,

licensed or in good standing individually or in the aggregate has not had and would not reasonably be expected to have a Parent Material Adverse Effect. Parent has made available to the Company, prior to the date of this Agreement, complete and accurate copies of the Restated Certificate of Incorporation of Parent (the "Parent Certificate") and the By-Laws of Parent (the "Parent Bylaws"), the Merger Sub Certificate and the Merger Sub Bylaws. The Parent Certificate, the Parent Bylaws, the Merger Sub Certificate and the Merger Sub Bylaws so delivered are in full force and effect and Parent is not in violation of the Parent Certificate or Parent Bylaws and Merger Sub is not in violation of the Merger Sub Certificate or the Merger Sub Bylaws.

(b) Subsidiaries. Section 3.02(b) of the Parent Disclosure Letter lists, as of the date hereof, each Significant Subsidiary of Parent (including its jurisdiction of incorporation or formation). All of the outstanding capital stock of, or other equity interests in, each Significant Subsidiary of Parent, are directly or indirectly owned by Parent. All the issued and outstanding shares of capital stock of, or other equity interests in, each such Significant Subsidiary owned by Parent have been validly issued and are fully paid and nonassessable and are owned directly or indirectly by Parent free and clear of all Liens, and free of any restriction on the right to vote, sell or otherwise dispose of such capital stock or other equity interests.

(c) Capital Structure.

(i) The authorized capital stock of Parent consists of 1,750,000,000 shares of Parent Common Stock, 600,000 shares of Class B Stock, par value \$1.00 per share (the "Parent Class B Stock") and 22,043,067 shares of cumulative preferred stock, par value \$1.00 per share ("Parent Preferred Stock"). At the close of business on September 23, 2009:

(A) 869,234,362 shares of Parent Common Stock were issued and outstanding (which number includes zero shares of Parent Common Stock held by Parent in its treasury);

(B) no shares of Parent Class B Stock or Parent Preferred Stock were issued and outstanding;

(C) 83,192,003 shares of Parent Common Stock were reserved and available for issuance upon or otherwise deliverable in connection with the grant of equity-based awards pursuant to the Xerox Corporation 1996 Non-Employee Director Stock Option Plan, Xerox Corporation 2004 Equity Compensation Plan for Non-Employee Directors, Xerox Corporation 2004 Performance Incentive Plan, Xerox Corporation 1991 Long-Term Incentive Plan, Xerox Corporation 1998 Employee Stock Option Plan, Xerox Mexicana, S.A. de C.V. Executive Rights Plan, Xerox Canada Inc. Executive Rights Plan, in each case as amended to date (such plans, collectively, the "Parent Stock Plans"), of which 44,495,447 shares of Parent Common Stock were subject to outstanding options to purchase Parent Common Stock ("Parent Stock Options") or agreements to grant Company Stock Options and 30,102,245 shares were subject to grants of restricted stock units in respect of Parent Common Stock ("Parent RSUs") or agreements to grant Parent RSUs; and

(D) except as set forth above in this Section 3.02(c) and except for changes since September 23, 2009 resulting from the issuance of Parent Common Stock pursuant to Parent Stock Options or Parent RSUs or as expressly permitted by Section 4.01(b), (x) there are not issued, reserved for issuance or outstanding (A) any shares of capital stock or other voting securities or equity interests of Parent, (B) any securities of Parent or any of its Subsidiaries convertible into or exchangeable or exercisable for shares of capital stock or other voting securities or equity securities of Parent or any of its Subsidiaries, (C) any warrants, calls, options or other rights to acquire from Parent or any of its Subsidiaries, or any obligation of Parent or any of its Subsidiaries to issue, any shares of capital stock, voting securities, equity interests or securities convertible into or exchangeable or exercisable for capital stock or voting securities of Parent or any of its Subsidiaries or (D) any stock appreciation rights, "phantom" stock rights, performance units, rights to receive shares of Parent Common Stock on a deferred basis or other rights that are linked to the value of Parent Common Stock and (y) there are not any outstanding obligations of Parent or any of its Subsidiaries to repurchase, redeem or otherwise acquire any such securities or to issue, deliver or sell, or cause to be issued, delivered or sold, any such securities (except pursuant to the forfeiture of Parent Stock Options and Parent RSUs or the acquisition by the Parent of shares of Parent Common Stock in settlement of the exercise price of a Parent Stock Option or for purposes of satisfying Tax withholding obligations with respect to holders of Parent Stock Options). All outstanding Parent Stock Options are evidenced by stock option agreements or other award agreements. There are no bonds, debentures, notes or other indebtedness of Parent having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matters on which the stockholders of Parent may vote are issued or outstanding. Neither Parent nor any of its Subsidiaries is a party to any voting Contract with respect to the voting of any of its securities.

(ii) The authorized capital stock of Merger Sub consists of 1,000 shares of common stock, par value \$1.00 per share, of which one share is issued and outstanding, which share is owned beneficially and of record by Parent.

(iii) All outstanding shares of capital stock of Parent and Merger Sub are, and all shares which will be issued in connection with the Merger or may be issued under Parent's stock incentive plans and other employment arrangements will be, when issued, duly authorized, validly issued, fully paid and nonassessable and not subject to preemptive rights.

(d) Authority.

(i) Each of Parent and Merger Sub has all requisite corporate power and authority to execute and deliver this Agreement and, in the case of Parent, the Voting Agreement and, subject to receipt of the Parent Stockholder Approval, to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Voting Agreement by Parent and the execution and delivery of this Agreement by Merger Sub and the consummation by Parent and Merger Sub of the

transactions contemplated by this Agreement and the Voting Agreement, as applicable, have been duly authorized by all necessary corporate action on the part of Parent and Merger Sub and no other corporate proceedings on the part of Parent or Merger Sub are necessary to authorize this Agreement or the Voting Agreement or to consummate the transactions contemplated by this Agreement (other than the receipt of the Parent Stockholder Approval and the adoption of this Agreement by Parent, in its capacity as sole stockholder of Merger Sub (which Parent shall cause to occur as soon as reasonably practicable following the execution of this Agreement)) and the Voting Agreement. Each of this Agreement and the Voting Agreement has been duly executed and delivered by Parent and this Agreement has duly executed and delivered by Merger Sub and, assuming the due authorization, execution and delivery by the other parties thereto, constitutes a legal, valid and binding obligation of Parent and Merger Sub, as applicable, enforceable against Parent and Merger Sub, as applicable, in accordance with its terms, subject to the Bankruptcy and Equity Exception.

(ii) The Board of Directors of Parent has unanimously, by resolutions duly adopted at a meeting duly called and held (i) determined that it is in the best interests of Parent and its stockholders, and declared it advisable, to enter into this Agreement, (ii) approved the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, including the Merger upon the terms and subject to the conditions set forth in this Agreement, (iii) directed that the proposal to issue shares of Parent Common Stock required to be issued in the Merger be submitted to the holders of Parent Common Stock for their approval in accordance with the terms of this Agreement and (iv) subject to Section 4.03, resolved to recommend that the stockholders of Parent approve the proposal to issue shares of Parent Common Stock required to be issued in the Merger pursuant to this Agreement (the "Parent Share Issuance") at the Parent Stockholders' Meeting, which resolutions have not as of the date hereof been subsequently rescinded, modified or withdrawn in any way.

(iii) The Board of Directors of Merger Sub has by written consent of the sole director (i) determined that it is in the best interests of Merger Sub and its sole stockholder, Parent, and declared it advisable, to enter into this Agreement, (ii) approved the execution, delivery and performance of this Agreement and the consummation of the Merger upon the terms and subject to the conditions set forth in this Agreement and (iii) directed that Merger Sub submit the adoption of this Agreement to its sole shareholder, Parent, which resolutions have not been subsequently rescinded, modified or withdrawn in any way.

(e) Noncontravention. The execution and delivery of this Agreement and the Voting Agreement by Parent and this Agreement by Merger Sub do not, and the consummation by Parent and Merger Sub of the Merger and the other transactions contemplated by this Agreement and the Voting Agreement and compliance by Parent and Merger Sub with the provisions of this Agreement and the Voting Agreement, as applicable, will not, conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result in, termination, modification, cancellation or acceleration of any obligation or to the loss of a benefit under, or result in the creation of any Lien in or upon any of the properties, rights or assets of Parent, Merger Sub or any of Parent's Subsidiaries under (i) subject to receipt of the Parent Stockholder Approval, the Parent

Certificate or the Parent Bylaws, the Merger Sub Certificate or the Merger Sub Bylaws or the comparable organizational documents of any of Parent's Significant Subsidiaries, (ii) any Contract to which Parent, Merger Sub or any of Parent's Subsidiaries is a party or any of their respective properties, rights or assets is subject or (iii) subject to receipt of the Parent Stockholder Approval and the governmental filings and other matters referred to in the following sentence, any Law or Order applicable to Parent, Merger Sub or any of Parent's Subsidiaries or their respective properties, rights or assets, other than, in the case of clauses (ii) and (iii), any such conflicts, violations, breaches, defaults, rights of termination, modification, cancellation or acceleration, losses or Liens that individually or in the aggregate have not had and would not reasonably be expected to have a Parent Material Adverse Effect. No consent, approval, order or authorization of, action by or in respect of, or registration, declaration or filing with, any Governmental Entity is required by or with respect to Parent, Merger Sub or any of Parent's Subsidiaries in connection with the execution and delivery of this Agreement and the Voting Agreement by Parent and Merger Sub, as applicable, or the consummation by Parent and Merger Sub of the Merger or the other transactions contemplated by this Agreement and the Voting Agreement, as applicable, except for (1) (A) the filing of a premerger notification and report form by Parent under the HSR Act and the termination of the waiting period required thereunder and (B) filings with respect to, and the receipt, termination or expiration, as applicable, of approvals or waiting periods required under any other applicable Antitrust Law, (2) the filing with the SEC of (Y) the Form S-4 and (Z) such reports under the Exchange Act as may be required in connection with this Agreement and the transactions contemplated by this Agreement, (3) any filings with and approvals of the NYSE, (4) any filings required pursuant to applicable foreign securities laws and state securities, takeover and "blue sky" laws, as may be required in connection with this Agreement, the Voting Agreement and the transactions contemplated hereby and thereby, (5) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware and the delivery of the Certificate of Amendment to the Department of State of the State of New York and (6) such other consents, approvals, orders, authorizations, actions, registrations, declarations and filings the failure of which to be obtained or made individually or in the aggregate has not had and would not reasonably be expected to have a Parent Material Adverse Effect.

(f) Parent SEC Documents.

(i) Parent has timely filed or furnished all reports, schedules, forms, statements and other documents (including exhibits and other information incorporated therein) with the SEC required to be filed or furnished by Parent under the Exchange Act since January 1, 2007 (such documents, together with any documents filed or furnished during such period by Parent with the SEC on a voluntary basis on Current Reports on Form 8-K, the "Parent SEC Documents"). Each of the Parent SEC Documents, as of the time of its filing or, if applicable, as of the time of its most recent amendment, complied in all material respects with, to the extent in effect at such time, the requirements of the Securities Act and the Exchange Act applicable to such Parent SEC Document, and none of the Parent SEC Documents when filed or, if amended, as of the date of such most recent amendment, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. Each of the consolidated financial statements (including the related notes) of Parent included in the Parent SEC Documents (or incorporated therein by reference) complied at the time it

was filed or, if amended, as of the date of such most recent amendment, as to form in all material respects with the applicable accounting requirements and the published rules and regulations of the SEC with respect thereto in effect at the time of such filing or amendment, had been prepared in accordance with GAAP (except, in the case of unaudited statements, as permitted by the rules and regulations of the SEC) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto) and fairly presented in all material respects the consolidated financial position of Parent and its consolidated Subsidiaries as of the dates thereof and the consolidated results of their operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal recurring year-end audit adjustments). Except as reflected or reserved against in the most recent audited balance sheet of Parent included in Parent SEC Documents filed prior to the date of this Agreement, neither Parent nor any of its Subsidiaries has any material liabilities or material obligations of any nature (whether absolute, accrued, known or unknown, contingent or otherwise), other than (A) liabilities or obligations incurred since June 30, 2009 in the ordinary course of business which, individually or in the aggregate, have not had and would not reasonably be expected to have a Parent Material Adverse Effect, (B) liabilities or obligations incurred after the date hereof not in violation of this Agreement, (C) liabilities or obligations incurred pursuant to this Agreement and (D) liabilities or obligations not required to be set forth on the consolidated balance sheet of Parent under GAAP. Neither Parent nor any of its Subsidiaries is a party to, or has any commitment to become a party to, any joint venture, off-balance sheet partnership or any similar Contract or arrangement (including any Contract or arrangement relating to any transaction or relationship between or among Parent and any of its Subsidiaries, on the one hand, and any unconsolidated Affiliate, including any structured finance, special purpose or limited purpose entity or person, on the other hand, or any “off-balance sheet arrangement” (as defined in Item 303(a) of Regulation S-K of the SEC)), where the result, purpose or intended effect of such Contract or arrangement is to avoid disclosure of any material transaction involving, or material liabilities of, Parent or any of its Subsidiaries in Parent’s or such Subsidiary’s consolidated financial statements or other Parent SEC Documents. None of the Subsidiaries of Parent are, or have at any time since January 1, 2007 been, subject to the reporting requirements of Section 13(a) or 15(d) of the Exchange Act.

(ii) Parent’s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act), as required by Rules 13a-15(a) and 15d-15(a) of the Exchange Act, are designed to ensure that material information relating to Parent, including its consolidated Subsidiaries, is made known to the chief executive officer and the chief financial officer of Parent by others within Parent, and to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The chief executive officer and the chief financial officer of Parent have evaluated the effectiveness of Parent’s disclosure controls and procedures and, to the extent required by applicable Law, presented in Parent’s most recent Form 10-K or Form 10-Q, as applicable, or any amendment thereto, their conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by such report or amendment based on such evaluation. The chief executive officer and the chief financial officer of Parent have disclosed, based on their most recent evaluation of Parent’s internal control over

financial reporting, to Parent's auditors and the audit committee of Parent's Board of Directors (or persons performing the equivalent functions): (A) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect Parent's ability to record, process, summarize and report financial information; and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in Parent's internal control over financial reporting.

(iii) Since January 1, 2007, (i) neither Parent nor any of its Subsidiaries, nor, to the Knowledge of Parent, any director, officer or auditor of Parent or any of its Subsidiaries has received or otherwise had or obtained Knowledge of any credible complaint, allegation, assertion or claim, whether written or oral, regarding a deficiency with the accounting or auditing practices, procedures, methodologies or methods of Parent or any of its Subsidiaries or their respective internal accounting controls reasonably likely to lead to material non-compliance by Parent with GAAP or the Exchange Act, including any material complaint, allegation, assertion or claim that Parent or any of its Subsidiaries has engaged in questionable accounting or auditing practices, which such complaint, allegation, assertion or claim was not publicly disclosed in the Parent SEC Documents or satisfactorily addressed or otherwise cured and (ii) no attorney representing Parent or any of its Subsidiaries, whether or not employed by Parent or any of its Subsidiaries, has reported evidence of a material violation of securities laws, breach of fiduciary duty or similar violation by Parent or any of its Subsidiaries or their respective officers, directors, employees or agents to the Board of Directors of Parent or any committee thereof.

(g) Information Supplied. None of the information supplied or to be supplied by or on behalf of Parent or Merger Sub specifically for inclusion or incorporation by reference in (i) the Form S-4 will, at the time the Form S-4 is filed with the SEC, at any time it is amended or supplemented and at the time it becomes effective under the Securities Act, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, or (ii) the Joint Proxy Statement will, at the date it (and any amendment or supplement thereto) is first mailed to the stockholders of the Company and the stockholders of Parent and at the time of the Company Stockholders' Meeting and the Parent Stockholders' Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading, except that no representation or warranty is made by Parent or Merger Sub with respect to statements made or incorporated by reference therein based on information supplied by or on behalf of the Company. The Form S-4 and the Joint Proxy Statement will, with respect to information regarding Parent, comply as to form in all material respects with the requirements of the Securities Act and the Exchange Act, respectively.

(h) Absence of Certain Changes or Events. Since June 30, 2009, there has not been any Parent Material Adverse Effect. Since June 30, 2009 through the date of this Agreement, (i) Parent and its Subsidiaries have conducted their respective businesses only in the ordinary course and (ii) there has not been any action taken or committed to be taken by Parent or any Subsidiary of Parent which, if taken following entry by Parent into this Agreement, would have required the consent of the Company pursuant to Section 4.01(b)(i), (b)(ii), (b)(iv), (b)(viii) or (b)(x).

(i) Litigation. There are no Actions pending or, to the Knowledge of Parent or Merger Sub, threatened against Parent, Merger Sub or any of Parent's Subsidiaries or any of their respective assets, rights or properties or any of the officers or directors of Parent or Merger Sub, except, in each case, for those that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Parent Material Adverse Effect. None of Parent, Merger Sub, any of Parent's Subsidiaries or any of their respective properties, rights or assets is or are subject to any Order, except for those that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Parent Material Adverse Effect.

(j) Material Contracts.

(i) For purposes of this Agreement, a "Parent Material Contract" shall mean any Contract required to be filed as an exhibit to Parent's Annual Report on Form 10-K pursuant to Item 601(b)(2), (4), (9) or (10) of Regulation S-K under the Securities Act. Except as set forth as an exhibit to the Parent SEC Documents, as of the date hereof, neither Parent nor any of its Subsidiaries is a party to or bound by any Parent Material Contract.

(ii) Each Parent Material Contract is valid and in full force and effect and enforceable in accordance with its respective terms, subject to the Bankruptcy and Equity Exception, except to the extent that (A) it has previously expired in accordance with its terms or (B) the failure to be in full force and effect, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect.

(iii) Neither Parent nor any of its Subsidiaries, nor, to Parent's Knowledge, any counterparty to any Parent Material Contract, has violated any provision of, or committed or failed to perform any act which, with or without notice, lapse of time or both, would constitute a default under the provisions of any Parent Material Contract, except in each case for those violations and defaults which, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect. No party to any Parent Material Contract has given Parent or any of its Subsidiaries written notice of its intention to cancel, terminate, change the scope of rights under or fail to renew any Parent Material Contract and neither Parent nor any of its Subsidiaries, nor, to the Knowledge of Parent, any other party to any Parent Material Contract, has repudiated in writing any material provision thereof.

(k) Compliance with Laws; Permits.

(i) Except for those matters that individually or in the aggregate have not had and would not reasonably be expected to have a Parent Material Adverse Effect:

(A) each of Parent and its Subsidiaries is and has been since January 1, 2007 in compliance with all Laws (including those related to human health and safety or to the environment) and Orders applicable to it, its properties, rights or assets or its business or operations;

(B) Parent and each of its Subsidiaries has in effect all Permits, including Permits related to human health and safety or to the environment, necessary for it to own, lease or operate its properties and other assets and to carry on its business and operations as currently conducted and as were conducted through the most recently completed fiscal year, and neither Parent nor any of its Subsidiaries has reason to believe that any such Permit will be revoked, will not be renewed, or will be modified on terms more burdensome than currently applicable;

(C) there has occurred no default under, or violation of, any such Permit;

(D) the consummation of the Merger would not cause the revocation, modification or cancellation of any such Permit; and

(E)(I) since January 1, 2007, neither Parent nor any of its Subsidiaries has, in a manner that could give rise to liability under applicable Laws, Released any Hazardous Materials in, on, under, from or affecting any properties or facilities currently or formerly owned, leased or operated by Parent or any of its Subsidiaries, (II) to the Knowledge of Parent, Hazardous Materials are not otherwise present at or affecting any such properties or facilities, or at any other location, that could reasonably be expected to result in liability to or otherwise adversely affect Parent or any of its Subsidiaries, and (III) to the Knowledge of Parent, there is no basis for any claim against it or any of its Subsidiaries or any liability or obligation of it or any of its Subsidiaries under any Laws related to human health and safety or to the environment.

(ii) To Parent's Knowledge, (a) it is in compliance in all material respects with the Foreign Corrupt Practices Act and any other United States and foreign Laws concerning corrupting payments; and (b) between January 1, 2005 and the date of this Agreement, Parent has not been investigated by any Governmental Entity with respect to, or given notice by a Governmental Entity of, any violation by Parent of the Foreign Corrupt Practices Act or any other United States or foreign Laws concerning corrupting payments.

This paragraph (k) does not relate to Tax matters, labor or employment matters, ERISA matters, or Intellectual Property matters, those topics being the subject of paragraphs (l), (m), (n) and (p), as applicable.

(l) Labor Relations and Other Employment Matters.

(i)(A) Neither Parent nor any of its subsidiaries is a party to any material collective bargaining agreement or other material contract or agreement with any labor organization, nor is any such contract or agreement, as of the date hereof, being negotiated or contemplated and (B) there is no existing union or, to the Knowledge of Parent, attempt by organized labor to cause Parent or any of its Subsidiaries to recognize any union or collective bargaining representative, and, to the Knowledge of Parent, no organizational effort is, as of the date hereof, being made or threatened on behalf of any

labor union with respect to employees of Parent or any of its Subsidiaries, (B) there are currently, and since January 1, 2007 have been, no work stoppages, strikes, slowdowns, warning strikes or other disruptions by employees of Parent or any of its Subsidiaries except for such events that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Parent Material Adverse Effect, and (C) neither Parent nor any of its Subsidiaries is, or since January 1, 2007 has been, in material violation of any applicable U.S. or foreign labor Laws except for noncompliance that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Parent Material Adverse Effect.

(ii) To the Knowledge of Parent, Parent and its Subsidiaries have, whenever required by Law, duly informed and consulted each works' council, or similar representative body, or otherwise satisfied any applicable procedural and substantive requirements vis-à-vis any applicable works' council or similar representative body, in connection with the entering into of this Agreement.

(iii) Parent and its Subsidiaries have complied in all material respects with material collective bargaining agreements, material works agreements and all Laws pertaining to the engagement or termination of services of employees, officers, directors or consultants, except for noncompliance that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Parent Material Adverse Effect.

(m) ERISA Compliance.

(i) Section 3.02(m)(i) of the Parent Disclosure Letter contains a complete and accurate list of each material Parent Benefit Plan. For the purposes of this Agreement, a "Parent Benefit Plan" means an "employee benefit plan" (within the meaning of Section 3(3) of ERISA including multiemployer plans within the meaning of Section 3(37) of ERISA) and all employment, employee loan, collective bargaining, bonus, pension, retirement, profit sharing, deferred compensation, incentive compensation, equity-based compensation, paid time off, fringe benefit, vacation, severance, retention, change in control, and all other employee benefit plans, programs, policies or arrangements sponsored, maintained, contributed to or required to be maintained or contributed to by Parent or any of its Subsidiaries or any other person or entity that, together with the Parent, is treated as a single employer under Section 414(b), (c), (m) or (o) of the Code (each, a "Parent Commonly Controlled Entity") (exclusive of any such plan, program, policy or arrangement mandated by and maintained solely pursuant to applicable law), in each case providing benefits to any Parent Personnel or under which Parent or any of its Subsidiaries or Parent Commonly Controlled Entities otherwise have any material obligations or liabilities. Each Parent Benefit Plan that is an "employee pension benefit plan" (as defined in Section 3(2) of ERISA) is sometimes referred to herein as a "Parent Pension Plan" and each Parent Benefit Plan that is an "employee welfare benefit plan" (as defined in Section 3(1) of ERISA) is sometimes referred to herein as a "Parent Welfare Plan".

(ii) Parent has made available to the Company current, complete and accurate copies of (A) each material Parent Benefit Plan (other than Parent Benefit Plans maintained primarily for the benefit of individuals regularly employed outside the United

States (“Parent Foreign Benefit Plans”), (each a “U.S. Parent Benefit Plan”), and with respect to Parent Foreign Benefit Plans, Section 3.02(m)(i) of Parent Disclosure Letter identifies those material Parent Benefit Plans which are Parent Foreign Benefit Plans, with respect to which current, complete and accurate copies of which will be made available to Company as soon as practicable following the date of this Agreement) (or, in either case, with respect to any unwritten Parent Benefit Plans or Parent Foreign Benefit Plans a summary thereof (or, in either case, with respect to any unwritten Parent Benefit Plans or Parent Foreign Benefit Plans, accurate descriptions thereof) (exclusive of local offer letters mandated under applicable non-U.S. law that do not impose any severance obligations other than any mandatory statutory severance), (B) for the most recent year (1) annual reports on Form 5500 required to be filed with the IRS or any other Governmental Entity with respect to each material U.S. Parent Benefit Plan (if any such report was required) and all schedules and attachments thereto, (2) audited financial statements, and (3) actuarial valuation reports, (C) the most recent summary plan description and summary of material modifications for each material U.S. Parent Benefit Plan for which such summary plan description is required, (D) each trust agreement and insurance or group annuity agreement relating to any material U.S. Parent Benefit Plan and (E) the most recent IRS determination letter, in each of clauses (A)-(E), to the extent applicable.

(iii) Each Parent Benefit Plan has been administered in all material respects in accordance with its terms except as, individually or in the aggregate, has not had or would not reasonably be expected to have a Parent Material Adverse Effect. Parent and its Subsidiaries (with respect to each Parent Benefit Plan) and each Parent Benefit Plan, are in compliance in all respects with the applicable provisions of ERISA, the Code and all other applicable Laws, except, in each case, for noncompliance that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Parent Material Adverse Effect. Parent and its Subsidiaries (with respect to each Parent Foreign Benefit Plan), and each Parent Foreign Benefit Plan, are in compliance in all respects with the applicable Laws of foreign jurisdictions and the terms of all collective bargaining agreements, except, in each case, for noncompliance that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Parent Material Adverse Effect.

(iv) Except as, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Parent Material Adverse Effect, all Parent Pension Plans intended to be qualified within the meaning of Section 401(a) of the Code have received favorable determination letters from the IRS, to the effect that such Parent Pension Plans are so qualified and exempt from Federal income Taxes under Sections 401(a) and 501(a), respectively, of the Code, no such determination letter has been revoked (nor, to the Knowledge of Parent, has revocation been threatened) and no event has occurred since the date of the most recent determination letter relating to any such Parent Pension Plan that would reasonably be expected to adversely affect the qualification of such Parent Pension Plan or materially increase the costs relating thereto or require security under Section 307 of ERISA. Parent has provided to the Company a complete and accurate list of all amendments to any Parent Pension Plan as to which a favorable determination letter has not yet been received.

(v) For each Parent Benefit Plan with respect to which a Form 5500 has been filed, no material change has occurred with respect to the matters covered by the most recent Form 5500 since the date thereof.

(vi) With respect to any multiemployer plan (within the meaning of Section 4001(a)(3) of ERISA) to which Parent, its Subsidiaries or any Parent Commonly Controlled Entity has any liability or contributes (or has at any time contributed or had an obligation to contribute), no such multiemployer plan is in reorganization or insolvent (as those terms are defined in Sections 4241 and 4245 of ERISA, respectively), except as, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Parent Material Adverse Effect.

(vii) With respect to each Parent Benefit Plan, except as, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Parent Material Adverse Effect (A) neither Parent, its Subsidiaries nor any Parent Commonly Controlled Entity has any unsatisfied liability under Title IV of ERISA, (B) no condition exists that presents a material risk to Parent or any Parent Commonly Controlled Entity of incurring a material liability under Title IV of ERISA, (C) the PBGC has not instituted proceedings under Section 4042 of ERISA to terminate any Parent Benefit Plan and no condition exists that presents a risk that such proceedings will be instituted, and (D) no event has occurred and no condition exists that would be reasonably expected to subject the Parent, any of its Subsidiaries or any Parent Commonly Controlled Entity, to any Tax, fine, Lien, penalty or other liability imposed by ERISA, the Code or other applicable Laws, rules and regulations. With respect to each Parent Benefit Plan that provides health benefits (whether or not insured) with respect to employees or former employees (or any of their beneficiaries) of Parent or any of its Subsidiaries after retirement or other termination of service (each, a "Parent Retiree Welfare Plan"), such Parent Benefit Plan may be amended to reduce benefits or limit the liability of Parent or any of its Subsidiaries or terminated, in each case, without material liability to Parent or any of its Subsidiaries on or at any time after the Effective Time.

(viii) With respect to each Parent Benefit Plan, except as, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Parent Material Adverse Effect, (A) there are no Actions by any Governmental Entity with respect to termination proceedings or other claims (except claims for benefits payable in the normal operation of the Parent Benefit Plans), suits or proceedings against or involving any Parent Benefit Plan or asserting any rights or claims to benefits under any Parent Benefit Plan that are pending, threatened or in progress (including, without limitation, any routine requests for information from the PBGC), (B) to the Knowledge of Parent, there are not any facts that could give rise to any liability in the event of any such Action, and (C) no written or oral communication has been received from the PBGC in respect of any Parent Benefit Plan subject to Title IV of ERISA concerning the funded status of any such plan or any transfer of assets and liabilities from any such plan in connection with the transactions contemplated herein.

(ix) With respect to each Parent Benefit Plan, except as, individually or in the aggregate, has not had, and would not reasonably be expected to have, a Parent Material Adverse Effect, (A) there has not occurred any prohibited transaction (within the

meaning of Section 406 of ERISA or Section 4975 of the Code), (B) there has not occurred a reportable event (as such term is defined in Section 4043(c) of ERISA), (C) there is no present intention that any Parent Benefit Plan be materially amended, suspended or terminated, or otherwise modified to adversely change benefits (or the levels thereof) under any Parent Benefit Plan at any time within the twelve months immediately following the date hereof, and (D) the provision of retiree welfare benefits under any Parent Benefit Plan may be terminated at any time by Parent or its Subsidiaries without liability to Parent or its Subsidiaries.

(x) None of the execution and delivery of this Agreement, the obtaining of the Parent Stockholder Approval or the consummation of the Merger or any other transaction contemplated by this Agreement (whether alone or in conjunction with any other event, including as a result of any termination of employment on or following the Effective Time) will (A) entitle any Parent Personnel to severance or termination pay, (B) accelerate the time of payment or vesting, or trigger any payment or funding (through a grantor trust or otherwise) of, compensation or benefits under, increase the amount payable or trigger any other material obligation pursuant to, any Parent Benefit Plan, (C) result in any breach or violation of, or a default under, any Parent Benefit Plan or (D) result in payments under any Parent Benefit Plan that would not be deductible under Section 280G of the Code.

(xi) Each Parent Stock Option has been granted with an exercise price per share equal to or greater than the per share fair market value (as such term is used in Code Section 409A and the guidance and regulations issued thereunder) of Parent Common Stock underlying such Parent Stock Option on the grant date thereof.

(xii) Each Parent Benefit Plan that is a nonqualified deferred compensation plan has been operated since January 1, 2005 in compliance with Code Section 409A and the guidance and regulations issued thereunder. No Parent Benefit Plan that is a nonqualified deferred compensation plan that is intended to be grandfathered has been "materially modified" (within the meaning of IRS Notice 2005-1) at any time after October 3, 2004.

(n) Taxes.

(i) Parent and each of its Subsidiaries have (A) timely filed (or had timely filed on their behalf) with the appropriate Taxing Authority all material Tax Returns required to be filed by them (giving effect to all extensions), and all such Tax Returns are true, correct and complete in all material respects and (B) timely paid (or had timely paid on their behalf) all material Taxes, whether or not reflected on a Tax Return, required to have been paid by them or have established on Parent's consolidated financial statements adequate reserves, in accordance with GAAP, for such Taxes.

(ii) There are no material liens for Taxes upon any property or assets of Parent or any of its Subsidiaries, except for liens for Taxes not yet due or for Taxes that are being contested in good faith by appropriate proceedings and for which adequate reserves, in accordance with GAAP, have been established.

(iii) No federal, state, local or foreign audits or other administrative proceedings or court proceedings that, in each case, would reasonably be expected to result in material liability for Taxes are, as of the date hereof, pending with regard to any Taxes or Tax Returns of Parent or any of its Subsidiaries, and none of Parent or any of its Subsidiaries has received a written notice of any material pending or proposed claims, audits or proceedings with respect to Taxes. The relevant statute of limitations is closed for all years through December 31, 2005 with respect to the consolidated U.S. Federal income Tax Returns for the consolidated group of which Parent is the common parent.

(iv) None of Parent or any of its Subsidiaries (A) has been included in any consolidated U.S. Federal income Tax Return (other than any such Tax Returns (1) in which they are currently included, (2) with respect to which the statute of limitations (as extended) has expired or (3) with respect to taxable years ending before January 1, 2001), (B) has received any written notice of deficiency or assessment from any Taxing Authority for any material amount of Tax that has not been fully settled or satisfied, or (C) has received any written notice from the IRS or any person to the effect that Parent or any of its Subsidiaries is potentially liable for a material amount of Taxes of another person pursuant to Section 1.1502-6 of the Treasury Regulations by virtue of having been a member of a consolidated group for U.S. Federal income tax purposes (other than as a result of having been a member of the consolidated group in which it is currently a member).

(v) No claim has been made in writing by any Taxing Authority in a jurisdiction where Parent and its Subsidiaries do not file Tax Returns that any such entity is, or may be, subject to a material amount of taxation by that jurisdiction.

(vi) None of Parent or any of its Subsidiaries has engaged in any "listed transaction" within the meaning of Section 1.6011-4(b)(2) of the Treasury Regulations.

(vii) Parent and each of its Subsidiaries have disclosed on their U.S. Federal income Tax Returns all positions taken therein that could give rise to substantial understatement of U.S. Federal income Tax within the meaning of Section 6662 of the Code and have properly prepared all applicable documentation described in Section 6662(e)(3) of the Code and the regulations thereunder.

(viii) Except for representations contained in this Section 3.02(n) and in Sections 3.02(b), (c), (e), (f), (g) and (m), no representations in this Section 3.02 shall be construed as making any representation with respect to Taxes of Parent or any of its Subsidiaries.

(o) Title to Properties. Except for those matters that individually or in the aggregate have not had and would not reasonably be expected to have a Parent Material Adverse Effect: (A) Parent and each of its Subsidiaries has good, valid and marketable title to, or valid leasehold or sublease interests or other comparable contract rights in or relating to all real property that is material to Parent and its Subsidiaries, taken as a whole, free and clear of all Liens, except for minor defects in title, recorded easements, restrictive covenants and similar encumbrances of record; (B) Parent and each of its Subsidiaries has complied with the terms of all leases of real property that is material to Parent and its Subsidiaries, taken as a whole, and all

such leases are in full force and effect, enforceable in accordance with their terms against Parent or Subsidiary party thereto and, to the Knowledge of Parent, the counterparties thereto; and (C) neither Parent nor any of its Subsidiaries has received or provided any written notice of any event or occurrence that has resulted or would reasonably be expected to result (with or without the giving of notice, the lapse of time or both) in a default with respect to any such lease.

(p) Intellectual Property.

(i) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect: (A) Parent and its Subsidiaries own, license or have the right to use all Intellectual Property used in the operation of their businesses as currently conducted, free and clear of all Liens; (B) no Actions or orders are pending or, to the Knowledge of Parent, have been threatened (including cease and desist letters or requests for a license) in the last year against Parent or its Subsidiaries with regard to any Intellectual Property; (C) the operation of Parent and its Subsidiaries' businesses as currently conducted does not Infringe the Intellectual Property of any other person and, to the Knowledge of Parent, no person is Infringing Parent's or any of its Subsidiaries' Intellectual Property; (D) all registrations and applications for registered Intellectual Property owned or controlled by Parent or any of its Subsidiaries that is or are material to Parent and its Subsidiaries, taken as a whole, are subsisting and unexpired, have not been abandoned or canceled, and to the Knowledge of Parent, are valid and enforceable; (E) Parent and its Subsidiaries take commercially reasonable actions to protect their Intellectual Property (including trade secrets and confidential information), and have required all persons who were hired by Parent or its Subsidiaries after January 1, 2005 and who create or contribute to material proprietary Intellectual Property to assign all of their rights therein to Parent or its Subsidiaries; and (F) Parent and its Subsidiaries take commercially reasonable actions to maintain and protect the integrity, security and operation of their software, networks, databases, systems and websites (and all information transmitted thereby or stored therein), and there have been no violations of same since January 1, 2007.

(q) Financing. Parent has delivered to the Company true and complete fully executed copies of the commitment letter, dated as of the date hereof, among Parent, J.P. Morgan Securities Inc. and JPMorgan Chase Bank, N.A., including all exhibits, schedules, annexes and amendments to such agreement in effect as of the date of this Agreement, and excerpts of those portions of each fee letter and engagement letter associated therewith that contain any conditions to funding or "flex" provisions or other substantive provisions (excluding provisions related solely to fees and economic terms agreed to by the parties) regarding the terms and conditions of the financing to be provided thereby (collectively, the "Commitment Letter"), pursuant to which and subject to the terms and conditions thereof each of the parties thereto (other than Parent), have severally agreed and committed to provide the debt financing set forth therein (the "Financing"). The Commitment Letter has not been amended, restated or otherwise modified or waived prior to the date of this Agreement and the respective commitments contained in the Commitment Letter have not been withdrawn, modified or rescinded in any respect prior to the date of this Agreement. As of the date of this Agreement, the Commitment Letter is in full force and effect and constitutes the legal, valid and binding obligation of each of Parent and, to the Knowledge of Parent, the other parties thereto, subject to the Bankruptcy and Equity Exception. There are no conditions precedent, "flex" provisions or other substantive provisions (excluding

provisions related solely to fees) regarding the terms and conditions of the Financing other than as expressly set forth in the Commitment Letter. Subject to the terms and conditions of the Commitment Letter and assuming the accuracy in all material respects of the Company's representations and warranties with respect to the Company and its Subsidiaries, taken as a whole, in Section 3.01 of this Agreement, and assuming compliance by the Company in all material respects with its covenants contained in Section 4.01 of this Agreement, the net proceeds of the Financing, together with other financial resources of Parent including cash on hand and the proceeds of loans under existing revolving credit facilities of Parent on the Closing Date, will, in the aggregate, be sufficient for the satisfaction of all of Parent's obligations under this Agreement, including the payment of any amounts required to be paid pursuant to Article I and Article II, and the payment of any debt required to be repaid, redeemed, retired, canceled, terminated or otherwise satisfied in connection with the Merger (including all indebtedness of the Company and its Subsidiaries required to be repaid, redeemed, retired, canceled, terminated or otherwise satisfied in connection with the Merger) (all such debt, the "Required Refinancing Indebtedness") and of all fees and expenses reasonably expected to be incurred in connection herewith. As of the date of this Agreement, (i) no event has occurred which would constitute a breach or default (or an event which with notice or lapse of time or both would constitute a default), in each case, on the part of Parent or, to the Knowledge of Parent, any other party to the Commitment Letter, under the Commitment Letter, and (ii) assuming the accuracy in all material respects of the Company's representations and warranties contained in Section 3.01 hereof, Parent does not have any reason to believe that any of the conditions to the Financing will not be satisfied or that the Financing or any other funds necessary for the satisfaction of all of Parent's and Merger Sub's obligations under this Agreement and the payment of the Required Refinancing Indebtedness and of all fees and expenses reasonably expected to be incurred in connection herewith will not be available to Parent on the Closing Date. Parent has fully paid all fees required to be paid prior to the date of this Agreement pursuant to the Commitment Letter.

(r) Interim Operations of Merger Sub. Merger Sub was formed solely for the purpose of engaging in the transactions contemplated by this Agreement, has engaged in no other business activities and has conducted its operations only as contemplated hereby.

(s) Affiliated Transactions. Since January 1, 2008 through the date of this Agreement, there have been no transactions, agreements, arrangements or understandings between Parent or any of its Subsidiaries on the one hand, and the Affiliates of Parent on the other hand (other than Parent's Subsidiaries), that would be required to be disclosed under Item 404 under Regulation S-K under the Securities Act and that have not been so disclosed in the Parent SEC Documents.

(t) Voting Requirements. The affirmative vote of holders of a majority in voting power of the shares of Parent Common Stock represented at the Parent Stockholders' Meeting or any adjournment or postponement thereof (*provided*, that at least a majority in voting power of the shares of Parent Common Stock are represented in person or by proxy at such meeting or any adjournment or postponement thereof) (the "Parent Stockholder Approval") is the only vote of the holders of any class or series of capital stock of Parent necessary to approve the Parent Share Issuance and the other transactions contemplated hereby.

(u) State Takeover Laws; Company Certificate Provisions. No state anti-takeover statute or regulation, nor any takeover-related provision in the Parent Certificate or Parent Bylaws or Merger Sub Certificate or Merger Sub Bylaws, is applicable to the Company, this Agreement, the Voting Agreement or the Merger.

(v) Brokers and Other Advisors. No broker, investment banker, financial advisor or other person (other than Blackstone Advisory Services L.P. and J.P. Morgan Securities Inc.) is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Parent or Merger Sub.

(w) Opinion of Financial Advisors. Parent has received the opinions of Blackstone Advisory Services L.P. and J.P. Morgan Securities Inc., each dated as of the date of this Agreement, to the effect that, as of such date, the Class A Merger Consideration and the Class B Merger Consideration, taken together, to be paid by Parent in the Merger is fair, from a financial point of view, to Parent.

ARTICLE IV

COVENANTS RELATING TO THE BUSINESS

SECTION 4.01. Conduct of Business.

(a) Conduct of Business by the Company. During the period from the date of this Agreement to the Effective Time, except as set forth in Section 4.01(a) of the Company Disclosure Letter or as consented to in writing in advance by Parent (such consent not to be unreasonably withheld or delayed) or as otherwise permitted, contemplated or required by this Agreement, the Company shall, and shall cause each of its Subsidiaries to, carry on its business in the ordinary course prior to the Closing and, to the extent consistent therewith, use commercially reasonable efforts to preserve intact its current business organization and goodwill, keep available the services of its current officers, employees and consultants and preserve its relationships with customers, suppliers, licensors, licensees, distributors, others having business dealings with it and Governmental Entities having regulatory dealings with it. In addition to and without limiting the generality of the foregoing, during the period from the date of this Agreement to the Effective Time, except as otherwise set forth in Section 4.01(a) of the Company Disclosure Letter or as otherwise permitted, contemplated or required pursuant to this Agreement, the Company shall not, and shall not permit any of its Subsidiaries to, without Parent's prior written consent (such consent not to be unreasonably withheld or delayed):

(i)(A) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock, other than dividends or distributions by a direct or indirect wholly owned Subsidiary of the Company to its stockholders, (B) split, combine or reclassify any of its capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock or (C) purchase, redeem or otherwise acquire any shares of its capital stock or any other securities thereof or any rights, warrants or options to acquire any such shares or other securities, except for purchases, redemptions or other acquisitions of capital stock or other securities (1) required (or permitted in connection with any net share settlement or Tax withholding) by the terms of the Company Stock Plans or any award agreement thereunder or (2) required by the terms of any plans, arrangements or Contracts existing on the date hereof between the Company or any of its Subsidiaries and any director or employee of the Company or any of its Subsidiaries;

(ii) issue, deliver, sell, grant, pledge or otherwise encumber or subject to any Lien any shares of its capital stock, any other of its voting securities or any securities convertible into or exercisable for, or any rights, warrants or options to acquire, any such shares, voting securities or convertible securities, or any “phantom” stock, “phantom” stock rights, stock appreciation rights or stock based performance units (other than the issuance of shares of Company Common Stock upon the exercise of Company Stock Options or purchase rights under the ESPP outstanding on the date hereof and in accordance with their terms on the date hereof or permitted to be outstanding under this Section 4.01);

(iii) amend the Company Certificate or the Company Bylaws;

(iv) directly or indirectly acquire (A) by merging or consolidating with, by purchasing a substantial portion of the assets of, by making an investment in or capital contribution to, or by any other manner, any person or division, business or equity interest of any person or (B) any assets, rights or properties, except, in each case, for (1) capital expenditures, which shall be subject to the limitations of clause (vii) below, (2) purchases of assets in the ordinary course of business, and (3) other acquisitions not exceeding \$15 million in the aggregate;

(v) sell, pledge, dispose of, transfer, abandon, lease, license, or otherwise encumber or subject to any Lien any properties, rights or assets of the Company or any of its Subsidiaries that are material to the Company and its Subsidiaries, taken as a whole, except sales, pledges, dispositions, transfers, abandonments, leases, licenses, encumbrances or Liens (A) required to be effected pursuant to Contracts existing as of the date hereof or entered into after the date hereof in compliance with this Agreement, (B) entered into in the ordinary course of business, and (C) of assets or properties of the Company or any of its Subsidiaries having a value not to exceed in the aggregate \$25 million for all such actions taken under this clause (C);

(vi)(A) incur or otherwise acquire, or modify in any material respect the terms of, any indebtedness for borrowed money (capital leases shall be treated as indebtedness for borrowed money for purposes of this clause (vi)), or assume, guarantee or endorse, or otherwise become responsible for, any such indebtedness of another person (other than the Company and any wholly-owned Subsidiary of the Company), issue or sell any debt securities or calls, options, warrants or other rights to acquire any debt securities of the Company or any of its Subsidiaries, enter into any “keep well” or other Contract to maintain any financial statement condition of another person (other than the Company and any wholly-owned Subsidiary of the Company) or enter into any arrangement (including any capital lease) having the economic effect of any of the foregoing, other than the issuance of letters of credit in the ordinary course of business in connection with customer Contracts; (B) redeem, repurchase, prepay, defease or cancel any indebtedness for borrowed money, other than (1) as required in accordance with its terms or (2) in the ordinary course of business; or (C) make any loans or advances to any person (other than the Company and any wholly-owned Subsidiary of the Company), other than loans or advances to customers made in the ordinary course of business;

(vii) make or commit to any new capital expenditure, other than (A) capital expenditures in an aggregate amount not in excess of the Company's budget for capital expenditures provided to Parent prior to the date of this Agreement and (B) up to \$15 million of other capital expenditures made or committed to in connection with the performance of customer or other commercial Contracts entered into in the ordinary course of business;

(viii) except as required by Law or any judgment by a court of competent jurisdiction, pay, discharge, settle or satisfy any claims, liabilities, obligations (absolute, accrued, asserted or unasserted, contingent or otherwise) or Actions that are material to the Company and its Subsidiaries, taken as a whole, other than the payment, discharge, settlement or satisfaction in the ordinary course of business or in accordance with their terms of claims, liabilities, obligations or Actions (A) disclosed, reflected or reserved against in the most recent audited financial statements (or the notes thereto) of the Company included in the Filed Company SEC Documents (for amounts not in excess of such reserves) or (B) incurred since the date of such financial statements in the ordinary course of business;

(ix)(A) enter into, materially modify, terminate, cancel or fail to renew any Contract that is or would be a Material Contract, or waive, release or assign any material rights or claims thereunder or (B) enter into, modify, amend or terminate any Contract or waive, release or assign any material rights or claims thereunder, which if so entered into, modified, amended, terminated, waived, released or assigned would reasonably be expected to (1) prevent or materially delay or impair the ability of the Company and its Subsidiaries to consummate the Merger and the other transactions contemplated by this Agreement, or (2) impair in any material respect the ability of the Company and its Subsidiaries to conduct their business as currently conducted;

(x) except as required (A) by applicable Law, (B) to comply with any Company Benefit Plan or other Contract entered into prior to the date hereof or thereafter in accordance with this Section 4.01 or (C) as may be required to avoid adverse treatment under Section 409A of the Code, (1) adopt, enter into, terminate or amend any Company Benefit Plan (or any plan, agreement, program, policy, trust, fund or other arrangement that would be a Company Benefit Plan if it were in existence as of the date of this Agreement), (2) grant any severance or termination pay to, or increase the compensation or fringe benefits of any Company Personnel, except in the ordinary course of business consistent with past practice with respect to Company Personnel who are not Key Personnel, (3) loan or advance any money or other material property to any Company Personnel (4) grant any equity or equity-based awards, (5) allow for the commencement of any new offering periods under any employee stock purchase plans, (6) remove any existing restrictions in any Company Benefit Plans or awards made thereunder, (7) take any action to fund or in any other way secure the payment of compensation or benefits under any Company Benefit Plan, (8) take any action to accelerate the vesting or payment of any compensation or benefit under any Company Benefit Plan or awards made thereunder, or (9) materially change any actuarial or other assumption used to calculate funding obligations with respect to any Company Pension Plan or change the manner in which contributions to any Company Pension Plan are made or the basis on which such contributions are determined;

(xi) except as required by applicable law, enter into or modify or amend in any material respect or terminate any collective bargaining agreement with any labor union other than pursuant to customary negotiations in the ordinary course of business;

(xii) except as required by GAAP or as advised by the Company's regular independent public accountant, make any change in financial accounting methods, principles or practices materially affecting the reported consolidated assets, liabilities or results of operations of the Company;

(xiii)(A) increase the number of employees of the Company and its Subsidiaries ("Company Employees"), based on the number of Company Employees employed as of the date hereof, other than with respect to (1) employees hired in the ordinary course of business and (2) employees acquired in connection with an acquisition permitted under paragraph (iv) above, (B) enter into an employment agreement with any person with targeted annual cash compensation in excess of \$500,000 (other than with respect to employees hired pursuant to offers of employment outstanding on the date hereof or with respect to newly hired employees filling positions that are reasonably and in good faith deemed by the Company to be essential, but in no event, in the aggregate to exceed two people), (C) pay out (or otherwise provide) any employee bonus or incentive compensation that is subject to the achievement of established performance goals where such performance goals are not achieved, or (D) set new bonus or incentive compensation performance targets for any employee, unless such performance targets are set in consultation with Parent;

(xiv) effect or permit a "plant closing" or "mass layoff" as those terms are defined in the Workers Adjustment and Retraining Notification Act ("WARN") without complying with the notice requirements and all other provisions of WARN;

(xv) authorize or adopt, or publicly propose, a plan of complete or partial liquidation or dissolution of the Company;

(xvi) outside of the ordinary course of the Company's administration of its Tax matters: adopt or change in any material respect any method of Tax accounting in respect of recognition of income for U.S. Federal income Tax purposes, make or change any material Tax election or file any amended material Tax Return; or

(xvii) authorize any of, or commit or agree to take any of, the foregoing actions.

(b) Conduct of Business by Parent. During the period from the date of this Agreement to the Effective Time, except as set forth in Section 4.01(b) of the Parent Disclosure Letter or as consented to in writing in advance by the Company (such consent not to be unreasonably withheld or delayed) or as otherwise permitted, contemplated or required by this Agreement, Parent shall, and shall cause each of its Subsidiaries to, carry on its business in the

ordinary course prior to the Closing and, to the extent consistent therewith, use commercially reasonable efforts to preserve intact its current business organization and goodwill, keep available the services of its current officers, employees and consultants and preserve its relationships with customers, suppliers, licensors, licensees, distributors, others having business dealings with it and Governmental Entities having regulatory dealings with it. In addition to and without limiting the generality of the foregoing, during the period from the date of this Agreement to the Effective Time, except as otherwise set forth in Section 4.01(b) of the Parent Disclosure Letter or as otherwise permitted, contemplated or required pursuant to this Agreement, Parent shall not, and shall not permit any of its Subsidiaries to, without the Company's prior written consent (such consent not to be unreasonably withheld or delayed):

(i)(A) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock, other than dividends or distributions by a direct or indirect wholly owned Subsidiary of Parent to its stockholders and quarterly cash dividends with respect to Parent Common Stock not in excess of \$0.0425 per share with usual declaration, record and payment dates, (B) with regard to Parent, split, combine or reclassify any of its capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock or (C) with regard to Parent, purchase, redeem or otherwise acquire any shares of its capital stock or any other securities thereof or any rights, warrants or options to acquire any such shares or other securities, except for purchases, redemptions or other acquisitions of capital stock or other securities (1) required (or permitted in connection with any net share settlement or Tax withholding) by the terms of Parent Stock Plans or any award agreement thereunder or (2) required by the terms of any plans, arrangements or Contracts existing on the date hereof between Parent or any of its Subsidiaries and any director or employee of Parent or any of its Subsidiaries;

(ii) issue, deliver, sell, grant, pledge or otherwise encumber or subject to any Lien any shares of its capital stock, any other of its voting securities or any securities convertible into or exercisable for, or any rights, warrants or options to acquire, any such shares, voting securities or convertible securities, or any "phantom" stock, "phantom" stock rights, stock appreciation rights or stock-based performance units (other than (A) the issuance of shares of Parent Common Stock upon the exercise of Parent Stock Options or settlement of Parent RSUs, (B) the issuance of Parent Stock Options and Parent RSUs to employees, officers and directors of Parent in the ordinary course of business and (C) in compliance with Section 5.13, in connection with the Financing or any alternative financing);

(iii)(A) amend the Parent Certificate or the Merger Sub Certificate or (B) amend the Parent Bylaws or the Merger Sub Bylaws, in each case of this clause (B), in any manner that would adversely affect the holders of Company Common Stock whose shares are converted into shares of Parent Common Stock at the Effective Time in a manner different from holders of shares of Parent Common Stock prior to the Effective Time;

(iv)(A) directly or indirectly acquire (by merger, consolidation, acquisition of stock or assets, or otherwise) any corporation, partnership or other business organization or division thereof, or other assets, that in any such case are material to Parent and its Subsidiaries, taken as a whole, or (B) except for sales and dispositions of assets in the ordinary course of business, sell or otherwise dispose of any assets or securities of Parent or its Subsidiaries that are material to Parent and its Subsidiaries, taken as a whole;

(v) except for guarantees by Parent of obligations of its Subsidiaries in the ordinary course of business, incur or otherwise acquire any indebtedness for borrowed money, or assume, guarantee or endorse, or otherwise become responsible for, any such indebtedness of another person, or issue or sell any debt securities or calls, options, warrants or other rights to acquire any debt securities of Parent or any of its Subsidiaries, or enter into any “keep well” or other Contract to maintain any financial statement condition of another person, or enter into any arrangement having the economic effect of any of the foregoing, if, in any such case, the taking of any such action would or would reasonably be expected to prevent, impede or materially delay the availability of the Financing;

(vi) enter into, modify, amend or terminate any Contract or waive, release or assign any material rights or claims thereunder, which if so entered into, modified, amended, terminated, waived, released or assigned would reasonably be expected to prevent or materially delay or impair the ability of Parent and its Subsidiaries to consummate the Merger and the other transactions contemplated by this Agreement;

(vii) except as required by applicable Law, adopt, enter into, amend or terminate any Parent Pension Plan, Parent Retiree Welfare Plan or nonqualified deferred compensation plan in any manner that would or would reasonably be expected to prevent, impede or delay the availability of the Financing;

(viii) except as required by or permitted by GAAP or as advised by Parent’s regular independent public accountant, make any change in financial accounting methods, principles or practices materially affecting the reported consolidated assets, liabilities or results of operations of Parent;

(ix) authorize or adopt, or publicly propose, a plan of complete or partial liquidation or dissolution of Parent;

(x) outside of the ordinary course of Parent’s administration of its Tax matters: adopt or change in any material respect any method of Tax accounting in respect of recognition of income for U.S. Federal income Tax purposes, make or change any material Tax election or file any amended material Tax Return; or

(xi) authorize any of, or commit or agree to take any of, the foregoing actions.

(c) Other Actions. Except as permitted by Sections 4.02 or 4.03, as applicable, the Company, Parent and Merger Sub shall not, and shall not permit any of their respective Subsidiaries to, take any action or fail to take any action that could reasonably be expected to result in any of the conditions to the Merger set forth in Article VI not being satisfied.

(d) Advice of Changes. The Company and Parent shall promptly advise the other party orally and in writing if, to the Knowledge of the Company or Parent, as applicable (i) any representation or warranty made by it (and, in the case of Parent, made by Merger Sub) contained in this Agreement becomes untrue or inaccurate in a manner that would or would be reasonably likely to result in the failure of the condition set forth in Section 6.02(a) or Section 6.03(a) or (ii) it (and, in the case of Parent, Merger Sub) fails to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by it (and, in the case of Parent, Merger Sub) under this Agreement; *provided, however*, that no such notification shall affect the representations, warranties, covenants or agreements of the parties (or remedies with respect thereto) or the conditions to the obligations of the parties under this Agreement.

SECTION 4.02. No Solicitation by the Company.

(a) The Company agrees that neither it nor any of its Subsidiaries nor any of its and their respective directors, officers or employees shall, and the Company shall cause its and its Subsidiaries' Representatives not to, directly or indirectly through another person, (i) solicit, knowingly initiate or knowingly encourage, or knowingly facilitate, any Takeover Proposal or the making or consummation thereof, (ii) enter into, continue or otherwise participate in any discussions or negotiations regarding, or furnish to any person any information in connection with, or enter into any agreement with respect to, any Takeover Proposal, (iii) waive, terminate, modify or fail to enforce any provision of any "standstill" or similar obligation of any person (other than Parent) with respect to the Company or any of its Subsidiaries, (iv) take any action to make the provisions of any "fair price," "moratorium," "control share acquisition," "business combination" or other similar anti-takeover statute or regulation (including any transaction under, or a third party becoming an "interested stockholder" under, Section 203 of the DGCL), or any restrictive provision of any applicable anti-takeover provision in the Company's certificate of incorporation or bylaws, inapplicable to any transactions contemplated by a Takeover Proposal (and, to the extent permitted thereunder, the Company shall promptly take all steps necessary to terminate any waiver that may have been heretofore granted, to any person other than Parent or any of Parent's Affiliates, under any such provisions) or (v) authorize any of, or commit or agree to do any of the foregoing. Without limiting the foregoing, it is agreed that any violation of the restrictions set forth in the preceding sentence by any Representative of the Company or any of its Subsidiaries shall be a breach of this Section 4.02(a) by the Company. The Company shall, and shall cause its Subsidiaries and its and their Representatives to, immediately cease and cause to be terminated all existing discussions or negotiations with any person conducted heretofore with respect to any Takeover Proposal and request the prompt return or destruction of all confidential information previously furnished in connection therewith. Notwithstanding the foregoing, at any time prior to obtaining the Company Stockholder Approval, in response to a bona fide written Takeover Proposal that the Board of Directors of the Company (acting through the Special Committee, if then in existence) determines in good faith (after consultation with its outside legal advisors and a financial advisor of nationally recognized reputation) constitutes or could reasonably be expected to lead to a Superior Proposal, and which Takeover Proposal was not solicited after the date hereof in violation of this Section 4.02(a) and was made after the date hereof and did not otherwise result from a breach of this Section 4.02(a), the Company may, subject to compliance with this Section 4.02, (x) furnish information with respect to the Company and its Subsidiaries to the person making such Takeover Proposal (and its Representatives) pursuant to a customary confidentiality

agreement not less restrictive to such person than the provisions of the Confidentiality Agreement (excluding paragraphs 6 and 7 of the Confidentiality Agreement), *provided* that all such information has previously been provided to Parent or is provided to Parent prior to or substantially concurrent with the time it is provided to such person, and (y) participate in discussions or negotiations with the person making such Takeover Proposal (and its Representatives) regarding such Takeover Proposal, if and only to the extent that in connection with the foregoing clauses (x) and (y), the Board of Directors of the Company (acting through the Special Committee, if then in existence) concludes in good faith (after consultation with its outside legal advisors) that failure to take such action would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law.

The term “Takeover Proposal” means any inquiry, proposal or offer (or any communication or affirmation in support of any previously made inquiry, proposal or offer) from any third party relating to, or that could reasonably be expected to lead to, (i) any direct or indirect acquisition or purchase, in one transaction or a series of related transactions, of assets (including equity securities of any Subsidiary of the Company) or businesses that constitute 15% or more of the revenues, net income or assets of the Company and its Subsidiaries, taken as a whole, or 15% or more of any class of equity securities of the Company or any Significant Subsidiary of the Company, (ii) any tender offer or exchange offer that if consummated would result in any person beneficially owning 15% or more of any class of equity securities of the Company, or (iii) any merger, consolidation, business combination, recapitalization, liquidation, dissolution, joint venture, share exchange or similar transaction involving the Company or any of its Subsidiaries, in each case, pursuant to which any person or the stockholders of any person would own 15% or more of any class of equity securities of the Company or of any resulting parent company of the Company, in each of cases (i) through (iii), other than the transactions contemplated by this Agreement.

The term “Superior Proposal” means any bona fide proposal or offer from any third party that if consummated would result in such person (or its stockholders) owning, directly or indirectly, more than 50% of the shares of Company Common Stock then outstanding (or of the shares of the surviving entity in a merger or the direct or indirect parent of the surviving entity in a merger) or more than 50% of the assets of the Company and its Subsidiaries (including equity securities of any Subsidiary of the Company), in each case, which the Board of Directors of the Company (acting through the Special Committee, if then in existence) reasonably determines (after consultation with its outside legal advisors and a financial advisor of nationally recognized reputation), taking into account all financial, legal, regulatory and other aspects of such proposal or offer (including any break-up fee, expense reimbursement provisions, conditions to consummation and financing terms) and the person making the proposal or offer to be (i) more favorable to the stockholders of the Company from a financial point of view than the transactions contemplated by this Agreement (after giving effect to any changes to the financial terms of this Agreement proposed by Parent in response to such offer or otherwise)) and (ii) reasonably capable of being completed on the terms set forth in the proposal.

(b) Neither the Board of Directors of the Company nor any committee thereof (including the Special Committee) shall (i) make a Company Adverse Recommendation Change (as defined in Section 5.01(b)); or (ii) approve, adopt or recommend, or publicly propose to approve, adopt or recommend, a merger agreement, letter of intent, agreement in principle, share purchase agreement, asset purchase agreement, share exchange agreement, option agreement or

other similar Contract (other than a confidentiality agreement referred to in Section 4.02(a)) or any tender offer providing for, with respect to, or in connection with, any Takeover Proposal. Notwithstanding the foregoing, at any time prior to obtaining the Company Stockholder Approval and subject to compliance with Section 4.02(d), the Board of Directors of the Company may (A) make a Company Adverse Recommendation Change in response to an Intervening Event if the Board of Directors of the Company (acting through the Special Committee, if then in existence) concludes in good faith, after consultation with outside legal advisors, that the failure to take such action would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law and/or (B) make a Company Adverse Recommendation Change, and take any other action described in the preceding clause (ii), in response to a Superior Proposal if the Board of Directors of the Company (acting through the Special Committee, if then in existence) concludes in good faith, after consultation with outside counsel, that the failure to take such action would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law.

(c) Notwithstanding anything to the contrary contained herein, the Board of Directors of the Company shall not be entitled to exercise its right to make a Company Adverse Recommendation Change unless the Company promptly notifies Parent, in writing, at least three Business Days before taking such action, of its intention to do so and, during such three-Business-Day period, if requested by Parent, the Company shall engage in good faith negotiations with Parent to amend this Agreement in such a manner such that the failure by the Board of Directors to take such action would no longer reasonably be expected to be inconsistent with its fiduciary duties under applicable Law. The Company's notification shall have attached thereto (i) the most current version of any proposed agreement or a detailed summary of the material terms of any such proposal and the identity of the offeror if the Company intends to make a Company Adverse Recommendation Change in response to a Takeover Proposal that constitutes a Superior Proposal or (ii) a description of the Intervening Event if the Company intends to make a Company Adverse Recommendation Change in response to an Intervening Event.

(d)(i) The obligation of the Company to call, give notice of, convene and hold the Company Stockholders' Meeting and to hold a vote of the Company's stockholders on the adoption of this Agreement and the Merger at the Company Stockholders' Meeting shall not be limited or otherwise affected by the commencement, disclosure, announcement or submission to it of any Takeover Proposal (whether or not a Superior Proposal), or by a Company Adverse Recommendation Change, and (ii) in any case in which the Company makes a Company Adverse Recommendation Change pursuant to this Section 4.02, (A) the Company shall nevertheless submit this Agreement and the Merger to a vote of its stockholders and (B) the Joint Proxy Statement and any and all accompanying materials (including the proxy card (which shall provide that signed proxies which do not specify the manner in which the shares of Company Common Stock subject thereto are to be voted shall be voted "FOR" adopting this Agreement), the "Proxy Materials") shall be identical in form and content to Proxy Materials that would have been prepared by the Company had no Company Adverse Recommendation Change been made, except for appropriate changes to the disclosure in the Joint Proxy Statement stating that such Company Adverse Recommendation Change has been made and provided that the Company shall not be obligated to recommend to its stockholders the adoption of this Agreement or the approval of the Merger at the Company Stockholders' Meeting to the extent that the Board of Directors of the Company (acting through the Special Committee, if then in existence) makes a Company Adverse Recommendation Change.

(e) In addition to the obligations of the Company set forth in paragraphs (a), (b) and (c) of this Section 4.02, the Company shall as promptly as practicable (and in any event within 48 hours after receipt) notify Parent orally and in writing of any Takeover Proposal, such notice to include the identity of the person making such Takeover Proposal and a copy of such Takeover Proposal, including draft agreements or term sheets submitted in connection therewith (or, where no such copy is available, a reasonably detailed description of such Takeover Proposal), including any modifications thereto. The Company shall (x) keep Parent reasonably informed in all material respects of the status and details (including any change to the terms thereof) of any Takeover Proposal and (y) provide to Parent as soon as reasonably practicable after receipt or delivery thereof copies of all correspondence and other written material sent or provided to the Company or any of its Subsidiaries from any person that describes any of the terms or conditions of any Takeover Proposal. The Company shall not, and shall cause the Company's Subsidiaries not to, enter into any Contract with any person subsequent to the date of this Agreement that prohibits the Company from providing such information to Parent.

(f) Nothing contained in this Section 4.02 shall prohibit the Company from taking and disclosing to its stockholders a position contemplated by Rule 14e-2(a)(2) or (3) under the Exchange Act or making a statement required under Rule 14d-9 under the Exchange Act; *provided, however*, that (i) compliance with such rules shall in no way limit or modify the effect that any such action pursuant to such rules has under this Agreement and (ii) in no event shall the Company or its Board of Directors or any committee thereof (including the Special Committee) take, or agree or resolve to take, any action prohibited by Section 4.02(b).

SECTION 4.03. No Solicitation by Parent.

(a) Parent agrees that neither it nor any of its Subsidiaries nor any of its and their respective directors, officers or employees shall, and Parent shall cause its and its Subsidiaries' Representatives not to, directly or indirectly through another person, (i) solicit, knowingly initiate or knowingly encourage, or knowingly facilitate, any Parent Takeover Proposal or the making or consummation thereof, (ii) enter into, continue or otherwise participate in any discussions or negotiations regarding, or furnish to any person any information in connection with, or enter into any agreement with respect to, any Parent Takeover Proposal, (iii) waive, terminate, modify or fail to enforce any provision of any "standstill" or similar obligation of any person (other than the Company) with respect to Parent or any of its Subsidiaries, (iv) take any action to make the provisions of any "fair price," "moratorium," "control share acquisition," "business combination" or other similar anti-takeover statute or regulation (including any transaction under, or a third party becoming an "interested shareholder" under, Section 912 of the New York Business Corporation Law (the "BCL")), or any restrictive provision of any applicable anti-takeover provision in Parent's certificate of incorporation or by-laws, inapplicable to any transactions contemplated by a Parent Takeover Proposal (and, to the extent permitted thereunder, Parent shall promptly take all steps necessary to terminate any waiver that may have been heretofore granted, to any person other than the Company or any of the Company's Affiliates, under any such provisions) or (v) authorize any of, or commit or agree to any of, the foregoing. Without limiting the foregoing, it is agreed that any violation of the restrictions set forth in the preceding sentence by any Representative of

Parent or any of its Subsidiaries shall be a breach of this Section 4.03(a) by Parent. Parent shall, and shall cause its Subsidiaries and its and their Representatives to, immediately cease and cause to be terminated all existing discussions or negotiations with any person conducted heretofore with respect to any Parent Takeover Proposal and request the prompt return or destruction of all confidential information previously furnished in connection therewith. Notwithstanding the foregoing, at any time prior to obtaining Parent Stockholder Approval, in response to a bona fide written Parent Takeover Proposal that the Board of Directors of Parent determines in good faith (after consultation with its outside legal advisors and a financial advisor of nationally recognized reputation) constitutes or could reasonably be expected to lead to a Parent Superior Proposal, and which Parent Takeover Proposal was not solicited after the date hereof in violation of this Section 4.03(a) and was made after the date hereof and did not otherwise result from a breach of this Section 4.03(a), Parent may, subject to compliance with this Section 4.03, (x) furnish information with respect to Parent and its Subsidiaries to the person making such Parent Takeover Proposal (and its Representatives) pursuant to a customary confidentiality agreement not less restrictive to such person than the provisions of the Confidentiality Agreement (excluding paragraphs 6 and 7 of the Confidentiality Agreement), *provided* that all such information has previously been provided to the Company or is provided to the Company prior to or substantially concurrent with the time it is provided to such person, and (y) participate in discussions or negotiations with the person making such Parent Takeover Proposal (and its Representatives) regarding such Parent Takeover Proposal, if and only to the extent that in connection with the foregoing clauses (x) and (y), the Board of Directors of Parent concludes in good faith (after consultation with its outside legal advisors) that failure to take such action would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law.

The term “Parent Takeover Proposal” means any inquiry, proposal or offer (or any communication or affirmation in support of any previously made inquiry, proposal or offer) from any third party relating to, or that could reasonably be expected to lead to, (i) any direct or indirect acquisition or purchase, in one transaction or a series of related transactions, of assets (including equity securities of any Subsidiary of Parent) or businesses that constitute 15% or more of the revenues, net income or assets of Parent and its Subsidiaries, taken as a whole, or 15% or more of any class of equity securities of Parent or any Significant Subsidiary of Parent, (ii) any tender offer or exchange offer that if consummated would result in any person beneficially owning 15% or more of any class of equity securities of Parent, or (iii) any merger, consolidation, business combination, recapitalization, liquidation, dissolution, joint venture, share exchange or similar transaction involving Parent or any of its Subsidiaries, in each case, pursuant to which any person or the stockholders of any person would own 15% or more of any class of equity securities of Parent or of any resulting parent company of Parent, in each of cases (i) through (iii), other than the transactions contemplated by this Agreement.

The term “Parent Superior Proposal” means any bona fide proposal or offer from any third party that if consummated would result in such person (or its stockholders) owning, directly or indirectly, more than 50% of the shares of Parent Common Stock then outstanding (or of the shares of the surviving entity in a merger or the direct or indirect parent of the surviving entity in a merger) or more than 50% of the assets of Parent and its Subsidiaries (including equity securities of any Subsidiary of Parent), in each case, which the Board of Directors of Parent reasonably determines (after consultation with its outside legal advisors and a financial advisor of nationally recognized reputation), taking into account all financial, legal, regulatory and other aspects of such proposal or offer (including any break-up fee, expense reimbursement

provisions, conditions to consummation and financing terms) and the person making the proposal or offer to be (i) more favorable to the stockholders of Parent from a financial point of view than the transactions contemplated by this Agreement (after giving effect to any changes to the financial terms of this Agreement proposed by the Company in response to such offer or otherwise)) and (ii) reasonably capable of being completed on the terms set forth in the proposal.

(b) Neither the Board of Directors of Parent nor any committee thereof shall (i) make a Parent Adverse Recommendation Change; or (ii) approve, adopt or recommend, or publicly propose to approve, adopt or recommend, a merger agreement, letter of intent, agreement in principle, share purchase agreement, asset purchase agreement, share exchange agreement, option agreement or other similar Contract (other than a confidentiality agreement referred to in Section 4.03(a)) or any tender offer providing for, with respect to, or in connection with, any Parent Takeover Proposal. Notwithstanding the foregoing, at any time prior to obtaining the Parent Stockholder Approval and subject to compliance with Section 4.03(d), the Board of Directors of Parent may (A) make a Parent Adverse Recommendation Change in response to an Intervening Event if the Board of Directors of Parent concludes in good faith, after consultation with outside legal advisors, that the failure to take such action would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law and/or (B) make a Parent Adverse Recommendation Change, and take any other action described in the preceding clause (ii), in response to a Parent Superior Proposal if the Board of Directors of Parent concludes in good faith, after consultation with outside counsel, that the failure to take such action would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law.

(c) Notwithstanding anything to the contrary contained herein, the Board of Directors of Parent shall not be entitled to exercise its right to make a Parent Adverse Recommendation Change unless Parent promptly notifies the Company, in writing, at least three Business Days before taking such action, of its intention to do so and, during such three-Business Day period, if requested by the Company, Parent shall engage in good faith negotiations with the Company to amend this Agreement in such a manner such that the failure by the Board of Directors to take such action would no longer reasonably be expected to be inconsistent with its fiduciary duties under applicable Law. Parent's notification shall have attached thereto (i) the most current version of any proposed agreement or a detailed summary of the material terms of any such proposal and the identity of the offeror if Parent intends to make a Parent Adverse Recommendation Change in response to a Parent Takeover Proposal that constitutes a Parent Superior Proposal or (ii) a description of the Intervening Event if Parent intends to make a Parent Adverse Recommendation Change in response to an Intervening Event.

(d)(i) The obligation of Parent to call, give notice of, convene and hold the Parent Stockholders' Meeting and to hold a vote of Parent's stockholders on the Parent Share Issuance at Parent Stockholders' Meeting shall not be limited or otherwise affected by the commencement, disclosure, announcement or submission to it of any Parent Takeover Proposal (whether or not a Parent Superior Proposal), or by a Parent Adverse Recommendation Change, and (ii) in any case in which Parent makes a Parent Adverse Recommendation Change pursuant to this Section 4.03, (A) Parent shall nevertheless submit the Parent Share Issuance to a vote of its stockholders and (B) the Joint Proxy Statement and any and all accompanying materials (including the proxy card (which shall provide that signed proxies which do not specify the manner in which the shares of Parent Common Stock subject thereto are to be voted shall be

voted "FOR" the Parent Share Issuance), the "Parent Proxy Materials") shall be identical in form and content to Parent Proxy Materials that would have been prepared by Parent had no Parent Adverse Recommendation Change been made, except for appropriate changes to the disclosure in the Joint Proxy Statement stating that such Parent Adverse Recommendation Change has been made and provided that Parent shall not be obligated to recommend to its stockholders the Parent Share Issuance at the Parent Stockholders' Meeting to the extent that the Board of Directors of Parent makes a Parent Adverse Recommendation Change.

(e) In addition to the obligations of Parent set forth in paragraphs (a), (b) and (c) of this Section 4.03, Parent shall as promptly as practicable (and in any event within 48 hours after receipt) notify the Company orally and in writing of any Parent Takeover Proposal, such notice to include the identity of the person making such Parent Takeover Proposal and a copy of such Parent Takeover Proposal, including draft agreements or term sheets submitted in connection therewith (or, where no such copy is available, a reasonably detailed description of such Parent Takeover Proposal), including any modifications thereto. Parent shall (x) keep the Company reasonably informed in all material respects of the status and details (including any change to the terms thereof) of any Parent Takeover Proposal and (y) provide to the Company as soon as reasonably practicable after receipt or delivery thereof copies of all correspondence and other written material sent or provided to Parent or any of its Subsidiaries from any person that describes any of the terms or conditions of any Parent Takeover Proposal. Parent shall not, and shall cause Parent's Subsidiaries not to, enter into any Contract with any person subsequent to the date of this Agreement that prohibits Parent from providing such information to the Company.

(f) Nothing contained in this Section 4.03 shall prohibit Parent from taking and disclosing to its stockholders a position contemplated by Rule 14e-2(a)(2) or (3) under the Exchange Act or making a statement required under Rule 14d-9 under the Exchange Act; *provided, however*, that (i) compliance with such rules shall in no way limit or modify the effect that any such action pursuant to such rules has under this Agreement and (ii) in no event shall Parent or its Board of Directors or any committee thereof take, or agree or resolve to take, any action prohibited by Section 4.03(b).

ARTICLE V

ADDITIONAL AGREEMENTS

SECTION 5.01. Preparation of the Form S-4 and the Joint Proxy Statement; Stockholders' Meetings.

(a) As promptly as practicable after the execution of this Agreement, (i) Parent and the Company shall jointly prepare and file with the SEC the joint proxy statement (as amended or supplemented from time to time, the "Joint Proxy Statement") to be sent to the stockholders of Parent relating to the meeting of Parent's stockholders (the "Parent Stockholders' Meeting") to be held to consider the Parent Share Issuance and to the stockholders of the Company relating to the meeting of the Company's stockholders (the "Company Stockholders' Meeting") to be held to consider adoption of this Agreement and (ii) Parent shall prepare (with the Company's reasonable cooperation) and file with the SEC a registration statement on Form S-4 (as amended or supplemented from time to time, the "Form S-4"), in which the Joint Proxy

Statement will be included as a prospectus, in connection with the registration under the Securities Act of the Parent Common Stock to be issued in the Merger and the shares of Parent Common Stock into which the Parent Convertible Preferred Stock will be convertible. Each of Parent and the Company shall use its reasonable best efforts to have the Form S-4 declared effective under the Securities Act as promptly as practicable after such filing (including by responding to comments of the SEC), and, prior to the effective date of the Form S-4, Parent shall take all action reasonably required (other than qualifying to do business in any jurisdiction in which it is not now so qualified or filing a general consent to service of process in any such jurisdiction) to be taken under any applicable state securities Laws in connection with the Parent Share Issuance, the issuance of the Parent Convertible Preferred Stock and the issuance of the Parent Common Stock upon the conversion of the Parent Convertible Preferred Stock. Each of Parent and the Company shall furnish all information as may be reasonably requested by the other in connection with any such action and the preparation, filing and distribution of the Form S-4 and the Joint Proxy Statement. As promptly as practicable after the Form S-4 shall have become effective, each of Parent and the Company shall use its reasonable best efforts to cause the Joint Proxy Statement to be mailed to its respective stockholders. No filing of, or amendment or supplement to, the Form S-4 will be made by Parent, and no filing of, or amendment or supplement to, the Joint Proxy Statement will be made by Parent or the Company, in each case without providing the other party a reasonable opportunity to review and comment thereon. If at any time prior to the Effective Time any information relating to the Company or Parent, or any of their respective Affiliates, directors or officers, should be discovered by the Company or Parent which should be set forth in an amendment or supplement to either the Form S-4 or the Joint Proxy Statement, so that either such document would not include any misstatement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, the party that discovers such information shall promptly notify the other parties hereto and an appropriate amendment or supplement describing such information shall be promptly filed with the SEC and, to the extent required by Law, disseminated to the stockholders of Parent and the Company. The parties shall notify each other promptly of the time when the Form S-4 has become effective, of the issuance of any stop order or suspension of the qualification of the Parent Common Stock or Parent Convertible Preferred Stock issuable in connection with the Merger for offering or sale in any jurisdiction, or of the receipt of any comments from the SEC or the staff of the SEC and of any request by the SEC or the staff of the SEC for amendments or supplements to the Joint Proxy Statement or the Form S-4 or for additional information and shall supply each other with copies of all correspondence between any of its Representatives, on the one hand, and the SEC or its staff, on the other hand, with respect to the Joint Proxy Statement, the Form S-4 or the Merger.

(b) The Company shall duly take all lawful action to call, give notice of, convene and hold the Company Stockholders' Meeting on a date as soon as reasonably practicable following the effectiveness of the Form S-4 solely for the purpose of obtaining the Company Stockholder Approval, and, if the Board of Directors of the Company has not made a Company Adverse Recommendation Change or taken any of the actions described in Section 4.02(b)(ii), shall take all lawful action to solicit the adoption of this Agreement by such stockholders. The Board of Directors of the Company shall make the Company Recommendation and shall include such Company Recommendation in the Joint Proxy Statement, and shall not (i) withdraw or modify or qualify (or publicly propose to withdraw or modify or qualify) in any manner adverse to Parent such recommendation or (ii) make any other public statement in connection with the Company Stockholders' Meeting inconsistent with such

recommendation (any action described in clauses (i) or (ii) being referred to herein as a “Company Adverse Recommendation Change”); *provided* that the Board of Directors of the Company may make a Company Adverse Recommendation Change pursuant to Section 4.02(b). Without limiting the generality of the foregoing, but subject to the terms of this Agreement, the Company’s obligations pursuant to the first sentence of this Section 5.01(b) shall, consistent with Section 4.02(d), not be affected by the commencement, public proposal, public disclosure or communication to the Company of any Takeover Proposal (whether or not a Superior Proposal).

(c) Parent shall duly take all lawful action to call, give notice of, convene and hold the Parent Stockholders’ Meeting on a date as soon as reasonably practicable following the effectiveness of the Form S-4 solely for the purpose of obtaining the Parent Stockholder Approval, and, if the Board of Directors of Parent has not made a Parent Adverse Recommendation Change or taken any of the actions described in Section 4.03(b)(ii), shall take all lawful action to solicit the approval of the Parent Share Issuance by such stockholders. The Board of Directors of Parent shall recommend approval of the Parent Share Issuance by the stockholders of Parent, shall include such recommendation in the Joint Proxy Statement (the “Parent Recommendation”), and shall not (i) withdraw or modify or qualify (or publicly propose to withdraw or modify or qualify) in any manner adverse to the Company such recommendation or (ii) make any other public statement in connection with the Parent Stockholders’ Meeting inconsistent with such recommendation (any action described in clauses (i) or (ii) being referred to herein as a “Parent Adverse Recommendation Change”); *provided* that the Board of Directors of Parent may make a Parent Adverse Recommendation Change pursuant to Section 4.03(b). Without limiting the generality of the foregoing, but subject to the terms of this Agreement, Parent’s obligations pursuant to the first sentence of this Section 5.01(c) shall, consistent with Section 4.03(d), not be affected by the commencement, public proposal, public disclosure or communication to Parent of any Parent Takeover Proposal (whether or not a Parent Superior Proposal).

(d) The parties shall use their reasonable best efforts to hold the Company Stockholders’ Meeting and the Parent Stockholders’ Meeting on the same day at the same time.

(e) As promptly as practicable after execution of this Agreement (and, in any event, no later than 24 hours thereafter), Parent shall, in its capacity as the sole stockholder of Merger Sub, adopt this Agreement for purposes of the Merger.

SECTION 5.02. Access to Information; Confidentiality.

(a) To the extent permitted by applicable Law and Contract, each party shall afford to the other party, and to the other party’s officers, employees, accountants, counsel, financial advisors and other Representatives, reasonable access (including for the purpose of coordinating transition planning with employees) during normal business hours and upon reasonable prior notice during the period prior to the Effective Time or the termination of this Agreement to all of its and its Subsidiaries’ properties, books, Contracts, commitments, personnel and records as the other party may from time to time reasonably request, and, during such period, such party shall furnish promptly to the other party (x) a copy of each report, schedule, registration statement and other document filed by it during such period pursuant to the requirements of federal or state securities Laws and (y) all other information concerning its and its Subsidiaries’ business, properties and personnel as the other party may reasonably request. If

any of the information or material furnished pursuant to this Section 5.02 includes materials or information subject to the attorney-client privilege, work product doctrine or any other applicable privilege concerning pending or threatened legal proceedings or governmental investigations, each party understands and agrees that the parties have a commonality of interest with respect to such matters and it is the desire, intention and mutual understanding of the parties that the sharing of such material or information is not intended to, and shall not, waive or diminish in any way the confidentiality of such material or information or its continued protection under the attorney-client privilege, work product doctrine or other applicable privilege. All such information provided by either party that is entitled to protection under the attorney-client privilege, work product doctrine or other applicable privilege shall remain entitled to such protection under these privileges, this Agreement, and under the joint defense doctrine.

(b) Each of Parent and the Company shall hold, and shall cause their respective Representatives (as defined in the Confidentiality Agreement) to hold, all information received from the other party, directly or indirectly, in confidence in accordance with, and shall otherwise abide by and be subject to, the terms and conditions of the Confidentiality Agreement dated as of July 22, 2009 between Parent and the Company (the "Confidentiality Agreement"); *provided, however,* that the restrictions set forth in Section 6 of the Confidentiality Agreement shall be inapplicable with respect to any of the transactions set forth in this Agreement or any proposals or negotiations by or on behalf of a party expressly permitted by this Agreement (including in response to a notice pursuant to Section 4.02(c) or Section 4.03(c)). The Confidentiality Agreement shall survive any termination of this Agreement. No investigation pursuant to this Section 5.02 or information provided or received by any party hereto pursuant to this Agreement will affect any of the representations or warranties of the parties hereto contained in this Agreement.

SECTION 5.03. Reasonable Best Efforts; Further Action.

(a) Subject to the terms and conditions of this Agreement, each party will use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate the Merger and the other transactions contemplated by this Agreement as promptly as practicable, including preparing and filing as promptly as practicable all documentation to effect all necessary filings, notices, petitions, statements, registrations, submissions of information, applications and other documents necessary to consummate the Merger and the other transactions contemplated by this Agreement. In furtherance and not in limitation of the foregoing, each party hereto agrees (i) to make an appropriate filing of a Notification and Report Form pursuant to the HSR Act and any other applicable Antitrust Law with respect to the transactions contemplated hereby as promptly as practicable after the date hereof, (ii) to supply as promptly as reasonably practicable any additional information and documentary material that may be requested pursuant to the HSR Act or any other applicable Antitrust Law, (iii) to use its reasonable best efforts to take or cause to be taken all other actions necessary, proper or advisable to cause the expiration or termination of the applicable waiting periods with respect to the approval of the Merger under the HSR Act and any other applicable Antitrust Laws, (iv) to use its reasonable best efforts to defend any Action, whether brought by a Governmental Entity or a third party, challenging the Merger or the other transactions contemplated hereby (*provided,* that nothing in this clause (iv) shall require any party hereto to agree to any amendment to or waiver under this Agreement), (v) to use its reasonable best efforts to obtain any necessary consents, approvals or waivers from third parties, and (vi) to execute and deliver any additional instruments necessary to consummate the Merger and the other transactions contemplated hereby and to fully carry out the purposes of this Agreement.

(b) Each of Parent and Merger Sub, on the one hand, and the Company, on the other hand, shall, in connection with the efforts referenced in Section 5.03(a) to obtain all requisite approvals and authorizations for the transactions contemplated by this Agreement under the HSR Act or any other applicable Antitrust Law, use its reasonable best efforts to (i) cooperate in all respects with each other in connection with any filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party; (ii) keep the other party reasonably informed of the status of matters related to the transactions contemplated by this Agreement, including furnishing the other with any written notices or other communications received by such party from, or given by such party to, the Federal Trade Commission (the “FTC”), the Antitrust Division of the Department of Justice (the “DOJ”) or any other U.S. or foreign Governmental Entity and of any communication received or given in connection with any proceeding by a private party, in each case regarding any of the transactions contemplated hereby; and (iii) permit the other party to review any communication given by it to, and consult with each other in advance of any meeting or conference with, the FTC, the DOJ or any other Governmental Entity or, in connection with any proceeding by a private party, with any other person, and to the extent permitted by the FTC, the DOJ or such other applicable Governmental Entity or other person, give the other party the opportunity to attend and participate in such meetings and conferences in accordance with Antitrust Law. For purposes of this Agreement, (A) “Antitrust Law” means the Sherman Act, as amended, the Clayton Act, as amended, the HSR Act, the Federal Trade Commission Act, as amended, Foreign Antitrust Laws and all other Federal, state and foreign, if any, statutes, rules, regulations, orders, decrees, administrative and judicial doctrines and other Laws that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition and (B) “Foreign Antitrust Laws” means the applicable requirements of antitrust competition or other similar Laws, rules, regulations and judicial doctrines of jurisdictions other than the United States.

(c) In furtherance and not in limitation of the covenants of the parties contained in Sections 5.03(a) and (b), each party hereto shall use its reasonable best efforts to resolve objections, if any, as may be asserted with respect to the transactions contemplated by this Agreement under any Antitrust Law, including using reasonable best efforts to defend any lawsuits or other legal proceedings, whether judicial or administrative, challenging this Agreement or the consummation of the transactions contemplated hereby (including seeking to have any stay or temporary restraining order entered by any court or other Governmental Entity vacated or reversed). Neither party shall, nor shall it permit any of its Subsidiaries to, acquire or agree to acquire any business, person or division thereof, or otherwise acquire or agree to acquire any assets if the entering into of a definitive agreement relating to or the consummation of such acquisition would be reasonably likely to result in not obtaining the applicable clearance, approval or waiver from a Governmental Entity charged with the enforcement of any Antitrust Law with respect to the transactions contemplated by this Agreement.

(d) In the event that any administrative or judicial action or proceeding is instituted (or threatened to be instituted) by a Governmental Entity or private party challenging the Merger or any other transaction contemplated by this Agreement on any basis whatsoever, or

any other agreement contemplated hereby, each of Parent, Merger Sub and the Company shall cooperate with each other and use its respective reasonable best efforts to defend against, contest and resist any such action or proceeding and to have vacated, lifted, reversed or overturned any decree, judgment, injunction or other order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents or restricts consummation of the transactions contemplated by this Agreement (*provided*, that nothing in this paragraph (d) shall require any party hereto to agree to any amendment to or waiver under this Agreement).

(e) Notwithstanding the foregoing or any other provision of this Agreement, nothing in this Section 5.03 shall limit (i) a party's right to terminate this Agreement pursuant to Section 7.01(b)(i) or Section 7.01(b)(ii), as applicable, so long as such party has up to then complied in all material respects with its obligations under this Section 5.03, or (ii) a party's right to take any action contemplated by Sections 4.02 or 4.03.

SECTION 5.04. Company Stock Options.

(a) Except as otherwise set forth on Schedule 5.04, at the Effective Time, each then outstanding Company Stock Option, whether or not exercisable at the Effective Time, will vest and become immediately exercisable in full and be assumed by Parent. Subject to, and in accordance with, the terms of the applicable Company Stock Plan and award agreement, each Company Stock Option so assumed by Parent under this Agreement will otherwise continue to have, and be subject to, the same terms and conditions set forth in the applicable Company Stock Option (including any applicable award agreement or other document evidencing such Company Stock Option) immediately prior to the Effective Time (other than terms relating to vesting) and be exercisable for that number of whole shares of Parent Common Stock equal to the product of the number of shares of Company Common Stock that were subject to such Company Stock Option immediately prior to the Effective Time multiplied by the Option Exchange Ratio, rounded down to the nearest whole number of shares of Parent Common Stock and (B) the per share exercise price for the shares of Parent Common Stock issuable upon exercise of such assumed Company Stock Option will be equal to the quotient determined by dividing the exercise price per share of Company Class A Common Stock of such Company Stock Option by the Option Exchange Ratio, rounded up to the nearest whole cent.

(b) Company and Parent agree that prior to the Effective Time, Company shall, and shall be permitted under this Agreement to, take all corporate action necessary, including, but not limited to, amending any Company Stock Option, or Company equity award agreement evidencing such award, or Company Stock Plan, (1) to effectuate the provisions of Section 5.04(a) and (2) to the extent applicable, to preclude any automatic or formulaic grant of options, restricted stock units, or other awards thereunder on or after the date hereof. The parties shall use their reasonable best efforts to ensure that the conversion of any Company Stock Options which (A) are intended to be "incentive stock options" (as defined in Section 422 of the Code) provided for in Section 5.04(a) shall be effected in a manner consistent with Section 424(a) of the Code and (B) shall be effected in a manner intended to avoid the imposition of taxes under Section 409A of the Code.

(c) On the Closing Date, Parent shall register the shares of Parent Common Stock subject to Company Stock Options by filing an effective registration statement on Form S-8 (or any successor form) or another appropriate form, and Parent shall maintain the

effectiveness of such registration statement or registration statements with respect thereto for so long as such awards remain outstanding. Parent shall take all action reasonably required (other than qualifying to do business in any jurisdiction in which it is not now so qualified or filing a general consent to service of process in any such jurisdiction) to be taken under any applicable state securities Laws in connection with the issuance of shares of Parent Common Stock subject to Company Stock Options. Following the Closing Date, the Company Stock Plans will be administered by the Compensation Committee of Parent and Parent may grant equity awards under the Company Stock Plans to Company employees who continue employment with Parent or the Surviving Corporation or their Subsidiaries following the Closing Date, to the extent shares are available for grant under any such plan, in accordance with the mergers and acquisitions exemption to the equity compensation plan shareholder approval requirement under the NYSE rules.

(d) Notwithstanding the foregoing, Parent shall not be required to take any of the actions contemplated by this Section 5.04 if, and to the extent that, such action does not comply with the applicable Law of any foreign jurisdiction, and the parties shall agree in good faith prior to the Effective Time on an alternative that is intended to be reasonably comparable, or to take such other action in respect thereof that the parties agree in good faith to be appropriate.

SECTION 5.05. Employee Benefit Arrangements.

(a) Employee Stock Purchase Plan. As soon as reasonably practicable following the date of this Agreement, the Board of Directors of the Company (or, if appropriate, any committee administering the ESPP) shall adopt such resolutions and take all other actions necessary so that, without any action on the part of any participant in the ESPP or any other person (i) participants in the ESPP shall not be permitted to increase their payroll deductions under the ESPP from those in effect on the date of this Agreement, (ii) no new "Plan Quarter" (as defined in the ESPP) shall start after the Plan Quarter in which the date of this Agreement occurs, and (iii) the ESPP shall be terminated effective immediately prior to the Effective Time.

(b) Company Pension Plans. The Company agrees to take all actions as are reasonably necessary to effectuate the conversion, as of the Closing, of Company Common Stock in any Company stock fund under the Company Pension Plans from Company Common Stock to Parent Common Stock, including, without limitation, making such amendments, if necessary, as may be required by any Company Pension Plan, and establishing, in accordance with the provisions of ERISA and related regulations, such blackout period as may be required by the applicable third party administrator(s) to effectuate the conversion.

(c) Section 280G Calculations. As soon as reasonably practicable following the date of this Agreement, the Company agrees to provide Parent with copies of any documentation as Parent may reasonably request in order to prepare Code Section 280G calculations in connection with any Company Employees.

(d) Non-U.S Employee Notifications. Prior to Closing, the Company agrees to take such reasonable steps as the Company, in good faith (having discussed with the Parent), considers to be necessary in respect of applicable notice or information and consultation requirements regarding any works council, labor agreements and non-U.S. Law with respect to

non-U.S. Company Employees and shall provide to Parent all material details of the information and consultation in respect of the non-U.S. Company Employees pursuant to any applicable works council, labor agreements and non-U.S. Law.

SECTION 5.06. Indemnification, Exculpation and Insurance.

(a) Parent shall, and shall cause the Surviving Corporation to, assume and honor the obligations with respect to all rights to indemnification and exculpation from liabilities as the same exist as of the date hereof, including advancement of expenses, for acts or omissions occurring at or prior to the Effective Time now existing in favor of the current or former directors or officers of the Company as provided in the Company Certificate, the Company Bylaws or any Contract between such directors or officers and the Company (in each case, as in effect on the date hereof), without further action, as of the Effective Time and such obligations shall survive the Merger and shall continue in full force and effect in accordance with their terms as of the date hereof.

(b) In the event that either Parent or the Surviving Corporation or any of its successors or assigns (i) consolidates with or merges into any other person and is not the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers or conveys all or substantially all of its properties and other assets to any person, then, and in each such case, Parent shall, and shall cause the Surviving Corporation to, cause proper provision to be made so that such successor or assign shall expressly assume the obligations set forth in this Section 5.06.

(c) For six years after the Effective Time, Parent shall, and shall cause the Surviving Corporation to maintain in effect insurance that is no less favorable to the Insurance Indemnitees than the Company's current directors' and officers' liability insurance in respect of acts or omissions occurring at or prior to the Effective Time, covering each person currently covered by the Company's directors' and officers' liability insurance policy (each such person, an "Insurance Indemnitee") (a complete and accurate copy of which has been heretofore delivered to Parent), on terms with respect to such coverage and amounts no less favorable to the Insurance Indemnitees than those of such policy in effect on the date hereof; *provided, however*, (i) prior to the Effective Time, the Company may substitute therefor and purchase a single premium tail policy with respect to such directors' and officers' liability insurance with policy limits, terms and conditions at least as favorable to the Insurance Indemnitees as the limits, terms and conditions in the existing policies of the Company; or (ii) if the Company does not substitute as provided in clause (i) above, then Parent may (A) substitute therefor policies of Parent, from an insurance carrier with the same or better credit rating as the Company's current insurance carrier, containing policy limits, terms and conditions at least as favorable to the Insurance Indemnitees as the limits, terms and conditions in the existing policies of the Company or (B) request that the Company obtain such coverage under its existing insurance programs (to be effective as of the Effective Time); *provided, further*, that in connection with this Section 5.06(c), neither the Company nor Parent shall pay a one-time premium (in connection with a single premium tail policy described above) in excess of the amount set forth in Section 5.06(c)(i) of the Company Disclosure Letter or be obligated to pay annual premiums (in connection with any other directors and officers insurance policy described above) in excess of the annual premiums set forth in Section 5.06(c)(ii) of the Company Disclosure Letter. It is understood and agreed that in the event such coverage cannot be obtained for such amount or less, then the Company and Parent shall be obligated to obtain the maximum amount of coverage as may be obtained for such amount.

(d) The provisions of this Section 5.06 (i) are intended to be for the benefit of, and will be enforceable from and after the Effective Time by, each indemnified party and each Insurance Indemnitee, his or her heirs and his or her representatives and (ii) are in addition to, and not in substitution for, any other rights to indemnification or contribution that any such person may have by Contract or otherwise.

SECTION 5.07. Public Announcements. Except with respect to any Company Adverse Recommendation Change or Parent Adverse Recommendation Change made in accordance with the terms of this Agreement, Parent and the Company shall consult with each other before issuing, and give each other the opportunity to review and comment upon, any press release or other public statements with respect to the transactions contemplated by this Agreement, including the Merger, and shall not issue any such press release or make any such public statement prior to such consultation, except as such party may reasonably conclude may be required by applicable Law, court process or by obligations pursuant to any listing agreement with any national securities exchange or national securities quotation system. The parties agree that the initial press release to be issued with respect to the transactions contemplated by this Agreement shall be in the form heretofore agreed to by the parties.

SECTION 5.08. Section 16 Matters. Prior to the Effective Time, each of Parent and the Company shall cause any dispositions of Company Common Stock (including derivative securities with respect to Company Common Stock) or acquisitions of Parent Common Stock or Parent Convertible Preferred Stock (including derivative securities with respect to Parent Common Stock or Parent Convertible Preferred Stock) resulting from the transactions contemplated by this Agreement by each individual who is subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to the Company to be exempt under Rule 16b-3 promulgated under the Exchange Act.

SECTION 5.09. Stock Exchange Listing. Parent shall use its reasonable best efforts to cause the Parent Common Stock (a) to be issued in the Merger, (b) to be reserved for issuance upon exercise of Company Stock Options and (c) to be reserved for issuance upon conversion of the Parent Convertible Preferred Stock to be approved for listing upon the Effective Time on the NYSE, subject to official notice of issuance.

SECTION 5.10. Transaction Litigation. Each party shall give the other party the opportunity to participate in the defense or settlement of any litigation against such first party and/or its directors relating to the transactions contemplated by this Agreement, and no such settlement shall be agreed to without the second party's prior written consent.

SECTION 5.11. Employee Matters.

(a) For a period commencing on the Effective Time, and ending on December 31, 2011, the employees of the Company and its Subsidiaries, other than employees whose terms and conditions of employment are governed by a collective bargaining agreement, the terms and conditions of which shall be respected by Parent and the Surviving Corporation, who remain in the active employment of the Surviving Corporation and its Subsidiaries (the "Continuing

Employees”) shall receive compensation and employee benefits, including severance, that, in the aggregate, are no less favorable to the compensation and employee benefits provided to such employees as of the date of this Agreement, except for such changes to the compensation and employee benefits as may be necessary to comply with applicable Law; provided that neither Parent nor the Surviving Corporation nor any of their Subsidiaries shall have any obligation to issue, or adopt any plans or arrangements providing for the issuance of, shares of capital stock, warrants, options, stock appreciation rights or other rights in respect of any shares of capital stock of any entity or any securities convertible or exchangeable into such shares pursuant to any such plans or arrangements; provided, further, that no plans or arrangements of the Company or any of its Subsidiaries providing for such issuance shall be taken into account in determining whether employee benefits are no less favorable in the aggregate.

(b) Nothing contained herein shall be construed as requiring, and the Company shall take no action that would have the effect of requiring, Parent or the Surviving Corporation to continue any specific employee benefit plans or to continue the employment of any specific person.

(c) Parent shall cause the Surviving Corporation to recognize the service of each Continuing Employee as if such service had been performed with Parent with respect to any plans or programs in which Continuing Employees are eligible to participate after the Effective Date (i) for purposes of eligibility for vacation, (ii) for purposes of eligibility and participation under any defined contribution retirement plan, health or welfare plan (other than any pension, post-employment health or post-employment welfare plan), (iii) for purposes of eligibility for and vesting of any company matching contributions, and (iv) unless covered under another arrangement with or of the Company, for benefit accrual purposes under any severance plan, except, in each case, to the extent such treatment would result in duplicative benefits.

(d) With respect to any welfare plan maintained by Parent in which Continuing Employees are eligible to participate after the Effective Time, Parent shall, and shall cause the Surviving Corporation to, (i) waive all limitations as to preexisting conditions and exclusions with respect to participation and coverage requirements applicable to such employees to the extent such conditions and exclusions were satisfied or did not apply to such employees under the welfare plans maintained by the Company prior to the Effective Time and (ii) provide each Continuing Employee with credit for any co-payments and deductibles paid prior to the Effective Time in satisfying any analogous deductible or out-of-pocket requirements to the extent applicable under any such plan, to the extent credited under the welfare plans maintained by the Company prior to the Effective Time.

(e) Notwithstanding the foregoing provisions of this Section 5.11, the provisions of Section 5.11(a), (c) and (d) shall apply only with respect to Continuing Employees who are covered under Company Benefit Plans that are maintained primarily for the benefit of employees employed in the United States (including Continuing Employees regularly employed outside the United States to the extent they participate in such Company Benefit Plans). With respect to Continuing Employees not described in the preceding sentence, Parent shall, and shall cause the Surviving Corporation and its Subsidiaries to, comply with all applicable laws, directives and regulations relating to employees and employee benefits matters applicable to such employees; provided, however, that prior to December 31, 2011, no changes shall be made to the terms and conditions of each such Continuing Employee’s employment that would give

rise to severance obligations under the Laws applicable to such employee (other than the termination of such employee); provided, further, that nothing herein shall restrict Parent's ability to terminate any Continuing Employee.

(f) The provisions of this Section 5.11 are for the sole benefit of the parties to this Agreement and nothing herein, expressed or implied, is intended or shall be construed to confer upon or give to any person (including for the avoidance of doubt any current or former employees, directors, or independent contractors of any of the Company or any of its Subsidiaries, Parent or any of its Subsidiaries, or on or after the Effective Time, the Surviving Corporation or any of its Subsidiaries), other than the parties hereto and their respective permitted successors and assigns, any legal or equitable or other rights or remedies with respect to the matters provided for in this Section 5.11.

SECTION 5.12. Takeover Laws. Each party and its Board of Directors shall (1) use reasonable best efforts to ensure that no state takeover Law (including Section 203 of the DGCL and Section 912 of the BCL) or similar Law is or becomes applicable to this Agreement, the Voting Agreement, the Merger or any of the other transactions contemplated by this Agreement and the Voting Agreement and (2) if any state takeover Law or similar Law becomes applicable to this Agreement, the Voting Agreement, the Merger or any of the other transactions contemplated by this Agreement or the Voting Agreement, use reasonable best efforts to ensure that the Merger and the other transactions contemplated by this Agreement and the Voting Agreement may be consummated as promptly as practicable on the terms contemplated by this Agreement and the Voting Agreement and otherwise to minimize the effect of such Law on this Agreement, the Voting Agreement, the Merger and the other transactions contemplated by this Agreement and the Voting Agreement.

SECTION 5.13. Financing.

(a) Parent shall use its reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate and obtain the Financing on the terms and conditions described in the Commitment Letter, including using reasonable best efforts to (i) maintain in effect the Commitment Letter and, if entered into prior to the Closing, the definitive documentation with respect to the Financing contemplated by the Commitment Letter (the "Definitive Agreements"), (ii) negotiate and execute the Definitive Agreements on terms and conditions contemplated by the Commitment Letter (including any "flex" provisions thereof) and, upon execution thereof, deliver a copy thereof to the Company, (iii) satisfy on a timely basis all conditions applicable to Parent and its Subsidiaries in the Commitment Letter and Definitive Agreements that are within its control and comply with its obligations thereunder and not take or fail to take any action that would be reasonably expected to prevent or impede or delay the availability of the Financing, (iv) take each of the actions required of the Company and its Subsidiaries in paragraphs (b)(i) through (b)(xiii) below with respect to itself and its Subsidiaries, and (v) enforce its rights under the Commitment Letter and Definitive Agreements in the event of a breach or other failure to fund by the Financing Sources that impedes or delays the Closing, including by seeking specific performance of the parties thereunder. In the event that all conditions to the Financing have been satisfied, Parent shall use its reasonable best efforts to cause the lenders and the other persons providing such Financing to fund such Financing on the Closing Date (including by taking enforcement action to cause such lenders and other persons to fund such Financing). Parent shall

have the right from time to time to amend, replace, supplement or otherwise modify, or waive any of its rights under, the Commitment Letter or the Definitive Agreements, and/or substitute other debt (but not equity financing) for all or any portion of the Financing from the same and/or alternative financing sources, *provided* that any such amendment, replacement, supplement or other modification to or waiver of any provision of the Commitment Letter or Definitive Agreements that amends the Financing and/or substitution of all or any portion of the Financing shall not (A) expand upon the conditions precedent to the Financing as set forth in the Commitment Letter, (B) prevent or impede or delay the consummation of the Merger and the other transactions contemplated by this Agreement or (C) provide for terms and conditions (including any “flex” provisions) that are, in the aggregate, less favorable to Parent and the Company than those in the Commitment Letter; *provided, further*, that Parent shall be entitled to substitute debt securities convertible into Parent Common Stock with the prior written consent of the Company (such consent not to be unreasonably withheld or delayed). Parent shall be permitted to reduce the amount of Financing under the Commitment Letter or Definitive Agreements in its reasonable discretion, *provided*, that Parent shall not reduce the Financing to an amount committed below the amount that is required, together with the financial resources of Parent and Merger Sub, including cash on hand and the proceeds of loans under existing revolving credit facilities of Parent, to consummate the Merger and the other transactions contemplated by this Agreement (including the payment of the Required Refinancing Indebtedness), and *provided further* that such reduction shall not (I) expand upon the conditions precedent to the Financing as set forth in the Commitment Letter, (II) prevent or impede or delay the consummation of the Merger and the other transactions contemplated by this Agreement, or (III) provide for other terms and conditions (including any “flex” provisions) that are, in the aggregate, less favorable to Parent and the Company than those in the Commitment Letter. If any portion of the Financing becomes unavailable or Parent becomes aware of any event or circumstance that makes any portion of the Financing unavailable, in each case, on the terms and conditions contemplated in the Commitment Letter and such portion is reasonably required to consummate the Merger and the other transactions contemplated by this Agreement (including the payment of the Required Refinancing Indebtedness), Parent shall use its reasonable best efforts to arrange and obtain as promptly as practicable following the occurrence of such event alternative financing from alternative financing sources in an amount sufficient to consummate the Merger and the other transactions contemplated by this Agreement (including the repayment of the Required Refinancing Indebtedness), *provided*, that without the prior written consent of the Company (not to be unreasonably withheld), no such alternative financing (a) shall be equity financing or (b) shall be on terms and conditions (including any “flex” provisions and conditions to funding) that are not, in the aggregate, at least as favorable to Parent and the Company as those in the Commitment Letter. Parent shall give the Company prompt oral and written notice (but in any event not later than 48 hours after the occurrence) of any material breach by any party to the Commitment Letter or Definitive Agreements or of any condition not likely to be satisfied, in each case, of which Parent becomes aware or any termination or waiver, amendment or other modification of the Commitment Letter or Definitive Agreements. Parent shall keep the Company reasonably informed on a current basis and in reasonable detail of the status of its effort to arrange the Financing and shall provide to the Company copies of all documents related to the Financing (excluding fee letters and engagement letters, except to the extent that such documents contain any conditions to funding, “flex” provisions or other substantive provisions (excluding provisions related solely to fees and economic terms agreed to by the parties) regarding the terms and conditions of the Financing). In the event that Parent commences an enforcement action to enforce its rights under the Commitment Letter or the Definitive

Agreements and/or cause the Financing Sources to fund the Financing (any such action, a “Financing Action”), Parent shall (x) keep the Company reasonably informed of the status of the Financing Action and (y) at the request of the Company, shall make Parent’s employees and Representatives (other than any of its investment bankers, financial advisors or Financing Sources) reasonably available to discuss the status of, and material developments with respect to, the Financing Action.

(b) The Company shall provide, and shall cause its Subsidiaries to provide, and shall use its reasonable best efforts to cause each of its and their respective Representatives, including legal, tax, regulatory and accounting, to provide, all cooperation reasonably requested by Parent and/or the Financing Sources in connection with the Financing (*provided* that such requested cooperation does not unreasonably interfere with the ongoing operations of the Company and its Subsidiaries), including, but not limited to, (i) providing information relating to the Company and its Subsidiaries to the Financing Sources (including information to be used in the preparation of an information package regarding the business, operations, financial projections and prospects of Parent and the Company customary for such financing or reasonably necessary for the completion of the Financing by the Financing Sources) to the extent reasonably requested by Parent to assist in preparation of customary offering or information documents to be used for the completion of the Financing as contemplated by the Commitment Letter, (ii) participating in a reasonable number of meetings (including customary one-on-one meetings with the parties acting as lead arrangers for the Financing and senior management and Representatives, with appropriate seniority and expertise, of the Company), presentations, road shows, drafting sessions, due diligence sessions (including accounting due diligence sessions) and sessions with the rating agencies, (iii) assisting in the preparation of documents and materials, including, but not limited to, (A) any customary offering documents, bank information memoranda, prospectuses and similar documents (including historical and pro forma financial statements and information) for any of the Financing, and (B) materials for rating agency presentations, (iv) cooperating with the marketing efforts for any of the Financing (including consenting to the use of the Company’s and its Subsidiaries’ logos; *provided* that such logos are used solely in a manner that is not intended to or reasonably likely to harm or disparage the Company or its Subsidiaries or the reputation or goodwill of the Company or any of its Subsidiaries), (v) executing and delivering (or using reasonable best efforts to obtain from its advisors), and causing its Subsidiaries to execute and deliver (or use reasonable best efforts to obtain from its advisors), customary certificates (including a certificate of the principal financial officer of the Company or any Subsidiary with respect to solvency matters), accounting comfort letters (including consents of accountants for use of their reports in any materials relating to the Financing), legal opinions or other documents and instruments relating to guarantees and other matters ancillary to the Financing as may be reasonably requested by Parent as necessary and customary in connection with the Financing, (vi) assisting in (A) the preparation of and entering into one or more credit agreements, currency or interest hedging agreements, or other agreements or (B) the amendment of any of the Company’s or its Subsidiaries’ existing credit agreements, currency or interest hedging agreements, or other agreements, in each case, on terms satisfactory to Parent and that are reasonably requested by Parent in connection with the Financing; *provided* that no obligation of the Company or any of its Subsidiaries under any such agreements or amendments shall be effective until the Effective Time, (vii) as promptly as practicable, furnishing Parent and the Financing Sources with all financial and other information regarding the Company and its Subsidiaries as may be reasonably requested by Parent and/or the Financing Sources to assist in preparation of customary offering or information documents to be used for

the completion of the Financing as contemplated by the Commitment Letter, (viii) using its reasonable best efforts, as appropriate, to have its independent accountants provide their reasonable cooperation and assistance, (ix) using its reasonable best efforts to permit any cash and marketable securities of the Company and its Subsidiaries to be made available to the Parent and/or Merger Sub at the Closing, (x) providing authorization letters to the Financing Sources authorizing the distribution of information to prospective lenders and containing a representation to the Financing Sources that the public side versions of such documents, if any, do not include material non-public information about the Company or its Affiliates or securities, (xi) using its reasonable best efforts to ensure that the Financing Sources benefit from the existing lending relationships of the Company and its Subsidiaries, (xii) providing audited consolidated financial statements of the Company covering the three (3) fiscal years immediately preceding the Closing for which audited consolidated financial statements are currently available, unaudited financial statements (excluding footnotes) for any interim period or periods of the Company ended after the date of the most recent audited financial statements and at least 45 days prior to the Closing Date (within 45 days after the end of each such period) and (xiii) cooperating reasonably with Parent's Financing Sources' due diligence, to the extent customary and reasonable and to the extent not unreasonably interfering with the business of the Company; *provided* that, until the Effective Time occurs, neither the Company nor any of its Subsidiaries shall (1) be required to pay any commitment or other similar fee, (2) have any liability or any obligation under any credit agreement or any related document or any other agreement or document related to the Financing (or alternative financing that Parent may raise in connection with the transactions contemplated by this Agreement) or (3) be required to incur any other liability in connection with the Financing (or any alternative financing that Parent may raise in connection with the transactions contemplated by this Agreement) unless reimbursed or indemnified by Parent to the reasonable satisfaction of the Company; *provided, further*, that (I) all non-public or other confidential information provided by the Company or any of its Representatives pursuant to this Section 5.13 shall be kept confidential in accordance with the Confidentiality Agreement, except that Parent and Merger Sub shall be permitted to disclose such information to potential syndicate members during syndication, subject to customary confidentiality undertakings by such potential syndicate members and (II) the Company shall be permitted a reasonable period to comment on any documents or other information circulated to potential financing sources that contain or are based upon any such non-public or other confidential information. Parent (A) shall promptly, upon request by the Company, reimburse the Company for all reasonable out of pocket costs (including reasonable attorneys' fees) incurred by the Company, any of its Subsidiaries or their respective Representatives in connection with the cooperation of the Company and its Subsidiaries and their Representatives contemplated by this Section 5.13, (B) acknowledges and agrees that the Company, its Subsidiaries and their respective Representatives shall not have any responsibility for, or incur any liability to any person prior to the Effective Time under, the Financing or any alternative financing that Parent may raise in connection with the transactions contemplated by this Agreement and (C) shall indemnify and hold harmless the Company, its Subsidiaries and their respective Representatives from and against any and all losses, damages, claims, costs or expenses suffered or incurred by any of them in connection with the arrangement of the Financing and any information used in connection therewith.

(c) In the event that the Commitment Letter or Definitive Agreements are amended, replaced, supplemented or otherwise modified, including as a result of obtaining alternative financing in accordance with Section 5.13(a), or if Parent substitutes other debt or equity financing for all or a portion of the Financing in accordance with Section 5.13(a)

(including any debt securities or securities convertible into Parent Common Stock, in each case, that reduces the amount of the bridge term loan facility contemplated by the Commitment Letter), each of Parent and the Company shall comply with its covenants in Section 5.13(a) and (b) with respect to the Commitment Letter or Definitive Agreements, as applicable, as so amended, replaced, supplemented or otherwise modified and with respect to such other debt or equity financing to the same extent that Parent and the Company would have been obligated to comply with respect to the Financing.

SECTION 5.14. Certain Tax Matters. (a) During the period from the date of this Agreement to the Effective Time:

(i) Parent, Merger Sub and the Company shall (A) use reasonable best efforts to cause the Merger to constitute a reorganization under Section 368(a) of the Code and (B) neither take any action nor fail to take any action if such action or such failure could reasonably be expected to prevent or impede the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

(ii) Each of Parent and the Company shall promptly notify the other party of any material suit, claim, action, investigation, proceeding or audit pending against or with respect to it or any of its Subsidiaries in respect of any Tax.

(iii) Each of Parent, the Company and their respective Subsidiaries will retain, consistent with its past practice, all material books, documents and records necessary for the preparation of Tax Returns and reports.

(iv) The parties agree to cooperate in making the determinations required to implement Section 1.1502-76 of the Treasury Regulations.

(b) The Company shall deliver to Parent at the Effective Time a certification by the Stockholder Party satisfying the requirements of Section 1.1445-2(b)(2)(i) of the Treasury Regulations certifying that the Stockholder Party is not a "foreign person" within the meaning of Section 1.897-9T(c) of the Treasury Regulations.

(c) Parent has reviewed the representations contained in Section 5.14(c) of the Parent Disclosure Letter and has discussed such representations with Simpson Thacher & Bartlett LLP. As of the date of this Agreement, Parent is able to make such representations and expects to be able to make such representations at such time or times as may be reasonably requested by counsel, including the effective date of the Form S-4 and the Closing Date, for purposes of rendering the opinions contemplated by Sections 6.02(c) and 6.03(c). Parent shall immediately notify the Company if, at any time before the Effective Time, Parent becomes aware of any fact or circumstance that could reasonably be expected to (i) prevent or impede Parent from making the representations contained in Section 5.14(c) of the Parent Disclosure Letter or (ii) prevent or impede the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

(d) The Company has reviewed the representations contained in Section 5.14(d) of the Company Disclosure Letter and has discussed such representations with Cravath, Swaine & Moore LLP. As of the date of this Agreement, the Company is able to make such representations and expects to be able to make such representations at such time or times as may

be reasonably requested by counsel, including the effective date of the Form S-4 and the Closing Date, for purposes of rendering the opinions contemplated by Sections 6.02(c) and 6.03(c). The Company shall immediately notify Parent if, at any time before the Effective Time, the Company becomes aware of any fact or circumstance that could reasonably be expected to (i) prevent or impede the Company from making the representations contained in Section 5.14(d) of the Company Disclosure Letter or (ii) prevent or impede the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

SECTION 5.15. Company Cooperation on Certain Matters. After the date hereof and prior to the Effective Time, Parent and the Company shall establish a mechanism, subject to applicable Law, reasonably acceptable to both parties by which the parties will confer on a regular and continued basis regarding the general status of the ongoing operations of the parties and integration planning matters and communicate and consult with specific persons to be identified by each party to the other with respect to the foregoing.

SECTION 5.16. Agreements with the Stockholder Party. Without the prior written consent of the Company, prior to the Effective Time, Parent shall not, and shall not permit any of its Subsidiaries to (a) amend or otherwise modify, or agree to amend or otherwise modify the Voting Agreement or any other Contract between Parent or any of its Subsidiaries, on the one hand, and the Stockholder Party, on the other hand, or (b) enter into, or agree to enter into, any Contract between Parent or any of its Subsidiaries, on the one hand, and the Stockholder Party, on the other hand; provided, however, that this Section 5.16 shall not prohibit, restrict or otherwise limit the ability of Parent or any of its Subsidiaries to take any action described in the foregoing clauses (a) or (b) as part of any negotiations contemplated by Section 4.02(c) in response to a Takeover Proposal.

SECTION 5.17. Debt Tender Offers.

(a) The Company shall, and shall cause its Subsidiaries to, use their respective commercially reasonable efforts to commence, promptly after the receipt of a written request from Parent to do so, offers to purchase, and related consent solicitations with respect to, all of the outstanding aggregate principal amount of the notes identified on Section 5.17(a) of the Parent Disclosure Letter (collectively, the “Notes”) on the terms and conditions specified by Parent (collectively, the “Debt Offers”), and Parent shall assist the Company in connection therewith. Notwithstanding the foregoing, the closing of the Debt Offers shall be conditioned on the completion of the Merger and the Debt Offers shall otherwise be consummated in compliance with applicable Laws and SEC rules and regulations. The Company shall use its commercially reasonable efforts to provide, and to cause its Subsidiaries and their respective Representatives to provide, cooperation reasonably requested by Parent in connection with the Debt Offers. With respect to any series of Notes, if requested by Parent in writing, in lieu of commencing a Debt Offer for such series (or in addition thereto), the Company shall use its commercially reasonable efforts to, to the extent permitted by the indenture and officers’ certificates or supplemental indenture governing such series of Notes (i) issue a notice of optional redemption for all of the outstanding principal amount of Notes of such series pursuant to the requisite provisions of the indenture and officer’s certificate or supplemental

indenture governing such series of Notes or (ii) take actions reasonably requested by Parent that are reasonably necessary for the satisfaction and/or discharge and/or defeasance of such series pursuant to the applicable provisions of the indenture and officer's certificate or supplemental indenture governing such series of Notes, and shall redeem or satisfy and/or discharge and/or defease, as applicable, such series in accordance with the terms of the indenture and officer's certificate or supplemental indenture governing such series of Notes at the Effective Time, provided that no action described in clause (i) or (ii) shall be required to be taken unless it can be conditioned on the occurrence of the Effective Time, and provided, further, that the Company shall use its commercially reasonable efforts to cause the Company's counsel to provide such legal opinions as may be reasonably requested in connection with any such redemption or satisfaction and discharge. Parent shall ensure that at the Effective Time the Surviving Corporation has all funds necessary in connection with any such Debt Offer, redemption, satisfaction, discharge or defeasance.

(b) Parent (i) shall promptly, upon request by the Company, reimburse the Company for all reasonable out of pocket costs (including reasonable attorneys' fees) incurred by the Company, any of its Subsidiaries or their respective Representatives in connection with the actions of the Company and its Subsidiaries and their Representatives contemplated by this Section 5.17, (ii) acknowledges and agrees that the Company, its Subsidiaries and their respective Representatives shall not incur any liability to any person prior to the Effective Time with respect to any Debt Offer or redemption, satisfaction, discharge or defeasance of the Notes and (C) shall indemnify and hold harmless the Company, its Subsidiaries and their respective Representatives from and against any and all losses, damages, claims, costs or expenses suffered or incurred by any of them in connection with the transactions contemplated by this Section 5.17.

(c) Parent acknowledges and agrees that neither the pendency nor the consummation of any Debt Offer, redemption, satisfaction, discharge or defeasance with respect to the Notes is a condition to Parent's obligations to consummate the Merger and the other transactions contemplated by this Agreement.

ARTICLE VI

CONDITIONS PRECEDENT

SECTION 6.01. Conditions to Each Party's Obligation to Effect the Merger. The respective obligation of each party to effect the Merger is subject to the satisfaction or (to the extent permitted by Law) waiver by Parent and the Company on or prior to the Closing Date of the following conditions:

(a) Stockholder Approvals. Each of the Company Stockholder Approval and the Parent Stockholder Approval shall have been obtained.

(b) NYSE Listing. The Parent Common Stock issuable to the stockholders of the Company in the Merger and upon the conversion of the Parent Convertible Preferred Stock and the exercise of the Company Stock Options shall have been approved for listing on the NYSE, subject to official notice of issuance.

(c) No Injunctions or Restraints. No temporary restraining order, preliminary or permanent injunction or other judgment, order or decree issued by a court or agency of competent jurisdiction located in the United States or in another jurisdiction outside of the United States in which the Company or any of its

Subsidiaries, or Parent or any of its Subsidiaries, engage in material business activities that prohibits the consummation of the Merger shall have been issued and remain in effect, and no Law shall have been enacted, issued, enforced, entered, or promulgated in the United States or any such foreign jurisdiction that prohibits or makes illegal the consummation of the Merger.

(d) Antitrust Laws; Consents and Approvals. All applicable waiting periods under the HSR Act with respect to the transactions contemplated by this Agreement shall have expired or been terminated, all consents required under any other Antitrust Law of the jurisdictions set forth on Section 6.01(d) of the Company Disclosure Letter shall have been obtained or any applicable waiting period thereunder shall have expired or been terminated and all other consents, approvals and authorizations of any Governmental Entity required of Parent, the Company or any of their Subsidiaries to consummate the Merger, the failure of which to be obtained, individually or in the aggregate, would have a Parent Material Adverse Effect or a Material Adverse Effect, shall have been obtained.

(e) Form S-4. The Form S-4 shall have become effective under the Securities Act and shall not be the subject of any stop order or proceedings seeking a stop order.

SECTION 6.02. Conditions to Obligations of Parent and Merger Sub. The obligations of Parent and Merger Sub to effect the Merger are further subject to the satisfaction or (to the extent permitted by Law) waiver by Parent on or prior to the Closing Date of the following conditions:

(a) Representations and Warranties. (i) The representations and warranties of the Company contained in Sections 3.01(c), 3.01(d), 3.01(e), 3.01(s), 3.01(t) and 3.01(u) of this Agreement shall be true and correct in all material respects, in each case as of the Closing Date as though made on the Closing Date (except to the extent such representations and warranties expressly relate to an earlier date, in which case as of such earlier date), (ii) the representation and warranty of the Company contained in the first sentence of Section 3.01(h) of this Agreement shall be true and correct in all respects as of the Closing Date as though made on the Closing Date and (iii) all other representations and warranties of the Company contained in this Agreement shall be true and correct (without giving effect to any qualifications or limitations as to materiality or Material Adverse Effect set forth therein) as of the Closing Date as though made on the Closing Date (except to the extent such representations and warranties expressly relate to a specified date, in which case as of such specified date), except, in the case of this clause (iii), for such failures to be true and correct that have not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Parent shall have received a certificate signed on behalf of the Company by an executive officer of the Company to such effect.

(b) Performance of Obligations of the Company. The Company shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Closing Date, and Parent shall have received a certificate signed on behalf of the Company by an executive officer of the Company to such effect.

(c) Tax Opinion. Parent shall have received from Simpson Thacher & Bartlett LLP, counsel to Parent, a written opinion dated the Closing Date to the effect that for U.S. Federal income tax purposes the Merger will constitute a "reorganization" within the

meaning of Section 368(a) of the Code and that each of Parent, Merger Sub and the Company will be “a party to [the] reorganization” within the meaning of Section 368(b) of the Code. In rendering such opinion, counsel to Parent shall be entitled to require and rely upon representations reasonably satisfactory to such counsel and set forth in certificates of officers of Parent, Merger Sub and the Company, including representations substantially similar to those contained in Section 5.14(c) of the Parent Disclosure Letter and Section 5.14(d) of the Company Disclosure Letter hereto.

(d) Financing. The Financing Sources who are parties to the Commitment Letter or Definitive Agreements, as applicable (or, in the event that alternative financing has been arranged, the Financing Sources who have committed to such alternative financing) shall not have declined on the date that would otherwise have been the Closing Date to make the Financing (or such alternative financing) available to Parent primarily by reason of the failure of either or both of the following conditions to funding:

(i) Parent shall have received (A) from Standard & Poor’s, within one week of the Closing Date, a reaffirmation of the corporate credit rating of Parent after giving effect to the Merger and the other transactions contemplated hereby, which shall be BBB- or higher (stable) on the Closing Date and (B) from Moody’s, within one week of the Closing Date, a reaffirmation of the corporate family rating of Parent after giving effect to the Merger and the other transactions contemplated hereby, which shall be Baa3 or higher (stable) on the Closing Date. In addition, the credit ratings (after giving effect to the Merger and the other transactions contemplated hereby (including any issuance of Notes (as defined in the Commitment Letter))), of each issue of notes outstanding on the Closing Date (for the avoidance of doubt, not including the outstanding 8% trust preferred securities) of Parent or any of its Subsidiaries shall be at least BBB- (stable) from Standard & Poor’s and Baa3 (stable) from Moody’s on the Closing Date; or

(ii) since June 30, 2009, there shall not have been a Material Adverse Effect or a Parent Material Adverse Effect.

SECTION 6.03. Conditions to Obligation of the Company. The obligation of the Company to effect the Merger is further subject to the satisfaction or (to the extent permitted by Law) waiver by the Company on or prior to the Closing Date of the following conditions:

(a) Representations and Warranties. (i) The representations and warranties of Parent and Merger Sub contained in Sections 3.02(c), 3.02(d), 3.02(e), 3.02(t), 3.02(u) and 3.02(v) of this Agreement shall be true and correct in all material respects, in each case as of the Closing Date as though made on the Closing Date (except to the extent such representations and warranties expressly relate to an earlier date, in which case as of such earlier date), (ii) the representation and warranty of Parent and Merger Sub contained in the first sentence of Section 3.02(h) of this Agreement shall be true and correct in all respects as of the Closing Date as though made on the Closing Date and (iii) all other representations and warranties of Parent and Merger Sub contained in this Agreement shall be true and correct (without giving effect to any qualifications or limitations as to materiality or Parent Material Adverse Effect set forth therein) as of the Closing Date as though made on the Closing Date (except to the extent such representations and warranties expressly relate to a specified date, in which case as of such specified date) and except, in the case of this clause (iii), for such failures to be true and correct

that have not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. The Company shall have received a certificate signed on behalf of Parent by an executive officer of Parent to such effect.

(b) Performance of Obligations of Parent and Merger Sub. Parent and Merger Sub shall have performed in all material respects all obligations required to be performed by them under this Agreement at or prior to the Closing Date, and the Company shall have received a certificate signed on behalf of Parent by an executive officer of Parent to such effect.

(c) Tax Opinion. The Company shall have received from Cravath, Swaine & Moore LLP, counsel to the Company, a written opinion dated the Closing Date to the effect that for U.S. Federal income tax purposes the Merger will constitute a “reorganization” within the meaning of Section 368(a) of the Code and that each of Parent, Merger Sub and the Company will be “a party to [the] reorganization” within the meaning of Section 368(b) of the Code. In rendering such opinion, counsel to the Company shall be entitled to require and rely upon representations reasonably satisfactory to such counsel and set forth in certificates of officers of Parent, Merger Sub and the Company, including representations substantially similar to those contained in Section 5.14(c) of the Parent Disclosure Letter and Section 5.14(d) of the Company Disclosure Letter hereto.

ARTICLE VII

TERMINATION, AMENDMENT AND WAIVER

SECTION 7.01. Termination. This Agreement may be terminated at any time prior to the Effective Time, whether before or after receipt of the Company Stockholder Approval and/or the Parent Stockholder Approval:

(a) by mutual written consent of Parent, Merger Sub and the Company;

(b) by either Parent or the Company:

(i) if the Merger shall not have been consummated on or before the nine month anniversary of the date of this Agreement (the “Outside Date”); *provided, however*, that the right to terminate this Agreement under this Section 7.01(b)(i) shall not be available to any party whose material breach of a representation, warranty or covenant in this Agreement has been a principal cause of the failure of the Merger to be consummated on or before the Outside Date;

(ii) if a Governmental Entity of competent jurisdiction that must grant an approval of the Merger has denied approval of the Merger and such denial has become final and nonappealable; or any Governmental Entity of competent jurisdiction shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the Merger, and such order decree, ruling or action shall have become final and nonappealable; *provided, however*, that the right to terminate under this Section 7.01(b)(ii) shall not be available to any party whose material breach of this Agreement has been the principal cause of such action;

(iii) if the Company Stockholder Approval shall not have been obtained upon a vote taken thereon at the Company Stockholders' Meeting duly convened therefor or at any adjournment or postponement thereof; or

(iv) if the Parent Stockholder Approval shall not have been obtained upon a vote taken thereon at the Parent Stockholders' Meeting duly convened therefor or at any adjournment or postponement thereof;

(c) by Parent if the Company shall have breached or failed to perform any of its representations, warranties, covenants or agreements set forth in this Agreement, which breach or failure to perform (i) would give rise to the failure of a condition set forth in Section 6.02(a) or 6.02(b) and (ii) is incapable of being cured by the Company by the Outside Date;

(d) by the Company if Parent or Merger Sub shall have breached or failed to perform any of its representations, warranties, covenants or agreements set forth in this Agreement, which breach or failure to perform (i) would give rise to the failure of a condition set forth in Section 6.03(a) or 6.03(b) and (ii) is incapable of being cured by Parent or Merger Sub by the Outside Date;

(e) by the Company, prior to the time at which the Parent Stockholder Approval has been obtained, in the event that (i) a Parent Adverse Recommendation Change (or any action by any committee of the Board of Directors of Parent which, if taken by the full Board of Directors of Parent, would be a Parent Adverse Recommendation Change) shall have occurred; (ii) Parent shall have breached or failed to perform in any material respect its obligations or agreements contained in Section 4.03 or 5.01(c) (excluding, in each case, inadvertent breaches or failures that are capable of being cured and that are cured within three Business Days following receipt of written notice of such breach of failure from the Company if the Company provides such notice); (iii) Parent or its Board of Directors (or any committee thereof) shall approve or recommend, or enter into or allow the Parent or any of its Subsidiaries to enter into, a merger agreement, letter of intent, agreement in principle, share purchase agreement, asset purchase agreement, share exchange agreement, option agreement or other similar Contract with respect to, a Parent Takeover Proposal; or (iv) Parent or its Board of Directors (or any committee thereof) shall publicly propose or announce its intentions to do any of actions specified in this Section 7.01(e).

(f) by Parent, prior to the time at which the Company Stockholder Approval has been obtained, in the event that (i) a Company Adverse Recommendation Change (or any action by any committee of the Board of Directors of the Company (including the Special Committee) which, if taken by the full Board of Directors of the Company, would be a Company Adverse Recommendation Change) shall have occurred; (ii) the Company shall have breached or failed to perform in any material respect its obligations or agreements contained in Section 4.02 or Section 5.01(b) (excluding, in each case, inadvertent breaches or failures that are capable of being cured and that are cured within three Business Days following receipt of written notice of such breach of failure from Parent if Parent provides such notice); (iii) the Company or its Board of Directors (or any committee thereof (including the Special Committee)) shall approve or recommend, or enter into or allow the Company or any of its Subsidiaries to enter into, a merger agreement, letter of intent, agreement in principle, share purchase agreement, asset purchase agreement, share exchange agreement, option agreement or other similar Contract with respect

to, a Takeover Proposal, or (iv) the Company or its Board of Directors (or any committee thereof (including the Special Committee)) shall publicly propose or announce its intentions to do any of actions specified in this Section 7.01(f).

SECTION 7.02. Effect of Termination. In the event of termination of this Agreement by either the Company or Parent as provided in Section 7.01, this Agreement shall forthwith become void and have no effect, without any liability or obligation on the part of Parent, Merger Sub or the Company under this Agreement, other than the last two sentences of Section 5.02(a), the second sentence of Section 5.02(b), the provisions of Section 5.13 regarding reimbursement of expenses and indemnification and limitations on liability, this Section 7.02, Section 7.03 and Article VIII, which provisions shall survive such termination indefinitely; *provided, however*, that no such termination shall relieve any party hereto from any liability or damages incurred or suffered by a party, to the extent such liabilities or damages were the result of fraud or the willful and material breach by another party of any of its representations, warranties, covenants or other agreements set forth in this Agreement. For purposes of this Agreement, “willful and material breach” shall mean a deliberate act or a deliberate failure to act, which act or failure to act constitutes in and of itself a material breach of this Agreement, regardless of whether breaching was the conscious object of the act or failure to act.

SECTION 7.03. Fees and Expenses.

(a) Except as provided in this Section 7.03, all fees and expenses incurred in connection with this Agreement, the Merger and the other transactions contemplated by this Agreement shall be paid by the party incurring such fees or expenses, whether or not the Merger is consummated, except that expenses incurred in connection with the printing and mailing of the Form S-4 and the Joint Proxy Statement and in connection with notices or other filings with any Governmental Entities under any Antitrust Laws shall be shared equally by Parent and the Company.

(b) In the event that this Agreement is terminated by Parent pursuant to Section 7.01(f)(i) or Section 7.01(f)(iii) then the Company shall pay Parent a fee in the amount equal to \$194 million (the “Company Termination Fee”) by wire transfer of same-day funds on the second Business Day following the date of such termination of this Agreement.

(c) In the event that this Agreement is terminated by the Company pursuant to Section 7.01(e)(i) or Section 7.01(e)(iii) then the Parent shall pay to the Company a fee in the amount equal to \$235 million (the “Parent Termination Fee”) by wire transfer of same-day funds on the second Business Day following the date of such termination of this Agreement. In the event that the Parent Stockholder Approval is not obtained upon a vote taken thereon at the Parent Stockholders’ Meeting duly convened therefor or at any adjournment or postponement thereof, then Parent shall pay to the Company a fee in the amount equal to \$65 million (the “Vote Down Fee”) by wire transfer of same-day funds on the second Business Day following the date of such meeting or adjournment or postponement thereof. If the Vote Down Fee is paid by Parent to the Company, then the Parent Termination Fee, if any, that is later paid by Parent to the Company shall be reduced by the amount of the Vote Down Fee previously paid.

(d) In the event that after the date hereof, (i) a Takeover Proposal shall have been made to the Company or shall have been made directly to the stockholders of the Company generally or shall have otherwise become publicly known or any person shall have publicly announced an intention (whether or not conditional) to make a Takeover Proposal, (ii) thereafter this Agreement is terminated pursuant to Section 7.01(b)(i), 7.01(b)(iii), 7.01(c) (with respect to breaches of covenants, but not representations and warranties), 7.01(f)(ii) or 7.01(f)(iv), and (iii) within 12 months after any such termination referred to in clause (ii) above, the Company enters into a definitive Contract with respect to, or consummates the transactions contemplated by, any Takeover Proposal (regardless of whether such Takeover Proposal is (x) made before or after termination of this Agreement or (y) is the same Takeover Proposal referred to in clause (i) above), then the Company shall pay to Parent the Company Termination Fee by wire transfer of same day funds, on the date of the first to occur of such event(s) referred to above in this clause (iii); *provided, however*, that for purposes of the definition of “Takeover Proposal” in this Section 7.03(d), references to “15%” shall be replaced by “50%.”

(e) In the event that after the date hereof, (i) a Parent Takeover Proposal shall have been made to Parent or shall have been made directly to the stockholders of Parent generally or shall have otherwise become publicly known or any person shall have publicly announced an intention (whether or not conditional) to make a Parent Takeover Proposal, (ii) thereafter this Agreement is terminated pursuant to Section 7.01(b)(i), 7.01(d) (with respect to breaches of covenants, but not representations and warranties) 7.01(e)(ii), or 7.01(e)(iv), and (iii) within 12 months after any such termination referred to in clause (ii) above, Parent enters into a definitive Contract with respect to, or consummates the transactions contemplated by, any Parent Takeover Proposal (regardless of whether such Parent Takeover Proposal is (x) made before or after termination of this Agreement or (y) is the same Parent Takeover Proposal referred to in clause (i) above), then Parent shall pay to the Company the Parent Termination Fee, less the amount of any Vote Down Fee previously paid by Parent to the Company, by wire transfer of same day funds, on the date of the first to occur of such event(s) referred to above in this clause (iii); *provided, however*, that for purposes of the definition of “Parent Takeover Proposal” in this Section 7.03(e), references to “15%” shall be replaced by “50%.”

(f) In the event that this Agreement is terminated by the Company or Parent pursuant to Section 7.01(b)(i) and all of the conditions to Closing set forth in Article VI (other than (i) the condition set forth in Section 6.02(d) and (ii) those other conditions that, by their nature, cannot be satisfied until the Closing Date, but, in the case of clause (ii), which conditions would be satisfied if the Closing Date were the date of such termination) have been satisfied or waived on or prior to the date of such termination, then Parent shall pay to the Company a fee in the amount equal to \$323 million the (“Reverse Breakup Fee” and, together with the Company Termination Fee, the Parent Termination Fee and the Vote Down Fee, the “Termination Fees”) (which fee shall be payable within two (2) Business Days after such termination); *provided, however*, that no Reverse Breakup Fee shall be payable to the Company pursuant to this Section 7.03(f) if the failure of the condition set forth in Section 6.02(d) to be satisfied was a result of a Material Adverse Effect.

(g) Each party agrees that notwithstanding anything in this Agreement to the contrary (including Section 7.02), in the event that any Termination Fee is paid to a party in accordance with this Section 7.03, the payment of such Termination Fee shall be the sole and exclusive remedy of such party, its Subsidiaries, shareholders, Affiliates, officers, directors, employees and Representatives against the other party or any of its Representatives or Affiliates for, and in no event will the party being paid any Termination Fee or any other such person seek

to recover any other money damages or seek any other remedy based on a claim in law or equity with respect to, (1) any loss suffered, directly or indirectly, as a result of the failure of the Merger to be consummated, (2) the termination of this Agreement, (3) any liabilities or obligations arising under this Agreement, or (4) any claims or actions arising out of or relating to any breach, termination or failure of or under this Agreement, and upon payment of any Termination Fee in accordance with this Section 7.03, neither the party paying such fee, nor any Representative or Affiliate of such party shall have any further liability or obligation to the other party relating to or arising out of this Agreement or the transactions contemplated hereby; *provided* that nothing in this Section 7.03(f) shall limit the Company's right to the Parent Termination Fee, less the amount of any Vote Down Fee, under Section 7.03(e) to the extent that only a Vote Down Fee has been paid to the Company.

(h) The Company and Parent acknowledge and agree that the agreements contained in this Section 7.03 are an integral part of the transactions contemplated by this Agreement, and that, without these agreements, neither the Company nor Parent would enter into this Agreement; accordingly if either the Company or Parent fails promptly to pay any amount due pursuant to this Section 7.03, and, in order to obtain such payment, the Company or Parent, as applicable, commences a suit that results in a judgment against the Company or Parent, as applicable, for any Termination Fee the Company shall pay to Parent, or Parent shall pay to the Company, as applicable, its costs and expenses (including reasonable attorneys' fees and expenses) in connection with such suit, together with interest on the amount due pursuant to this Section 7.03 from the date such payment was required to be made until the date of payment at the prime lending rate as published in *The Wall Street Journal* in effect on the date such payment was required to be made. All payments under this Section 7.03 shall be made by wire transfer of immediately available funds to an account designated in writing by Parent or Company.

SECTION 7.04. Amendment. This Agreement may be amended by the parties hereto at any time before or after receipt of the Company Stockholder Approval and/or the Parent Stockholder Approval; *provided, however*, that (i) after such approval has been obtained, there shall be made no amendment that by applicable Law requires further approval by the stockholders of the Company or further approval by the stockholders of Parent, as applicable, without such approval having been obtained, (ii) no amendment shall be made to this Agreement (including Section 5.06) after the Effective Time and (iii) except as provided by applicable Law, no amendment of this Agreement shall require the approval of the stockholders of either Parent or the Company. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

SECTION 7.05. Extension; Waiver. At any time prior to the Effective Time, the parties may (a) extend the time for the performance of any of the obligations or other acts of the other parties, (b) to the extent permitted by applicable Law, waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto or (c) to the extent permitted by applicable Law, waive compliance with any of the agreements or conditions contained herein. Except as provided by applicable Law, no waiver of this Agreement shall require the approval of the stockholders of either Parent or the Company. Any agreement on the part of a party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party. The failure of any party to this Agreement to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of such rights nor shall any single or partial exercise by any party to this Agreement of any of its rights under this Agreement preclude any other or further exercise of such rights or any other rights under this Agreement.

SECTION 7.06. Procedure for Termination or Amendment. A termination of this Agreement pursuant to Section 7.01 or an amendment or waiver of this Agreement pursuant to Section 7.04 or Section 7.05 shall, in order to be effective, require, in the case of Parent, the Company and Merger Sub, action by its Board of Directors or a duly authorized committee thereof (including, in the case of the Company, the Special Committee). Termination of this Agreement prior to the Effective Time shall not require the approval of the stockholders of either the Company or Parent.

ARTICLE VIII

GENERAL PROVISIONS

SECTION 8.01. Nonsurvival of Representations and Warranties. None of the representations and warranties in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time. This Section 8.01 shall not limit any covenant or agreement of the parties which by its terms contemplates performance after the Effective Time.

SECTION 8.02. Notices. Except for notices that are specifically required by the terms of this Agreement to be delivered orally, all notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given personally, by telecopy (which is confirmed) or sent by overnight courier (providing proof of delivery) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

if to Parent or Merger Sub, to:

Xerox Corporation
45 Glover Avenue
Norwalk, CT 06856
Fax: (203) 849-5134
Attention: Chief Financial Officer

with a copy to:

Xerox Corporation
45 Glover Avenue
Norwalk, CT 06856
Fax: (203) 849-5152
Attention: General Counsel

with a copy to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017
Fax: (212) 455-2502
Attention: Mario Ponce

if to the Company, to:

Affiliated Computer Services, Inc.
2828 North Haskell
Dallas, TX 75204
Fax: (214) 826-2716
Attention: Lynn Blodgett, President and Chief Executive Officer

with a copy to:

Affiliated Computer Services, Inc.
2828 North Haskell
Dallas, TX 75204
Fax: (214) 843-5746
Attention: Tas Panos, General Counsel

and:

Cravath, Swaine & Moore LLP
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019-7475
Fax: (212) 474-3700
Attention: James C. Woolery
Minh Van Ngo

and:

Ropes & Gray LLP
One International Place
Boston, Massachusetts 02110-2624
Fax: (617) 235-0015
Attention: David C. Chapin

Notices shall be deemed given upon receipt.

SECTION 8.03. Definitions. For purposes of this Agreement:

(a) An "Affiliate" of any person means another person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first person. For the purposes of this definition, "control" means, as to any person, the power to direct or cause the direction of the management and policies of such person, whether through the ownership of voting securities, by contract or otherwise. The term "controlled" shall have a correlative meaning.

(b) “Business Day” means any day that is not a Saturday, Sunday or other day on which banking institutions are required or authorized by law to be closed in New York, New York.

(c) “Company Personnel” means any current or former officer, employee, director or consultant of the Company or any of its Subsidiaries.

(d) “Financing Sources” means the entities that have committed to provide or otherwise entered into agreements in connection with the Financing or other financings in connection with the transactions contemplated hereby, including the parties to the Commitment Letter and any joinder agreements or credit agreements (including the Definitive Agreements) relating thereto.

(e) “Hazardous Materials” means (i) petroleum, petroleum products and byproducts, asbestos and asbestos-containing materials, urea formaldehyde foam insulation, electronic, medical or infectious wastes, polychlorinated biphenyls, radon gas, radioactive substances, chlorofluorocarbons and all other ozone-depleting substances and (ii) any other chemical, material, substance, waste, pollutant or contaminant that could result in liability under or that is prohibited, limited or regulated by or pursuant to any Laws related to human health and safety or to the environment.

(f) “Intervening Event” means, with respect either party, a material event or circumstance that was not known to the Board of Directors of such party on the date of this Agreement (or if known, the consequences of which are not known to or reasonably foreseeable by such Board of Directors as of the date hereof), which event or circumstance, or any material consequences thereof, becomes known to the Board of Directors of such party prior to the time at which such party receives the Company Stockholder Approval or Parent Stockholder Approval, as applicable; *provided, however*, that in no event shall the receipt, existence or terms of a Takeover Proposal or any matter relating thereto or consequence thereof constitute an Intervening Event.

(g) “Key Personnel” means any director, officer or other employee of the Company or any Subsidiary of the Company with targeted annual cash compensation in excess of \$500,000.

(h) “Knowledge” means, with respect to any matter in question, the actual knowledge of (i) with respect to the Company, those individuals listed in Section 8.03(h) of the Company Disclosure Letter, and (ii) with respect to Parent, those individuals listed in Section 8.03(h) of the Parent Disclosure Letter.

(i) “Material Adverse Effect” means an effect, event, development, change, state of facts, condition, circumstance or occurrence that (i) is or would be reasonably expected to be materially adverse to the financial condition, assets, liabilities, business or results of operations of the Company and its Subsidiaries, taken as a whole; *provided* that a Material Adverse Effect shall not be deemed to include effects, events, developments, changes, states of facts, conditions, circumstances or occurrences arising out of, relating to or resulting from: (A) changes generally affecting the economy, financial or securities markets or political or regulatory conditions, to the extent such changes do not affect the Company and its Subsidiaries

in a disproportionate manner relative to other participants in the industries in which the Company and its Subsidiaries operate; (B) changes in the industries in which the Company and its Subsidiaries operate, to the extent such changes do not adversely affect the Company and its Subsidiaries in a disproportionate manner relative to other participants in such industry; (C) any change in Law or the interpretation thereof or GAAP or the interpretation thereof, to the extent such changes do not adversely affect the Company and its Subsidiaries in a disproportionate manner relative to other participants in such industry; (D) any change attributable to the negotiation, execution or announcement of the Merger; and (E) compliance with the terms of, or the taking of any action required by, this Agreement or (ii) is or would reasonably be expected to impair in any material respect the ability of the Company to consummate the Merger and the other transactions contemplated by this Agreement or to perform its obligations under this Agreement on a timely basis.

(j) "Option Exchange Ratio" means the number equal to the sum of (I) the Class A Stock Consideration plus (II) the number obtained by dividing (1) the Class A Cash Consideration by (2) the per share closing price of Parent Common Stock on the NYSE on the last trading day immediately prior to the Closing Date, as such price is reported on the screen entitled "Comp/CLOSE/PRICE" on Bloomberg (or such other source as the parties shall agree in writing).

(k) "Parent Material Adverse Effect" means an effect, event, development, change, state of facts, condition, circumstance or occurrence that (i) is or would be reasonably expected to be materially adverse to the financial condition, assets, liabilities, business or results of operations of Parent and its Subsidiaries, taken as a whole; *provided* that a Parent Material Adverse Effect shall not be deemed to include effects, events, developments, changes, states of facts, conditions, circumstances or occurrences arising out of, relating to or resulting from: (A) changes generally affecting the economy, financial or securities markets or political or regulatory conditions, to the extent such changes do not affect Parent and its Subsidiaries in a disproportionate manner relative to other participants in the industries in which Parent and its Subsidiaries operate; (B) changes in the industries in which Parent and its Subsidiaries operate, to the extent such changes do not adversely affect Parent and its Subsidiaries in a disproportionate manner relative to other participants in such industry; (C) any change in Law or the interpretation thereof or GAAP or the interpretation thereof, to the extent such changes do not adversely affect Parent and its Subsidiaries in a disproportionate manner relative to other participants in such industry; (D) any change attributable to the negotiation, execution or announcement of the Merger; and (E) compliance with the terms of, or the taking of any action required by, this Agreement or (ii) is or would reasonably be expected to impair in any material respect the ability of Parent to consummate the Merger and the other transactions contemplated by this Agreement or to perform its obligations under this Agreement on a timely basis.

(l) "Parent Personnel" means any current or former officer, employee, director or consultant of Parent or any of its Subsidiaries.

(m) "person" means an individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated organization or other entity or a Governmental Entity.

(n) “Release” means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing or arranging for disposal or migrating into or through the environment or any natural or man-made structure.

(o) “Representatives” means, with respect to any person, such person’s directors, officers, employees, agents and representatives, including any investment banker, financial advisor, Financing Source (in the case of Parent), attorney, accountant or other advisor, agent, representative or controlled Affiliate.

(p) A “Subsidiary” of any person means another person, an amount of the voting securities, other voting rights or voting partnership interests of which is sufficient to elect at least a majority of its board of directors or other governing body (or, if there are no such voting interests, 50% or more of the equity interests of which) is owned directly or indirectly by such first person.

SECTION 8.04. Interpretation. When a reference is made in this Agreement to an Article, a Section, an Exhibit or a Schedule, such reference shall be to an Article of, a Section of, or an Exhibit or Schedule to, this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”. The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. References to “this Agreement” shall include the Company Disclosure Letter and the Parent Disclosure Letter. The word “will” shall be construed to have the same meaning and effect as the word “shall”. The word “or” is not exclusive. The word “extent” in the phrase “to the extent” shall mean the degree to which a subject or other thing extends, and such phrase shall not mean simply “if”. All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein. All Exhibits and Schedules annexed hereto or referred to herein, and the Company Disclosure Letter and the Parent Disclosure Letter, are hereby incorporated in and made a part of this Agreement as if set forth in full herein. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such term. Any Contract, instrument or Law defined or referred to herein means such Contract, instrument or Law as from time to time amended, modified or supplemented, including (in the case of Contracts or instruments) by waiver or consent and (in the case of Laws) by succession of comparable successor Laws and references to all attachments thereto and instruments incorporated therein. References to a person are also to its permitted successors and assigns. This Agreement is the product of negotiation by the parties having the assistance of counsel and other advisers. It is the intention of the parties that this Agreement not be construed more strictly with regard to one party than with regard to the others.

SECTION 8.05. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties (including by facsimile or other electronic image scan transmission).

SECTION 8.06. Entire Agreement; Third-Party Beneficiaries. This Agreement (including the Exhibits and Schedules and the Company Disclosure Letter and the Parent Disclosure Letter), the Confidentiality Agreement, the Voting Agreement and any agreements entered into contemporaneously herewith (a) constitute the entire agreement, and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof and thereof and (b) are not intended to and do not confer upon any person other than the parties hereto any legal or equitable rights or remedies. Notwithstanding the foregoing clause (b):

(i) Following the Effective Time, each holder of Company Common Stock shall be entitled to enforce the provisions of Article II to the extent necessary to receive the consideration to which such holder is entitled pursuant to Article II.

(ii) Prior to the Effective Time, each holder of Company Common Stock shall be a third party beneficiary of this Agreement for the purpose of pursuing claims for damages (including damages based on the loss of the economic benefits of the Merger, including the loss of the premium offered to such holder) under this Agreement in the event of a failure by Parent or Merger Sub to effect the Merger as required by this Agreement or a material breach by Parent or Merger Sub that contributed to a failure of any of the conditions to Closing from being satisfied. The rights granted pursuant to clause (ii) shall be enforceable only by the Company in its sole and absolute discretion, on behalf of the holders of Company Common Stock, and any amounts received by the Company in connection therewith may be retained by the Company.

(iii) Following the Effective Time, the provisions of Section 5.06 shall be enforceable by each indemnified party described therein and each Insurance Indemnitee and his or her heirs.

(iv) The provisions of Section 7.03(g) shall be enforceable by each Representative and Affiliate of a party and its successors and assigns.

(v) The provisions of Section 8.09(b) shall be enforceable by each Financing Source and its successors and assigns.

SECTION 8.07. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE, REGARDLESS OF THE LAWS THAT MIGHT OTHERWISE GOVERN UNDER APPLICABLE PRINCIPLES OF CONFLICTS OF LAWS THEREOF.

SECTION 8.08. Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of law or otherwise by any of the parties without the prior written consent of the other parties, and any assignment without such consent shall be null and void. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

SECTION 8.09. Specific Enforcement; Consent to Jurisdiction.

(a) The parties agree that irreparable damage would occur and that the parties would not have any adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in the Court of Chancery of the State of Delaware or any court of the United States located in the State of Delaware without proof of actual damages or otherwise (and each party hereby waives any requirement for the securing 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 enforcement is unenforceable, invalid, contrary to law or inequitable for any reason, nor to assert that a remedy of monetary damages would provide an adequate remedy. For the avoidance of doubt, in the event that Section 7.03(g) becomes operative, any Termination Fee paid in accordance with Section 7.03 shall be the sole and exclusive remedy of the other party to the extent set forth in Section 7.03(g).

(b) In addition, each of the parties hereto (a) consents to submit itself, and hereby submits itself, to the personal jurisdiction of the Court of Chancery of the State of Delaware and any court of the United States located in the State of Delaware, in the event any dispute arises out of this Agreement or any of the transactions contemplated by this Agreement, (b) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, and agrees not to plead or claim any objection to the laying of venue in any such court or that any judicial proceeding in any such court has been brought in an inconvenient forum, (c) agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the Court of Chancery of the State of Delaware or, if under applicable law exclusive jurisdiction is vested in the Federal courts, any court of the United States located in the State of Delaware and (d) consents to service of process being made through the notice procedures set forth in Section 8.02. Notwithstanding the foregoing, each of the parties hereto agrees that it will not bring or support any action, cause of action, claim, cross-claim or third-party claim of any kind or description, whether in law or in equity, whether in contract or in tort or otherwise, against the Financing Sources in any way relating to this Agreement or any of the transactions contemplated by this Agreement, including but not limited to any dispute arising out of or relating in any way to the Commitment Letter or the performance thereof, in any forum other than the Supreme Court of the State of New York, County of New York, or, if under applicable law exclusive jurisdiction is vested in the Federal courts, the United States District Court for the Southern District of New York (and appellate courts thereof). Without limiting other means of service of process permissible under applicable Law, each of the Company, Parent and Merger Sub hereby agrees that service of any process, summons, notice or document by U.S. registered mail to the respective addresses set forth in Section 8.02 shall be effective service of process for any suit or proceeding in connection with this Agreement or the transactions contemplated hereby.

SECTION 8.10. Waiver of Jury Trial. Each party hereto hereby waives, to the fullest extent permitted by applicable Law, any right it may have to a trial by jury in respect of any suit, action or other proceeding arising out of this Agreement or the transactions contemplated hereby, including but not limited to any dispute arising out of or relating to the Commitment Letter or the performance thereof. Each party hereto (a) certifies that no representative, agent or attorney of

any other party has represented, expressly or otherwise, that such party would not, in the event of any action, suit or proceeding, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this Agreement, by, among other things, the mutual waiver and certifications in this Section 8.10.

SECTION 8.11. Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable Law in an acceptable manner to the end that the transactions contemplated by this Agreement are fulfilled to the extent possible.

[signature page follows]

IN WITNESS WHEREOF, Parent, Merger Sub and the Company have caused this Agreement to be signed by their respective officers hereunto duly authorized, all as of the date first written above.

XEROX CORPORATION

By: /s/ Ursula M. Burns

Name: Ursula M. Burns

Title: Chief Executive Officer

BOULDER ACQUISITION CORP.

By: /s/ Ursula M. Burns

Name: Ursula M. Burns

Title: Chairman, President and Chief Executive Officer

AFFILIATED COMPUTER SERVICES, INC.

By: /s/ Lynn Blodgett

Name: Lynn Blodgett

Title: Chief Executive Officer

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
XEROX CORPORATION

(Under Section 805 of the Business Corporation Law)

We, the undersigned, [Insert Name] and [Insert Name], being respectively the [Insert title] and [Insert title] of Xerox Corporation, a New York corporation (the "Corporation"), **DO HEREBY CERTIFY** that:

FIRST: The name of the Corporation is XEROX CORPORATION. The name under which it was formed is "The Haloid Company".

SECOND: The original certificate of incorporation was filed in the Office of the Secretary of State of the State of New York on April 18, 1906 (such certificate of incorporation, as amended and restated and in effect thereafter, the "Certificate of Incorporation").

THIRD: The Certificate of Incorporation is hereby being amended by the addition to Article FOURTH of a provision stating the number, designation, relative rights, preferences and limitations of the Corporation's Series A Convertible Perpetual Preferred Stock, par value \$1.00 per share, under authority granted to the Board of Directors in the Certificate of Incorporation and as permitted by Section 502 of the Business Corporation Law.

FOURTH: To effect the foregoing, Article FOURTH of the Certificate of Incorporation is hereby amended by inserting a Subdivision 13 following Subdivision 12 thereof, and such Subdivision 13 shall read in its entirety as follows:

"SERIES A CONVERTIBLE PERPETUAL PREFERRED STOCK

13. (a) *Designation.* There is hereby created out of the authorized and unissued shares of Cumulative Preferred Stock of the Corporation a series of preferred stock designated as the "Series A Convertible Perpetual Preferred Stock" (the "Series A Preferred Stock"). The number of shares constituting such series shall be 300,000.

(b) *Definitions.* As used herein with respect to the Series A Preferred Stock, the following terms shall have the following meanings, whether used in the singular or the plural:

"Additional Shares" has the meaning set forth in Subdivision 13(1)(i).

“Affiliate” of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control” when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Applicable Conversion Price” at any given time means the price equal to \$1,000 divided by the Applicable Conversion Rate in effect at such time.

“Applicable Conversion Rate” means the Conversion Rate in effect at any given time.

“Board of Directors” means the board of directors of the Corporation or any committee thereof duly authorized to act in the relevant matter on behalf of such board of directors.

“Business Day” means any day other than a Saturday, Sunday or any other day on which banks in New York City, New York are generally required or authorized by law to be closed.

“Certificate of Incorporation” means the Restated Certificate of Incorporation of Xerox Corporation, as amended.

“Close of Business” means 5:00 pm, New York City time, on the date in question.

“Closing Price” of the Common Stock or any securities distributed in a Spin-Off, as the case may be, on any date of determination means:

(i) the closing sale price of the Common Stock or such other securities (or, if no closing sale price is reported, the last reported sale price of the Common Stock or such other securities) on the New York Stock Exchange on such date;

(ii) if the Common Stock or such other securities are not traded on the New York Stock Exchange on such date, the closing sale price of the Common Stock or such other securities (or, if no closing sale price is reported, the last reported sale price of the Common Stock or such other securities) as reported in the composite transactions for the principal U.S. national or regional securities exchange on which the Common Stock or such other securities are traded on such date;

(iii) if the Common Stock or such other securities are not traded on a U.S. national or regional securities exchange on such date, the last quoted bid price for the Common Stock or such other securities on such date in the over-the-counter market as reported by Pink OTC Markets Inc. or similar organization; or

(iv) if the Common Stock or such other securities are not quoted by Pink OTC Markets Inc. or a similar organization on such date, as determined by a nationally recognized independent investment banking firm retained by the Corporation for this purpose.

For purposes of this Subdivision 13, all references herein to the “Closing Price” and “last reported sale price” of the Common Stock on the New York Stock Exchange shall be such closing sale price and last reported sale price as reflected on the website of the New York Stock Exchange (<http://www.nyse.com>) and as reported by Bloomberg Professional Service; *provided* that in the event that there is a discrepancy between the closing sale price or last reported sale price as reflected on the website of the New York Stock Exchange and as reported by Bloomberg Professional Service, the closing sale price and last reported sale price on the website of the New York Stock Exchange shall govern.

“Common Stock Outstanding” means, at any given time, the number of shares of Common Stock issued and outstanding at such time.

“Conversion Date” has the meaning set forth in Subdivision 13(i)(v)(B).

“Conversion Rate” means, with respect to each share of Series A Preferred Stock, 89.8876 shares of Common Stock, subject to adjustment in accordance with the provisions of this Subdivision 13.

“Cumulative Preferred Stock” means the Cumulative Preferred Stock, par value of \$1.00 each, of the Corporation.

“Current Market Price” means, in the case of any distribution giving rise to an adjustment to the Conversion Rate pursuant to Subdivision 13(j)(iv), Subdivision 13(j)(v) or Subdivision 13(j)(vi) or a distribution upon conversion pursuant to Subdivision 13(j)(viii), the average Closing Price of the Common Stock during the ten consecutive Trading Day period ending on and including the Trading Day immediately preceding the Ex-Dividend Date for such distribution. Notwithstanding the foregoing, whenever successive adjustments to the Conversion Rate are called for pursuant to Subdivision 13(j), such adjustments shall be made to the Current Market Price as may be necessary or appropriate to effectuate the intent of Subdivision 13(j) and to avoid unjust or inequitable results as determined in good faith by the Board of Directors.

“Distributed Property” has the meaning set forth in Subdivision 13(j)(v).

“Dividend Payment Date” has the meaning set forth in Subdivision 13(d)(ii).

“Dividend Period” means each period from, and including, a Dividend Payment Date (or with respect to the initial Dividend Period, the Issue Date) to, but excluding, the following Dividend Payment Date.

“Dividend Rate” has the meaning set forth in Subdivision 13(d)(i).

“Dividend Record Date” has the meaning set forth in Subdivision 13(d)(iv).

“Dividend Threshold Amount” has the meaning set forth in Subdivision 13(j)(vi)(B).

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Exchange Property” has the meaning set forth in Subdivision 13(k)(i).

“Ex-Dividend Date” means the first date on which the shares of Common Stock trade on the applicable exchange or in the applicable market, regular way, without the right to receive the relevant dividend, distribution or issuance.

“Expiration Date” has the meaning set forth in Subdivision 13(j)(vii).

“Expiration Time” has the meaning set forth in Subdivision 13(j)(vii).

“Fair Market Value” means the amount which a willing buyer would pay a willing seller in an arm’s-length transaction as reasonably determined by the Board of Directors in good faith; *provided, however*, that with respect to Subdivision 13(o)(ii), Fair Market Value shall mean the value of the Optional Redemption Transferred Shares determined by a nationally recognized independent investment banking firm retained by the Corporation for this purpose.

“Fiscal Quarter” means, with respect to the Corporation, the fiscal quarter publicly disclosed by the Corporation.

“Fundamental Change” means the occurrence of any of the following:

(i) a “person” or “group” within the meaning of Section 13(d) of the Exchange Act files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such person or group has become the direct or indirect ultimate “beneficial owner,” as defined in Rule 13d-3 under the Exchange Act, of common equity of the Corporation representing more than 50% of the voting power of the Common Stock;

(ii) consummation of any consolidation, merger or other business combination of the Corporation with or into another Person or any sale, lease or conveyance in one transaction or a series of transactions of all or substantially all of the consolidated assets of the Corporation and its subsidiaries, taken as a whole, to any Person other than one of the

Corporation's subsidiaries, in each case pursuant to which the Common Stock will be converted into cash, securities or other property, other than:

(A) pursuant to a transaction in which the Persons that "beneficially owned" (as defined in Rule 13d-3 under the Exchange Act) directly or indirectly, Voting Shares of the Corporation immediately prior to such transaction beneficially own, directly or indirectly, Voting Shares representing a majority of the total voting power of all outstanding classes of Voting Shares of the continuing or surviving Person immediately after the transaction; or

(B) any merger or consolidation primarily for the purpose of changing the jurisdiction on incorporation of the Corporation and resulting in a reclassification, conversion or exchange of outstanding shares of common stock solely into shares of common stock of the surviving entity; or

(iii) the Common Stock ceases to be listed on a U.S. national securities exchange or association (other than as a result of a transaction described in clause (ii) above);

provided, however, that a Fundamental Change with respect to clauses (i) or (ii) above shall not be deemed to have occurred if at least 90% of the consideration received by holders of the Common Stock in the transaction or transactions consists of common stock that is traded on a U.S. national securities exchange or that will be traded on a U.S. national securities exchange when issued or exchanged in connection with such transaction.

"Fundamental Change Notice" has the meaning set forth in Subdivision 13(m)(ii).

"Fundamental Change Redemption Date" has the meaning set forth in Subdivision 13(m)(i).

"Fundamental Change Redemption Price" has the meaning set forth in Subdivision 13(m)(i).

"Holder(s)" means the Person(s) in whose name the shares of the Series A Preferred Stock are registered, which may be treated by the Corporation, as the absolute owner of the shares of Series A Preferred Stock for the purpose of making payment and settling the related conversions and for all other purposes. The initial Holder shall be Darwin Deason.

"Issue Date" means the date upon which any shares of Series A Preferred Stock are first issued.

"Junior Securities" has the meaning set forth in Subdivision 13(c)(i).

“Liquidation Preference” means, with respect to each share of Series A Preferred Stock, at any time, \$1,000.

“Make-Whole Acquisition” means the occurrence of a transaction described under clauses (i) or (ii) of the definition of “Fundamental Change.”

“Make-Whole Acquisition Conversion Period” has the meaning set forth in Subdivision 13(l)(i).

“Make-Whole Acquisition Effective Date” has the meaning set forth in Subdivision 13(l)(i).

“Make-Whole Acquisition Stock Price” means the price paid per share of Common Stock in the event of a Make-Whole Acquisition. If the holders of shares of Common Stock receive only cash in the Make-Whole Acquisition, the Make-Whole Acquisition Stock Price shall be the cash amount paid per share of Common Stock. Otherwise, the Make-Whole Acquisition Stock Price shall be the average of the Closing Price per share of Common Stock on the 10 Trading Days up to, but not including, the Make-Whole Acquisition Effective Date.

“Mandatory Conversion Date” has the meaning set forth in Subdivision 13(h)(iii).

“Notice of Mandatory Conversion” has the meaning set forth in Subdivision 13(h)(iii).

“Optional Redemption Date” has the meaning set forth in Subdivision 13(o)(ii)(B).

“Optional Redemption Notice” has the meaning set forth in Subdivision 13(o)(ii)(A).

“Optional Redemption Transferred Shares” has the meaning set forth in Subdivision 13(o)(ii).

“Parity Securities” has the meaning set forth in Subdivision 13(c)(ii).

“Permitted Transferee(s)” means any of (w) the spouse of Darwin Deason, (x) any lineal descendant of Darwin Deason or any brother or sister of Darwin Deason, (y) any brother or sister of Darwin Deason, or (z) any trust for the direct or indirect benefit of exclusively Darwin Deason and/or the spouse of Darwin Deason; any lineal descendant of Darwin Deason or any brother or sister of Darwin Deason; or any brother or sister of Darwin Deason.

“Person” means a legal person, including any individual, corporation, estate, partnership, joint venture, association, joint-stock corporation, limited liability company or trust.

“Record Date” means, with respect to any issuance, dividend, or distribution declared, paid or made on or with respect to any capital stock of the Corporation, the date fixed for the determination of the holders of such capital stock entitled to receive such issuance, dividend or distribution.

“Registrar” means the Corporation or any other registrar appointed by the Corporation.

“Reorganization Event” has the meaning set forth in Subdivision 13(k)(i).

“Senior Securities” has the meaning set forth in Subdivision 13(c)(iii).

“Series A Preferred Stock” has the meaning set forth in Subdivision 13(a).

“Spin-Off” has the meaning set forth in Subdivision 13(j)(v).

“Spin-Off Valuation Period” has the meaning set forth in Subdivision 13(j)(v).

“Trading Day” means a day on which the shares of Common Stock or any securities distributed in a Spin-Off, as the case may be:

- (i) are not suspended from trading on any national or regional securities exchange or association or over-the-counter market at the Close of Business; and
- (ii) have traded at least once on the national or regional securities exchange or association or over-the-counter market that is the primary market for the trading of the Common Stock.

“Transfer” means, with respect to each share of Series A Preferred Stock, the sale, transfer, pledge, assignment, loan or other disposition or encumbrance of such share of Series A Preferred Stock.

“Trigger Event” has the meaning set forth in Subdivision 13(j)(xv).

“Voting Shares” of a Person means shares of all classes of Capital Stock of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of the board of directors of such Person.

(c) *Ranking.* The Series A Preferred Stock shall, with respect to dividend rights and rights on liquidation, winding-up and dissolution of the Corporation, rank:

- (i) senior to the Corporation’s Common Stock and Class B Stock and each other class or series of capital stock that the Corporation may issue in the future the terms of which do not expressly provide that it ranks on a parity with or senior to the Series A Preferred Stock as to dividend rights and rights on liquidation, winding-up and dissolution of the Corporation (collectively, the “Junior Securities”);

(ii) on a parity with each class or series of Cumulative Preferred Stock established after the Issue Date by the Corporation the terms of which expressly provide that such class or series will rank on a parity with the Series A Preferred Stock as to dividend rights and rights on liquidation, winding-up and dissolution of the Corporation (collectively, the "Parity Securities"); and

(iii) subject to the approval of the holders of the Series A Preferred Stock to the extent required by subdivision 6 of Article FOURTH of the Certificate of Incorporation, junior to any class or series of the Corporation's capital stock that the Corporation may issue in the future the terms of which expressly provide that such class or series shall rank senior to the Series A Preferred Stock (collectively, the "Senior Securities").

For the avoidance of doubt, the Corporation has the right to authorize and/or issue additional shares or classes or series of Junior Securities or Parity Securities without notice to or consent of the Holder(s).

(d) Dividends.

(i) The Holder(s) shall be entitled to receive, on each share of Series A Preferred Stock, when, as and if declared by the Board of Directors, out of any funds legally available for the payment of dividends, cumulative cash dividends at a rate per annum equal to 8.0%¹ of the Liquidation

¹ If the Rating Condition is not satisfied on the Issue Date, the rate per annum used to determine the Dividend Rate shall be 10.0%.

"Rating Condition" means the Corporation shall have received (i) from Standard & Poor's Ratings Group ("S&P"), within one week of the Issue Date, a reaffirmation of the corporate credit rating of the Corporation after giving effect to the Transactions, which ratings shall be BBB- or higher (stable) on the Issue Date and (ii) from Moody's Investors Service ("Moody's"), within one week of the Issue Date, a reaffirmation of the corporate family rating of the Corporation after giving effect to the Transactions, which ratings shall be Baa3 or higher (stable) on the Issue Date. In addition, the credit ratings (after giving effect to the Transactions (including any issuance of Notes)) of each issue of notes outstanding on the Issue Date (for the avoidance of doubt, not including the outstanding 8% trust preferred securities) of the Corporation or any of its subsidiaries shall be at least BBB- (stable) from S&P and Baa3 (stable) from Moody's on the Issue Date.

"Notes" means any senior unsecured notes issued by the Corporation after September 27, 2009 but prior to the Issue Date.

"Transactions" means the transactions contemplated by the Agreement and Plan of Merger, dated as of September 27, 2009, among the Corporation, Boulder Acquisition Corp. and Affiliated Computer Services, Inc.

Preference (the “Dividend Rate”) in accordance with subdivisions 1, 2 and 3 of Article FOURTH of the Certificate of Incorporation; *provided, however*, that in the event that on any Dividend Payment Date there shall be accrued and unpaid dividends for any prior Dividend Period, the Dividend Rate shall equal 8.0%² per annum of the sum of (x) the Liquidation Preference and (y) the amount of all such accrued and unpaid dividends for any prior Dividend Periods.

(ii) Dividends will accrue and cumulate from the Issue Date and are payable quarterly in arrears on the first day of January, April, July and October (each, a “Dividend Payment Date”), commencing on the first Dividend Payment Date following the Issue Date. If a Dividend Payment Date falls on a day that is not a Business Day, the dividends will be paid on the next Business Day as if it were paid on the Dividend Payment Date and no interest will accrue in connection therewith.

(iii) The amount of dividends payable for each full quarterly Dividend Period will be computed by dividing the Dividend Rate by four. The amount of dividends payable for the initial Dividend Period, or any other Dividend Period shorter or longer than a full quarterly Dividend Period, will be computed on the basis of the actual number of days elapsed during such Dividend Period over a 360-day year.

(iv) Dividends will be paid to the Holder(s) as such Holder(s) appear in the records of the Corporation at the Close of Business on the 15th day of the immediately preceding calendar month in which the applicable Dividend Payment Date falls (the “Dividend Record Date”). The Dividend Record Date shall apply regardless of whether any particular Dividend Record Date is a Business Day.

(v) Dividends on any share of Series A Preferred Stock converted to Common Stock shall cease to accumulate on the Mandatory Conversion Date or any applicable Conversion Date, as applicable.

(e) Liquidation.

(i) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, the Holder(s) shall be entitled to receive for each share of Series A Preferred Stock out of the assets of the Corporation or proceeds thereof legally available for distribution to stockholders of the Corporation, after satisfaction of all liabilities, if any, to creditors of the Corporation and subject to the rights of holders of any Senior

² If the Rating Condition is not satisfied on the Issue Date, the rate per annum used to determine the Dividend Rate shall be 10.0%.

Securities, and before any distribution of such assets or proceeds is made to or set aside for the holders of Junior Securities, a liquidating distribution in an amount equal to (x) the Liquidation Preference and (y) an amount equal to any accrued and unpaid dividends on such share of Series A Preferred Stock through the date of such liquidating distribution. After payment of the full amount of such liquidating distribution, the Holder(s) will not be entitled to any further participation in any distribution of assets by, and shall have no right or claim to any remaining assets, of the Corporation.

(ii) In the event the assets of the Corporation available for distribution to stockholders upon any liquidation, dissolution or winding-up of the affairs of the Corporation, whether voluntary or involuntary, shall be insufficient to pay in full the amounts payable with respect to all outstanding shares of the Series A Preferred Stock and the corresponding amounts payable on any Parity Securities, the Holder(s) and the holders of such Parity Securities shall share ratably in any distribution of assets of the Corporation in proportion to the full respective liquidating distributions which would be payable on such shares if all amounts payable thereon were paid in full.

(iii) Neither the consolidation or merger of the Corporation with or into any other entity, nor the consolidation or merger of any other entity with or into the Corporation, nor the sale, lease or other transfer or disposition of all or substantially all of the Corporation's property or business or other assets shall, in and of itself, constitute a liquidation, dissolution or winding up of the Corporation.

(f) *Maturity.* The Series A Preferred Stock shall be perpetual, unless converted in accordance with this Certificate of Incorporation or redeemed either at the option of the Holder pursuant to Subdivision 13(m) or at the option of the Corporation pursuant to Subdivision 13(o)(ii).

(g) *Conversion at the Holder's Option.* Each Holder shall have the right, at such Holder's option, at any time and from time to time, to convert all or any portion of such Holder's Series A Preferred Stock into shares of Common Stock at the Applicable Conversion Rate, plus cash in lieu of fractional shares, plus an amount equal to any accrued and unpaid dividends on the shares of Series A Preferred Stock so converted through the date of such conversion, subject to compliance with the conversion procedures set forth in Subdivision 13(i).

(h) *Mandatory Conversion at the Corporation's Option.*

(i) On or after the fifth anniversary of the Issue Date, the Corporation shall have the right, at its option, at any time or from time to time to cause some or all of the Series A Preferred Stock to be converted into shares of Common Stock at the then Applicable Conversion Rate, plus cash in lieu of fractional shares, plus an amount equal to any accrued and unpaid

dividends on the shares of Series A Preferred Stock so converted through the Mandatory Conversion Date, if, for 20 Trading Days during any period of 30 consecutive Trading Days (including the last Trading Day of such period), ending on the Trading Day preceding the date the Corporation delivers a Notice of Mandatory Conversion, the Closing Price of the Common Stock exceeds 130% of the then Applicable Conversion Price.

(ii) If the Corporation elects to cause fewer than all of the shares of Series A Preferred Stock to be converted pursuant to this Subdivision 13(h), the Corporation shall select the Series A Preferred Stock to be converted on a pro rata basis or by another method the Board of Directors, in its sole discretion, considers fair to the Holders. If the Corporation selects a portion of a Holder's Series A Preferred Stock for partial mandatory conversion and such Holder converts a portion of its shares of Series A Preferred Stock, the converted portion will be deemed to be from the portion selected for mandatory conversion under this Subdivision 13(h).

(iii) If the Corporation elects to exercise the mandatory conversion right pursuant to this Subdivision 13(h), the Corporation shall provide notice of such conversion to each Holder (such notice, a "Notice of Mandatory Conversion"). The conversion date shall be a date selected by the Corporation (the "Mandatory Conversion Date") and shall be no more than 7 days after the date on which the Corporation provides such Notice of Mandatory Conversion. In addition to any information required by applicable law or regulation, the Notice of Mandatory Conversion shall state, as appropriate:

(A) the Mandatory Conversion Date;

(B) the number of shares of Common Stock to be issued upon conversion of each share of Series A Preferred Stock; and

(C) the number of shares of Series A Preferred Stock to be converted.

(i) Conversion Procedures.

(i) As provided in Subdivision 13(d)(v), dividends on any share of Series A Preferred Stock converted to Common Stock shall cease to accumulate on the Mandatory Conversion Date or any applicable Conversion Date, as applicable, and such shares of Series A Preferred Stock shall cease to be outstanding upon conversion.

(ii) Prior to the Close of Business on the Mandatory Conversion Date or any applicable Conversion Date, shares of Common Stock (and/or other securities, if applicable) issuable upon conversion of any shares of Series A Preferred Stock shall not be deemed outstanding for any purpose,

and the Holder(s) shall have no rights with respect to the Common Stock (and/or other securities, if applicable) issuable upon conversion (including voting rights, rights to respond to tender offers for the Common Stock (and/or other securities, if applicable) issuable upon conversion and rights to receive any dividends or other distributions on the Common Stock (and/or other securities, if applicable) issuable upon conversion) by virtue of holding shares of Series A Preferred Stock.

(iii) The Person(s) entitled to receive the Common Stock (and/or cash, securities or other property, if applicable) issuable upon conversion of Series A Preferred Stock shall be treated for all purposes as the record holder(s) of such shares of Common Stock (and/or other securities, if applicable) as of the Close of Business on the Mandatory Conversion Date or any applicable Conversion Date. In the event that a Holder shall not by written notice designate the name in which shares of Common Stock (and/or cash, securities or other property, if applicable) and payments of cash in lieu of fractional shares, if any, and accrued and unpaid dividends, if any, to be issued or paid upon conversion of shares of Series A Preferred Stock should be registered or paid or the manner in which such shares should be delivered, the Corporation shall be entitled to register and deliver such shares, and make such payments, in the name of the Holder and in the manner shown on the records of the Corporation.

(iv) Shares of Series A Preferred Stock duly converted in accordance with this Certificate of Incorporation, or otherwise reacquired by the Corporation, will resume the status of authorized and unissued Cumulative Preferred Stock, undesignated as to series and available for future issuance. The Corporation may from time-to-time take such appropriate action as may be necessary to reduce the authorized number of shares of Series A Preferred Stock; *provided* that no decrease shall reduce the authorized number of Series A Preferred Stock to a number less than the number of shares then outstanding.

(v) Conversion into shares of Common Stock will occur on the Mandatory Conversion Date or any applicable Conversion Date as follows:

(A) On the Mandatory Conversion Date, certificates representing shares of Common Stock shall be issued and delivered to the Holder(s) or their designee upon presentation and surrender of the certificate evidencing the Series A Preferred Stock to the Corporation and, if required, the furnishing of appropriate endorsements and transfer documents and the payment of all transfer and similar taxes.

(B) On the date of any conversion at the option of the Holder(s) pursuant to Subdivision 13(g), a Holder must do each of the following in order to convert:

- (1) surrender the shares of Series A Preferred Stock to the Corporation;
- (2) if required, furnish appropriate endorsements and transfer documents; and
- (3) if required, pay all transfer or similar taxes.

The date on which a Holder complies with the procedures in this Subdivision 13(i)(v) is the “Conversion Date”.

(vi) Fractional Shares.

(A) No fractional shares of Common Stock will be issued as a result of any conversion of shares of Series A Preferred Stock.

(B) In lieu of any fractional share of Common Stock otherwise issuable in respect of any conversion pursuant to Subdivision 13(g) or Subdivision 13(h), the Corporation shall pay an amount in cash (computed to the nearest cent) equal to the same fraction of the Closing Price of the Common Stock determined as of the second Trading Day immediately preceding the Conversion Date.

(C) If more than one share of the Series A Preferred Stock is surrendered for conversion at one time by or for the same Holder, the number of full shares of Common Stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of the Series A Preferred Stock so surrendered.

(j) *Anti-Dilution Adjustments.*

(i) The Conversion Rate shall be adjusted from time to time by the Corporation in accordance with this Subdivision 13(j).

(ii) If the Corporation shall, at any time or from time to time while any of the Series A Preferred Stock is outstanding, pay a dividend or make a distribution on its Common Stock in shares of its Common Stock to all or substantially all holders of its Common Stock, then the Conversion Rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{OS_1}{OS_0}$$

where,

- CR₀ = the Conversion Rate in effect at the Close of Business on the Record Date for such dividend or distribution;
- CR₁ = the Conversion Rate in effect immediately after the Record Date for such dividend or distribution;
- OS₀ = the number of shares of Common Stock Outstanding at the Close of Business on the Record Date for such dividend or distribution; and
- OS₁ = the number of shares of Common Stock that would be outstanding immediately after, and solely as a result of, such dividend or distribution.

Any adjustment made pursuant to this Subdivision 13(j)(ii) shall become effective immediately after the Record Date for such dividend or distribution. If any dividend or distribution that is the subject of this Subdivision 13(j)(ii) is declared but not so paid or made, the Conversion Rate shall be readjusted, effective as of the date the Board of Directors publicly announces its decision not to pay or make such dividend or distribution, to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared. For the avoidance of doubt, for purposes of this Subdivision 13(j)(ii), the number of shares of Common Stock Outstanding at the Close of Business on the Record Date for such dividend or distribution shall not include shares of Common Stock held in treasury, if any.

(iii) If the Corporation shall, at any time or from time to time while any of the Series A Preferred Stock is outstanding, (x) subdivide the then Common Stock Outstanding into a greater number of shares of Common Stock or (y) combine the then Common Stock Outstanding into a smaller number of shares of Common Stock, then the Conversion Rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{OS_1}{OS_0}$$

where,

- CR₀ = the Conversion Rate in effect at the Close of Business on the effective date of such subdivision or combination;
- CR₁ = the Conversion Rate in effect immediately after the effective date of such subdivision or combination;
- OS₀ = the number of shares of Common Stock Outstanding at the Close of Business on the effective date of such subdivision or combination; and
- OS₁ = the number of shares of Common Stock that would be outstanding immediately after, and solely as a result of, such subdivision or combination.

Any adjustment made pursuant to this Subdivision 13(j)(iii) shall become effective immediately after the effective date of such subdivision or combination.

(iv) If the Corporation shall, at any time or from time to time while any of the Series A Preferred Stock is outstanding, distribute to holders of all or substantially all of the Common Stock any rights or warrants (other than a distribution of rights issued pursuant to a stockholder's rights plan, to the extent such rights are attached to shares of Common Stock (in which event the provisions of Subdivision 13(j)(xv) shall apply), a dividend reinvestment plan or an issuance in connection with a transaction in which Subdivision 13(k) applies) entitling them to subscribe for or purchase, for a period of not more than 60 calendar days from the issuance date of such distribution, shares of Common Stock at a price per share less than the Current Market Price of the Common Stock, the Conversion Rate shall be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{OS_0 + X}{OS_0 + Y}$$

where,

- CR_0 = the Conversion Rate in effect at the Close of Business on the Record Date for such distribution;
- CR' = the Conversion Rate in effect immediately after the Record Date for such distribution;
- OS_0 = the number of shares of Common Stock Outstanding at the Close of Business on the Record Date for such distribution;
- X = the total number of shares of Common Stock issuable pursuant to such rights or warrants; and
- Y = the number of shares of Common Stock equal to (x) the aggregate price payable to exercise such rights or warrants divided by (y) the Current Market Price of the Common Stock.

Any adjustment made pursuant to this Subdivision 13(j)(iv) shall become effective immediately after the Record Date for such distribution. If such rights or warrants described in this Subdivision 13(j)(iv) are not so distributed, the Conversion Rate shall be readjusted, effective as of the date the Board of Directors publicly announces its decision not to distribute such rights or warrants, to the Conversion Rate that would then be in effect if such distribution had not been declared. To the extent that such rights or warrants are not exercised prior to their expiration or shares of Common Stock are otherwise not delivered pursuant to such rights or warrants upon the exercise of such rights or warrants, the Conversion Rate shall be readjusted to the Conversion Rate which would then be in effect had the adjustments made upon the distribution of such rights or warrants been made on the basis of the delivery of only the number of shares of Common Stock actually delivered. In determining the aggregate price payable to exercise such rights or warrants, there shall be taken into account any consideration received by the Corporation upon exercise of such rights and warrants and the value of such consideration (if other than cash, to be determined in good faith by the Board of Directors). For the avoidance of doubt, for purposes of this Subdivision 13(j)(iv), the number of shares of Common Stock Outstanding at the Close of Business on the Record Date for such distribution shall not include shares of Common Stock held in treasury, if any.

(v) If the Corporation shall, at any time or from time to time while any of the Series A Preferred Stock is outstanding, by dividend or

otherwise, distribute to all or substantially all holders of the Common Stock shares of any class of capital stock of the Corporation, evidences of its indebtedness, assets, property or rights or warrants to acquire the Corporation's capital stock or other securities, but excluding:

- (A) any dividends or distributions referred to in Subdivision 13(j)(ii);
- (B) any rights or warrants referred to in Subdivision 13(j)(iv);
- (C) any dividends or distributions referred to in Subdivision 13(j)(vi);
- (D) any dividends and distributions in connection with a transaction to which Subdivision 13(k) shall apply; and
- (E) any Spin-Offs to which the provision set forth below in this Subdivision 13(j)(v) shall apply.

(any such shares of capital stock, indebtedness, assets, property or rights or warrants to acquire Common Stock or other securities, hereinafter in this Subdivision 13(j)(v) called the "Distributed Property"), then, in each such case the Conversion Rate shall be adjusted based on the following formula:

$$CR' = CR_0 \times \frac{SP_0}{SP_0 - FMV}$$

where,

- CR₀ = the Conversion Rate in effect at the Close of Business on the Record Date for such distribution;
- CR' = the Conversion Rate in effect immediately after the Record Date for such distribution;
- SP₀ = the Current Market Price of the Common Stock; and
- FMV = the Fair Market Value on the Record Date for such distribution of the Distributed Property, expressed as amount per share of Common Stock.

If the transaction that gives rise to an adjustment pursuant to this Subdivision 13(j)(v) is one pursuant to which the payment of a dividend or other distribution on the Common Stock consists of shares of capital stock of, or similar equity interests in, a Subsidiary or other business unit of the Corporation (a “Spin-Off”) that are, or when issued will be, traded or listed on the New York Stock Exchange, The NASDAQ Global Select Market, The NASDAQ Global Market or any other U.S. national securities exchange or association, the Conversion Rate shall be adjusted based on the following formula:

$$CR' = CR_0 \quad X \quad \frac{(FMV + MP_0)}{MP_0}$$

where,

- CR₀ = the Conversion Rate in effect at the Close of Business on the Record Date for such distribution;
- CR' = the Conversion Rate in effect immediately after the Record Date for such distribution;
- FMV = the average of the Closing Prices of the capital stock or similar equity interest distributed to holders of Common Stock applicable to one share of Common Stock over the 10 consecutive Trading Day period beginning on, and including, the effective date of the Spin-Off (the “Spin-Off Valuation Period”); and
- MP₀ = the average of the Closing Prices of the Common Stock over the Spin-Off Valuation Period.

Any adjustment made pursuant to this Subdivision 13(j)(v) shall become effective immediately after the Record Date for such distribution. If any dividend or distribution of the type described in this Subdivision 13(j)(v) is declared but not so paid or made, the Conversion Rate shall be readjusted, effective as of the date

the Board of Directors publicly announces its decision not to pay such dividend or distribution, to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared. If an adjustment to the Conversion Rate is required under this Subdivision 13(j)(v), delivery of any additional shares of Common Stock that may be deliverable upon conversion as a result of an adjustment required under this Subdivision 13(j)(v) shall be delayed to the extent necessary in order to complete the calculations provided for in this Subdivision 13(j)(v).

(vi) If the Corporation shall, at any time or from time to time while any of the Series A Preferred Stock is outstanding, by dividend or otherwise make a distribution to all or substantially all holders of its outstanding shares of Common Stock consisting exclusively of cash, but excluding:

(A) any dividend or distribution in connection with the liquidation, dissolution or winding up of the Corporation (whether voluntary or involuntary), or upon a transaction to which Subdivision 13(k) applies, or

(B) regular cash dividends to the extent that such dividends do not exceed \$0.25 per share in any Fiscal Quarter (the "Dividend Threshold Amount"),

then the Conversion Rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{SP_0}{SP_0 - DIV}$$

where,

CR₀ = the Conversion Rate in effect at the Close of Business on the Record Date for such dividend or distribution;

CR₁ = the Conversion Rate in effect immediately after the Record Date for such dividend or distribution;

SP₀ = the Current Market Price of the Common Stock; and

DIV = the amount in cash per share of Common Stock of the dividend or distribution, as determined pursuant to the following sentences. If any adjustment is required to be made as set forth in this Subdivision 13(j)(vi) as a result of a distribution (1) that is a regularly scheduled quarterly dividend, such adjustment would be based on the amount by which such dividend exceeds the Dividend Threshold Amount or (2) that is not a regularly scheduled quarterly dividend, such adjustment would be based on the full amount of such distribution. The Dividend Threshold Amount is subject to adjustment on an inversely proportional basis whenever the Conversion Rate is adjusted; *provided* that no adjustment shall be made to the Dividend Threshold Amount for any adjustment made to the Conversion Rate as described under this Subdivision 13(j)(vi).

Any adjustment made pursuant to this Subdivision 13(j)(vi) shall become effective immediately after the Record Date for such dividend or distribution. If any dividend or distribution of the type described in this Subdivision 13(j)(vi) is not so paid or made, the Conversion Rate shall be readjusted, effective as of the date the Board of Directors publicly announces its decision not to pay such dividend or distribution, to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(vii) If the Corporation shall, at any time or from time to time while any of the Series A Preferred Stock is outstanding, make a payment in respect of a tender offer or exchange offer for all or any portion of the Common Stock subject to the tender offer rules, to the extent that the cash and value of any other consideration included in the payment per share of Common Stock exceeds the Closing Price of the Common Stock on the trading day immediately succeeding the last date on which tenders or exchanges may be made pursuant to such tender offer or exchange offer (the "Expiration Date"), then the Conversion Rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{FMV + (SP_1 \times OS_1)}{SP_1 \times OS_0}$$

where,

CR₀ = the Conversion Rate in effect at the Close of Business on the Expiration Date;

- CR₁ = the Conversion Rate in effect immediately after the Expiration Date;
- FMV = the Fair Market Value, on the Expiration Date, of the aggregate value of all cash and any other consideration paid or payable for shares of Common Stock validly tendered or exchanged and not withdrawn as of the Expiration Date;
- OS₁ = the number of shares of Common Stock outstanding immediately after the last time tenders or exchanges may be made pursuant to such tender offer or exchange offer (the “Expiration Time”);
- OS₀ = the number of shares of Common Stock outstanding immediately prior to the Expiration Time; and
- SP₁ = the average of the Closing Price of Common Stock during the ten consecutive Trading Day period commencing on the Trading Day immediately after the Expiration Date.

Any adjustment made pursuant to this Subdivision 13(j)(vii) shall become effective immediately prior to 9:00 a.m., New York City time, on the Trading Day immediately following the Expiration Date. If the Corporation, or one of its subsidiaries, is obligated to purchase shares of Common Stock pursuant to any such tender offer or exchange offer, but the Corporation or such subsidiary is permanently prevented by applicable law from effecting any such purchases, or all such purchases are rescinded, then the Conversion Rate shall be readjusted to be the Conversion Rate that would then be in effect if such tender offer or exchange offer had not been made. Except as set forth in the preceding sentence, if the application of this Subdivision 13(j)(vii) to any tender offer or exchange offer would result in a decrease in the Conversion Rate, no adjustment shall be made for such tender offer or exchange offer under this Subdivision 13(j)(vii). If an adjustment to the Conversion Rate is required under this Subdivision 13(j)(vii), delivery of any additional shares of Common Stock upon conversion of the Series A Preferred Stock shall be delayed to the extent necessary in order to complete the calculations provided for in this Subdivision 13(j)(vii).

(viii) In cases where the Fair Market Value of shares of capital stock, evidences of indebtedness, assets (including cash), or securities or certain rights, warrants or options to purchase securities of the Corporation, or the amount of the cash dividend or distribution applicable to one share of Common Stock, distributed to all or substantially all holders of the Common Stock:

(A) equals or exceeds the Current Market Price of the Common Stock; or

(B) the Current Market Price of the Common Stock exceeds the Fair Market Value of such assets, debt securities or rights, warrants or options or the amount of cash so distributed by less than \$1.00,

rather than being entitled to an adjustment in the Conversion Rate, the Holder(s) will be entitled to receive upon conversion, in addition to shares of Common Stock, the kind and amount of shares of capital stock, evidences of indebtedness, assets, or securities or rights, warrants or options comprising the distribution, if any, that such Holder(s) would have received if such Holder(s) had held a number of shares of Common Stock equal to the principal amount of the notes held divided by the Conversion Rate in effect immediately prior to the record date for determining the holders of Common Stock entitled to receive the distribution.

(ix) All calculations under this Subdivision 13(j) shall be made to the nearest 1/100,000 of a share of Common Stock per share of Series A Preferred Stock. No adjustment in the Conversion Rate is required if the amount of such adjustment would be less than 1%; *provided, however*, that any such adjustment not required to be made pursuant to this Subdivision 13(j)(ix) will be carried forward and taken into account in any subsequent adjustment.

(x) No adjustment to the Conversion Rate shall be made if the Holder(s) may participate in the transaction that would otherwise give rise to an adjustment, as a result of holding the Series A Preferred Stock, without having to convert the Series A Preferred Stock, as if they held the full number of shares of Common Stock into which a share of the Series A Preferred Stock may then be converted.

(xi) The Corporation may, but is not required to, make such increases in the Conversion Rate, in addition to those required by Subdivision 13(j)(ii) through (vii), as the Board of Directors deems advisable to avoid or diminish any income tax to holders of Common Stock resulting from any dividend or distribution of Common Stock (or rights to acquire Common Stock) or from any event treated as such for income tax purposes.

(xii) In addition to the foregoing, to the extent permitted by applicable law and subject to the applicable rules of the New York Stock Exchange, the Corporation from time to time may increase the Conversion Rate by any amount for any period of time if the period is at least 20 Business Days, the increase is irrevocable during the period and the Board of Directors shall have made a determination that such increase would be in the best interests of the Corporation, which determination shall be conclusive. Whenever the Conversion Rate is increased pursuant to the preceding sentence, the Corporation shall mail to Holder(s) a notice of the increase, which notice will be given at least 15 calendar days prior to the effectiveness of any such increase, and such notice shall state the increased Conversion Rate and the period during which it will be in effect.

(xiii) If during a period applicable for calculating the Closing Price of Common Stock or any other security, an event occurs that requires an adjustment to the Conversion Rate, the Closing Price of such security shall be calculated for such period in a manner reasonably determined by the Corporation to appropriately reflect the impact of such event on the price of such security during such period. Whenever any provision of this Subdivision 13 requires a calculation of an average of Closing Prices of Common Stock or any other security over multiple days, appropriate adjustments shall be made to account for any adjustment to the Conversion Rate that becomes effective, or any event requiring an adjustment to the Conversion Rate where the Record Date of the event occurs, at any time during the period during which the average is to be calculated.

(xiv) Whenever the Conversion Rate is to be adjusted in accordance with Subdivision 13(j), the Corporation shall compute the Conversion Rate in accordance with Subdivision 13(j), taking into account Subdivision 13(j)(ix), and provide, or cause to be provided, a written notice to the Holder(s) of the occurrence of such event and setting forth the adjusted Conversion Rate.

(xv) Rights Plans. If the Corporation has a rights plan in effect with respect to the Common Stock on the Mandatory Conversion Date or any Conversion Date, upon conversion of any shares of the Series A Preferred Stock, the Holder of such shares will receive, in addition to the shares of Common Stock, the rights under the rights plan relating to such Common Stock, unless, prior to the Mandatory Conversion Date or such Conversion Date, the rights have (x) become exercisable or (y) separated from the shares of Common Stock in accordance with the provisions of such rights plan (the first of events to occur being the "Trigger Event"), in either of which cases the Conversion Rate will be adjusted, effective automatically at the time of such Trigger Event, as if the Corporation had made a distribution of such rights to all holders of the Common Stock as described in Subdivision 13(j)(iv) (without giving effect to the 60 day limit on the exercisability of rights and

warrants ordinarily subject to such Subdivision 13(j)(iv)), subject to appropriate readjustment in the event of the expiration, termination or redemption of such rights prior to the exercise, deemed exercise or exchange thereof. Notwithstanding the foregoing, to the extent any such stockholder rights are exchanged by the Corporation for shares of Common Stock, the Conversion Rate shall be appropriately readjusted as if such stockholder rights had not been issued, but the Corporation had instead issued the shares of Common Stock issued upon such exchange as a dividend or distribution of shares of Common Stock subject to Subdivision 13(j)(ii).

(k) Reorganization Events.

(i) In the event that there occurs:

(A) any consolidation, merger or other business combination of the Corporation with or into another Person;

(B) any sale, transfer, lease or conveyance to another Person of all or substantially all of the property and assets of the Corporation;

(C) any reclassification, recapitalization or reorganization of the Corporation; or

(D) any statutory exchange of the outstanding shares of Common Stock for securities of another Person (other than in connection with a consolidation, merger or other business combination);

and in each case, the holders of the Common Stock receive stock, other securities or other property or assets (including cash or any combination thereof) with respect to or in exchange for the Common Stock (any such event or transaction, a "Reorganization Event") each share of Series A Preferred Stock outstanding immediately prior to such Reorganization Event shall, without notice to or consent of the Holder(s) and subject to Subdivision 13(k)(v), become convertible (but, for the avoidance of doubt, shall not be automatically converted in connection with such Reorganization Event) into the kind of securities, cash and other property received in such Reorganization Event by the holders of the Common Stock (other than the counterparty to the Reorganization Event or an Affiliate of such counterparty) (such securities, cash and other property, the "Exchange Property").

(ii) In the event that holders of the shares of Common Stock have the opportunity to elect the form of consideration to be received in such transaction, the consideration that the Holder(s) are entitled to receive upon conversion shall be deemed to be the types and amounts of consideration received by a majority of the holders of the shares of Common Stock that did make an affirmative election.

(iii) The above provisions of this Subdivision 13(k) shall similarly apply to successive Reorganization Events and the provisions of Subdivision 13(j) shall apply to any shares of capital stock received by the holders of Common Stock in any such Reorganization Event.

(iv) The Corporation (or any successor) shall, within 20 days of the consummation of any Reorganization Event, provide written notice to the Holder(s) of such consummation of such event and of the kind and amount of the cash, securities or other property that constitutes the Exchange Property. Failure to deliver such notice shall not affect the operation of this Subdivision 13(k).

(v) The Corporation shall not enter into any agreement for a transaction constituting a Reorganization Event unless:

(A) such agreement provides for, or does not interfere with or prevent (as applicable), conversion of the Series A Preferred Stock into the Exchange Property in a manner that is consistent with and gives effect to this Subdivision 13(k); and

(B) to the extent that the Corporation is not the surviving corporation in such Reorganization Event or will be dissolved in connection with such Reorganization Event, proper provision shall be made in the agreements governing such Reorganization Event for the conversion of the Series A Preferred Stock into stock of the Person surviving such Reorganization Event or, in the case of a Reorganization Event described in Subdivision 13(k)(i)(B), an exchange of Series A Preferred Stock for the stock of the Person to whom the Corporation's assets are conveyed or transferred, and such stock of the Person surviving such Reorganization Event or to whom the Corporation's assets are conveyed or transferred shall have voting powers, preferences and relative, participating, optional or other special rights as nearly equal as possible to those provided in this Certificate of Incorporation.

(l) Holder's Right to Convert Upon a Make-Whole Acquisition.

(i) In addition to any other rights of conversion set forth herein, in the event a Make-Whole Acquisition occurs, each Holder shall have the right, at such Holder's option, to convert all or any portion of such Holder's shares of Series A Preferred Stock into shares of Common Stock during the period (the "Make-Whole Acquisition Conversion Period") beginning on the effective date of the Make-Whole Acquisition (the "Make-Whole Acquisition Effective Date") and ending on the date that is 30 calendar days after the Make-Whole Acquisition Effective Date at the Applicable Conversion Rate, plus a number of additional shares of Common Stock (the "Additional Shares") determined pursuant to Subdivision 13(l)(ii), plus cash in lieu of

fractional shares, plus an amount equal to any accrued and unpaid dividends on the shares of Series A Preferred Stock so converted through the date of such conversion, subject to compliance with the conversion procedures set forth in Subdivision 13(i).

(ii) The number of Additional Shares per share of Series A Preferred Stock shall be determined by reference to the table below for the applicable Make-Whole Acquisition Effective Date and the applicable Make-Whole Acquisition Stock Price:

| <u>Make-Whole Acquisition Effective Date</u> <i>[Issue Date]</i> , 2010 | <u>Make-Whole Acquisition Stock Price</u> ³ | | | | | | | | | | | | |
|--|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | <u>\$[]</u> | <u>\$[]</u> | <u>\$[]</u> | <u>\$[]</u> | <u>\$[]</u> | <u>\$[]</u> | <u>\$[]</u> | <u>\$[]</u> | <u>\$[]</u> | <u>\$[]</u> | <u>\$[]</u> | <u>\$[]</u> | <u>\$[]</u> |
| [], 2011 | | | | | | | | | | | | | |
| [], 2012 | | | | | | | | | | | | | |
| [], 2013 | | | | | | | | | | | | | |
| [], 2014 | | | | | | | | | | | | | |
| [], 2015 | | | | | | | | | | | | | |

The exact Make-Whole Acquisition Stock Price and Make-Whole Acquisition Effective Date may not be set forth in the table, in which case:

(A) if the Make-Whole Acquisition Stock Price is between two Make-Whole Acquisition Stock Price amounts in the table or the Make-Whole Acquisition Effective Date is between two Make-Whole Acquisition Effective Dates in the table, the number of Additional Shares will be determined by straight-line interpolation between the number of Additional Shares set forth for the higher and lower Make-Whole Acquisition Stock Price amounts and the two Make-Whole Acquisition Effective Dates, as applicable, based on a 365-day year;

(B) if the Make-Whole Acquisition Stock Price is in excess of \$[—] per share (subject to adjustment pursuant to Subdivision 13(j)), no Additional Shares will be issued upon conversion of the Series A Preferred Stock;

(C) if the Make-Whole Acquisition Stock Price is less than \$[—] per share (subject to adjustment pursuant to Subdivision 13(j)), no Additional Shares will be issued upon conversion of the Series A Preferred Stock; and

³ Table to be generated immediately prior to issuance.

(D) if the Make-Whole Acquisition Effective Date is after the fifth anniversary of the Issue Date, then the number of Additional Shares will be determined by reference to the last row in the table.

The Make-Whole Acquisition Stock Prices set forth in the table above shall be adjusted pursuant to Subdivision 13(j) as of any date the Conversion Rate is adjusted. The adjusted Make-Whole Acquisition Stock Prices will equal the Make-Whole Acquisition Stock Prices applicable immediately prior to such adjustment multiplied by a fraction, the numerator of which is the Conversion Rate immediately prior to the adjustment and the denominator of which is the Conversion Rate as so adjusted. Each of the number of Additional Shares in the table shall also be subject to adjustment in the same manner as the Conversion Rate pursuant to Subdivision 13(j).

(iii) On or before the 20th calendar day prior to the date the Corporation anticipates the Make-Whole Acquisition being consummated or within two Business Days of becoming aware of a Make-Whole Acquisition of the type set forth in clause (i) of the definition of Make-Whole Acquisition, a written notice shall be sent by or on behalf of the Corporation, by first-class mail, postage prepaid, to the Holder(s) as they appear in the records of the Corporation. Such notice shall contain:

(A) the date of which the Make-Whole Acquisition is anticipated to be effective or the Make-Whole Acquisition Effective Date, as applicable; and

(B) the date by which a Make-Whole Acquisition conversion pursuant to this Subdivision 13(l) must be exercised.

(iv) On the Make-Whole Acquisition Effective Date or as soon as practicable thereafter, another written notice shall be sent by or on behalf of the Corporation, by first-class mail, postage prepaid, to the Holder(s) as they appear in the records of the Corporation. Such notice shall contain:

(A) the date that shall be 30 calendar days after the Make-Whole Acquisition Effective Date;

(B) the number of Additional Shares;

(C) the amount of cash, securities and other consideration receivable by a Holder upon conversion; and

(D) the instructions a Holder must follow to exercise its Make-Whole Acquisition conversion right pursuant to this Subdivision 13(l).

(v) To exercise its Make-Whole Acquisition conversion right pursuant to this Subdivision 13(l), a Holder must, no later than 5:00 p.m., New York City time, on or before the date specified in the notice sent pursuant to Subdivision 13(l)(iv), comply with the procedures set forth in Subdivision 13(i), and indicate that it is exercising its Make-Whole Acquisition conversion right pursuant to this Subdivision 13(l).

(vi) If a Holder does not elect to exercise its Make-Whole Acquisition conversion right pursuant to this Subdivision 13(l), the shares of Series A Preferred Stock or successor security held by it shall remain outstanding (unless otherwise converted as provided herein), but the Holder will not be eligible to receive Additional Shares.

(vii) Upon a Make-Whole Acquisition conversion, the Conversion Agent shall, except as otherwise provided in the instructions provided by the Holder thereof in the written notice provided to the Corporation or its successor as set forth in Subdivision 13(l)(v), deliver to the Holder such cash, securities or other property as are issuable with respect to the shares of Series A Preferred Stock converted.

(viii) In the event that a Make-Whole Acquisition conversion is effected with respect to shares of Series A Preferred Stock or a successor security representing less than all the shares of Series A Preferred Stock or a successor security held by a Holder, upon such Make-Whole Acquisition conversion, the Corporation or its successor shall execute and the Registrar shall, unless otherwise instructed in writing, countersign and deliver to the Holder thereof, at the expense of the Corporation or its successors, a certificate evidencing the shares of Series A Preferred Stock or such successor security held by the Holder as to which a Make-Whole Acquisition conversion was not effected.

(m) Holder's Redemption Right Upon a Fundamental Change.

(i) Upon the occurrence of a Fundamental Change, each Holder shall have the option, during the period commencing on the date the applicable Fundamental Change Notice (as defined below) is mailed to Holders of the Series A Preferred Stock and ending at the Close of Business on the 45th Business Day thereafter (the "Fundamental Change Redemption Date"), to require the Corporation to redeem all, or any portion, of such Holder's shares of Series A Preferred Stock at the redemption price per share equal to the Liquidation Preference per share of Series A Preferred Stock plus an amount equal to any accrued and unpaid dividends on the shares of Series A Preferred Stock so redeemed to, but not including, the Fundamental Change Redemption Date (the "Fundamental Change Redemption Price").

(ii) Within 30 days following a Fundamental Change, the Corporation shall mail to each Holder of shares of the Series A Preferred Stock a notice (the “Fundamental Change Notice”) setting forth the details of the Fundamental Change and the special redemption rights occasioned thereby. In addition to any information required by law or by the applicable rules of any exchange upon which the Series A Preferred Stock may be listed or admitted to trading, such notice shall state: (a) the Fundamental Change Redemption Date; (b) the Fundamental Change Redemption Price; (c) the place or places where certificates for shares may be surrendered for payment of the Fundamental Change Redemption Price, including any procedures applicable to redemption to be accomplished through book-entry transfers; (d) the procedures that the Holder of Series A Preferred Stock must follow to exercise such Holder’s rights under this Subdivision 13(m); and (e) that dividends on the shares tendered for redemption will cease to accumulate on the Fundamental Change Redemption Date.

(iii) To exercise such Holder’s special redemption right under this Subdivision 13(m), a Holder must (a) surrender the certificate or certificates evidencing the shares of Series A Preferred Stock to be redeemed, duly endorsed in a form satisfactory to the Corporation, at the office of the Corporation and (b) notify the Corporation at such office that such Holder elects to exercise such Holder’s fundamental change redemption rights and the number of shares such Holder wishes to have redeemed. In the event that a Holder fails to notify the Corporation of the number of shares of Series A Preferred Stock which such Holder wishes to have redeemed, such Holder shall be deemed to have elected to have redeemed all shares represented by the certificate or certificates surrendered for redemption.

(iv) Exercise by a Holder of such Holder’s special redemption right following a Fundamental Change is irrevocable, except that a Holder may withdraw its election to exercise such Holder’s special redemption right at any time on or before the Fundamental Change Redemption Date by delivering a written or facsimile transmission notice to the Corporation at the address or facsimile number specified in the Fundamental Change Notice. Such notice, to be effective, must be received by the Corporation prior to the close of business on the Fundamental Change Redemption Date. All shares of Series A Preferred Stock tendered for redemption pursuant to the Holder’s fundamental change redemption rights as described herein and not withdrawn shall be redeemed at or prior to the Close of Business on the Fundamental Change Redemption Date. From and after the Fundamental Change Redemption Date, unless the Corporation defaults in payment of the Fundamental Change Redemption Price, dividends on the shares of Series A Preferred Stock tendered for redemption shall cease to accumulate, and said shares shall no longer be deemed to be outstanding and shall not have the status of shares of Series A Preferred Stock, and all rights of Holders thereof as shareholders of the Corporation (except the right to receive from the

Company the Fundamental Change Redemption Price) shall cease. As soon as practical after the Fundamental Change Redemption Date, the Corporation shall deliver a new certificate representing the unredeemed portion, if any, of the shares of Series A Preferred Stock represented by the certificate or certificates surrendered for redemption.

(n) Voting Rights.

(i) Unless the consent of the Holder(s) of a greater number of shares shall then be required by law and except as provided in Subdivisions 13(n)(ii), 13(n)(iii) and 13(n)(iv), the consent of the Holder(s) of at least two-thirds of the shares of Series A Preferred Stock at the time outstanding, given in person or by proxy, either in writing or at any special or annual meeting called for the purpose, at which the Series A Preferred Stock shall vote separately as a class, shall be necessary to permit, effect or validate any one or more of the following:

(A) The authorization of, or any increase in the authorized amount of, any class of stock ranking prior to the Series A Preferred Stock;

(B) The amendment, alteration or repeal of any of the provisions of the Certificate of Incorporation, or of the By-Laws of the Corporation (whether, directly or indirectly, by merger, consolidation or otherwise) which would affect adversely any right, preference, privilege or voting power of the Series A Preferred Stock or of the Holder(s) thereof; and

(C) The voluntary liquidation, dissolution or winding up of the Corporation, or the sale, lease or conveyance (other than by mortgage) of all or substantially all of the property or business of the Corporation, or the consolidation, merger or other business combination of the Corporation with or into any other Person, except any such sale, lease or conveyance (other than by mortgage) of all or substantially all of the property or business of the Corporation or consolidation or merger or other business combination wherein none of the rights, preferences, privileges or voting powers of the Series A Preferred Stock or the Holder(s) thereof are adversely affected.

(ii) The Holder(s) shall have no voting rights with respect to any consolidation, merger or other business combination of the Corporation with or into any other Person if:

(A) to the extent the Corporation is not the surviving Person in such transaction, the Holder(s) will receive the stock of the Person surviving such transaction and such stock shall have voting powers, preferences and relative, participating, optional or other special rights as nearly equal as possible to those provided in this Certificate of Incorporation; and

(B) upon conversion of the Series A Preferred Stock or the stock of the Person surviving such transaction issued in accordance with Subdivision 13(k)(v), the Holder(s) will receive Exchange Property in accordance with Subdivision 13(k).

(iii) The Holder(s) shall have no voting rights with respect to any sale, lease or conveyance (other than by mortgage) of all or substantially all of the property or business of the Corporation if:

(A) to the extent the Corporation is not the surviving Person in such transaction, the Holder(s) will receive the stock of the Person to whom all or substantially all of the property or business of the Corporation is sold, leased or conveyed and such stock shall have voting powers, preferences and relative, participating, optional or other special rights as nearly equal as possible to those provided in this Certificate of Incorporation; and

(B) upon conversion of the Series A Preferred Stock or the stock of the Person to whom all or substantially all of the property or business of the Corporation is sold, leased or conveyed issued in accordance with Subdivision 13(k)(v), the Holder(s) will receive Exchange Property in accordance with Subdivision 13(k).

(iv) The Holder(s) shall not have any voting rights if, at or prior to the effective time of the act with respect to which such vote would otherwise be required, all outstanding shares of Series A Preferred shall have been converted into shares of Common Stock.

(v) The last paragraph of Subdivision 6 of Article FOURTH of the Certificate of Incorporation shall not be applicable to the Series A Preferred Stock.

(vi) The Holder(s) will have the right to appoint two members of the Board of Directors in accordance with Subdivision 7 of Article FOURTH of the Certificate of Incorporation.

(o) Transfer; Optional Redemption by the Corporation Upon Transfer.

(i) The Transfer of the Series A Preferred Stock by the Holder(s) thereof shall not be restricted other than pursuant to the requirements of applicable law; *provided, however,* that, with respect to any such Transfer of shares of Series A Preferred Stock, the shares so Transferred must have an aggregate Liquidation Preference of at least \$1 million and, if applicable, any shares owned by the Holder effecting such Transfer following such Transfer must have an aggregate Liquidation Preference of at least \$1 million.

(ii) Upon a Transfer of the Series A Preferred Stock pursuant to Subdivision 13(o)(i) to a Person other than a Permitted Transferee, the Corporation shall have the right, at its option, to redeem, in part or in whole, such Transferred shares of Series A Preferred Stock (the “Optional Redemption Transferred Shares”) at any time on or following the fifth anniversary of the date of such Transfer at a redemption price per share of Series A Preferred Stock equal to the then Fair Market Value of such Optional Redemption Transferred Shares and an amount equal to any accrued and unpaid dividends on such Optional Redemption Transferred Shares to, but not including, the Optional Redemption Date.

(A) If the Corporation exercises its optional redemption right to redeem the Optional Redemption Transferred Shares pursuant to Subdivision 13(o)(ii), a written notice (the “Optional Redemption Notice”) shall be sent by or on behalf of the Corporation, by first-class mail, postage prepaid, to the Holder(s) of such Optional Redemption Transferred Shares, which shall contain the number of Optional Redemption Transferred Shares, the name of the nationally recognized independent investment banking firm selected by the Corporation to determine the Fair Market Value of the Optional Redemption Transferred Shares to be redeemed, the Fair Market Value of the Optional Redemption Transferred Shares (on a per share and aggregate basis) and such other information required by applicable law.

(B) The date of the redemption of the Optional Redemption Transferred Shares shall be a date selected by the Corporation that is not less than 30 calendar days and not more than 60 calendar days after the date on which the Corporation provides Optional Redemption Notice (the “Optional Redemption Date”).

(C) If, on or before the Optional Redemption Date specified in the Optional Redemption Notice, the Corporation has set aside all funds necessary for such redemption, separate and apart from its other funds, in trust for the pro rata benefit of the Holder(s) of the Optional Redemption Transferred Shares so called for redemption, so as to be and continue to be available therefor, then, notwithstanding that any certificate for the Optional Redemption Transferred Shares so called for redemption shall not have been surrendered for cancellation, all the Optional Redemption Transferred Shares so called for redemption shall no longer be deemed outstanding on and after such Optional Redemption Date, and the right to receive dividends thereon and all other rights with respect to such shares shall forthwith on such Optional Redemption Date cease and terminate, except only the right of the Holder(s) thereof to receive the amount payable on redemption thereof without interest.

(iii) A Holder effecting a Transfer pursuant to this Subdivision 13(o) must notify the Registrar of the Transfer on the date of the Transfer. Any purported Transfer of shares of Series A Preferred Stock not in accordance with this Subdivision 13(o) shall be void and have no effect; *provided, however*, that the failure to notify the Registrar of any Transfer shall not cause such Transfer to be void and of no effect.

(p) Reservation of Common Stock.

(i) The Corporation has reserved and shall continue at all times to reserve and keep available out of its authorized and unissued Common Stock or shares acquired by the Corporation, solely for issuance upon the conversion of shares of Series A Preferred Stock as provided in this Subdivision 13, free from any preemptive or other similar rights, such number of shares of Common Stock as shall from time to time be issuable upon the conversion of all the shares of Series A Preferred Stock then outstanding. The Corporation shall take all such corporate and other actions as from time to time may be necessary to ensure that all shares of Common Stock issuable upon conversion of shares of Series A Preferred Stock at the Conversion Rate in effect from time to time will, upon issue, be duly and validly authorized and issued, fully paid and nonassessable and free of any preemptive or similar rights. For purposes of this Subdivision 13(p), the number of shares of Common Stock that shall be deliverable upon the conversion of all outstanding shares of Series A Preferred Stock shall be computed as if at the time of computation all such outstanding shares were held by a single Holder.

(ii) Notwithstanding the foregoing, the Corporation shall be entitled to deliver upon conversion of shares of Series A Preferred Stock, as herein provided, shares of Common Stock acquired by the Corporation (in lieu of the issuance of authorized and unissued shares of Common Stock), so long as (x) any such acquired shares are free and clear of all liens, charges, security interests or encumbrances (other than liens, charges, security interests and other encumbrances created by the Holders) and (y) all such acquired shares have all the same attributes as any other share of Common Stock then outstanding, including without limitation any rights that may then be attached to all or substantially all of the Common Stock then outstanding pursuant to any stockholders' rights plan or similar arrangement.

(iii) All shares of Common Stock delivered upon conversion of the Series A Preferred Stock shall be duly authorized, validly issued, fully paid and non-assessable, free and clear of all liens, claims, security interests and other encumbrances (other than liens, charges, security interests and other encumbrances created by the Holder(s)).

(iv) Prior to the delivery of any securities that the Corporation shall be obligated to deliver upon conversion of the Series A Preferred Stock, the Corporation shall use its reasonable best efforts to comply with all federal and state laws and regulations thereunder requiring the registration of such securities with, or any approval of or consent to the delivery thereof by, any governmental authority.

(v) The Corporation hereby covenants and agrees that, if at any time the Common Stock shall be listed on the New York Stock Exchange or any other national securities exchange or automated quotation system, the Corporation will, if permitted by the rules of such exchange or automated quotation system, list and keep listed, so long as the Common Stock shall be so listed on such exchange or automated quotation system, all the Common Stock issuable upon conversion of the Series A Preferred Stock.

(q) *Replacement Certificates.* The Corporation shall replace any mutilated Series A Preferred Stock certificate at the Holder's expense upon surrender of that certificate to the Corporation. The Corporation shall replace certificates that become destroyed, stolen or lost at the Holder's expense upon delivery to the Corporation of satisfactory evidence that the certificate has been destroyed, stolen or lost, together with any indemnity that may reasonably be required by the Corporation.

(r) *Miscellaneous.*

(i) All notices referred to herein shall be in writing, and, unless otherwise specified herein, all notices hereunder shall be deemed to have been given upon the earlier of receipt thereof or three Business Days after the mailing thereof if sent by registered or certified mail with postage prepaid, addressed: (x) if to the Corporation, to its office at 45 Glover Avenue, Norwalk, CT 06856, Attention: General Counsel, or (y) if to any Holder, to such Holder at the address of such Holder as listed in the stock record books of the Corporation or (z) to such other address as the Corporation or any such Holder, as the case may be, shall have designated by notice similarly given.

(ii) No Holder of Series A Preferred Stock shall be entitled as such, as a matter of right, to subscribe for or purchase any part of any new or additional issue of stock of any class whatsoever, or of any obligations or other securities convertible into, or exchangeable for, any stock of any class whatsoever, whether now or hereafter authorized and whether issued for cash or other consideration or by way of dividend.

(iii) The shares of Series A Preferred Stock shall not have any voting powers, preferences or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein or in the Certificate of Incorporation or as provided by applicable law."

FIFTH: The foregoing amendment to the Certificate of Incorporation was authorized by a resolution of the Board of Directors at a meeting thereof duly held on September 27, 2009, in accordance with the authority granted to the Board of Directors in the Certificate of Incorporation and Section 502 of the Business Corporation Law.

IN WITNESS WHEREOF, XEROX CORPORATION has caused this Certificate of Amendment to be signed by its authorized corporate officer this [] day of [], 2010.

XEROX CORPORATION

By: _____
Name:
Title:

VOTING AGREEMENT
BY AND BETWEEN
XEROX CORPORATION
AND
DARWIN DEASON
DATED AS OF SEPTEMBER 27, 2009

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| ARTICLE I General | 1 |
| 1.1. Defined Terms | 1 |
| ARTICLE II VOTING | 3 |
| 2.1. Agreement to Vote | 3 |
| 2.2. No Inconsistent Agreements | 5 |
| 2.3. Proxy | 5 |
| ARTICLE III REPRESENTATIONS AND WARRANTIES | 6 |
| 3.1. Representations and Warranties of the Stockholder | 6 |
| ARTICLE IV OTHER COVENANTS | 7 |
| 4.1. Prohibition on Transfers, Other Actions | 7 |
| 4.2. Stock Dividends, etc | 7 |
| 4.3. No Solicitation; Support of Takeover Proposals | 7 |
| 4.4. Notice of Acquisitions, Proposals Regarding Permitted Transfers | 8 |
| 4.5. Waiver of Appraisal Rights | 9 |
| 4.6. Further Assurances | 9 |
| ARTICLE V MISCELLANEOUS | 9 |
| 5.1. Termination | 9 |
| 5.2. [intentionally omitted] | 10 |
| 5.3. No Ownership Interest | 10 |
| 5.4. Notices | 10 |
| 5.5. Interpretation | 11 |
| 5.6. Counterparts | 11 |
| 5.7. Entire Agreement | 11 |
| 5.8. Governing Law; Consent to Jurisdiction; Waiver of Jury Trial | 12 |
| 5.9. Amendment; Waiver | 12 |
| 5.10. Remedies | 12 |
| 5.11. Severability | 13 |
| 5.12. Successors and Assigns; Third Party Beneficiaries | 13 |
| 5.13. Capacity as a Stockholder | 13 |
| 5.14. Forum with respect to Financing Sources | 13 |
| Schedule 1: Stockholder Information | |
| Schedule 2: Encumbrances | |

INDEX OF DEFINED TERMS

| | <u>Page</u> |
|-----------------------------|-------------|
| Affiliate | 1 |
| Agreement | 1 |
| Beneficial Ownership | 2 |
| Beneficially Own | 2 |
| Beneficially Owned | 2 |
| Class A Common Stock | 1 |
| Class B Common Stock | 1 |
| Common Stock | 1 |
| control | 2 |
| Covered Shares | 2 |
| Encumbrance | 2 |
| Existing Shares | 2 |
| Existing Voting Agreement | 2 |
| Locked-Up Covered Shares | 4 |
| Merger | 1 |
| Merger Agreement | 1 |
| Parent | 1 |
| Permitted Transfer | 2 |
| Person | 3 |
| Representatives | 3 |
| Stockholder | 1 |
| Subsidiary | 3 |
| Transfer | 3 |
| willful and material breach | 9 |

VOTING AGREEMENT

VOTING AGREEMENT, dated as of September 27, 2009 (this "Agreement"), by and among Xerox Corporation, a New York corporation ("Parent"), and Darwin Deason (the "Stockholder").

WITNESSETH:

WHEREAS, concurrently with the execution of this Agreement, Parent, Affiliated Computer Services, Inc. (the "Company"), and Boulder Acquisition Corp., a Delaware corporation and a wholly-owned subsidiary of Parent ("Merger Sub"), are entering into an Agreement and Plan of Merger, dated as of the date hereof (as amended, supplemented, restated or otherwise modified from time to time, the "Merger Agreement") pursuant to which, among other things, the Company will merge with and into Merger Sub (the "Merger") and each outstanding share of the Class A common stock, par value \$0.01 per share, of the Company (the "Class A Common Stock") and the Class B common stock, par value \$0.01 per share, of the Company (the "Class B Common Stock") and, together with the Class A Common Stock, the "Common Stock") will be converted into the right to receive the merger consideration specified therein.

WHEREAS, as of the date hereof, the Stockholder is the record and beneficial owner, in the aggregate, of 2,140,884 shares of Class A Common Stock and 6,599,372 shares of Class B Common Stock.

WHEREAS, as a condition and inducement to Parent entering into the Merger Agreement, Parent has required that the Stockholder agree, and the Stockholder has agreed, to enter into this Agreement and abide by the covenants and obligations with respect to the Covered Shares (as hereinafter defined) set forth herein.

NOW THEREFORE, in consideration of the foregoing and the mutual representations, warranties, covenants and agreements herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

GENERAL

1.1. Defined Terms. The following capitalized terms, as used in this Agreement, shall have the meanings set forth below. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Merger Agreement.

"Affiliate" means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, such specified Person.

“**Beneficial Ownership**” by a Person of any securities means ownership, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, where such Person has or shares with another Person (i) voting power which includes the power to vote, or to direct the voting of, such security; and/or (ii) investment power which includes the power to dispose, or to direct the disposition, of such security; and shall otherwise be interpreted in accordance with the term “beneficial ownership” as defined in Rule 13d-3 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended; provided that for purposes of determining Beneficial Ownership, a Person shall be deemed to be the Beneficial Owner of any securities which may be acquired by such Person pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise (irrespective of whether the right to acquire such securities is exercisable immediately or only after the passage of time, including the passage of time in excess of 60 days, the satisfaction of any conditions, the occurrence of any event or any combination of the foregoing). The terms “**Beneficially Own**” and “**Beneficially Owned**” shall have a correlative meaning.

“**control**” (including the terms “**controlled by**” and “**under common control with**”), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or any other means.

“**Covered Shares**” means, with respect to the Stockholder, the Stockholder’s Existing Shares, together with any shares of Common Stock or other voting capital stock of the Company and any securities convertible into or exercisable or exchangeable for shares of Common Stock or other voting capital stock of the Company, in each case that the Stockholder has or acquires Beneficial Ownership of on or after the date hereof.

“**Encumbrance**” means any security interest, pledge, mortgage, lien (statutory or other), charge, option to purchase, lease or other right to acquire any interest or any claim, restriction, covenant, title defect, hypothecation, assignment, deposit arrangement or other encumbrance of any kind or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement).

“**Existing Voting Agreement**” means the Voting Agreement, dated February 9, 2006 (and amended December 7, 2007), by and between the Company and the Stockholder.

“**Existing Shares**” means, with respect to the Stockholder, the shares of Common Stock Beneficially Owned and (except as may be set forth on Schedule 1 hereto), owned of record by the Stockholder, as set forth opposite the Stockholder’s name on Schedule 1 hereto.

“**Permitted Transfer**” means a Transfer by the Stockholder to (i) a descendant, heir, executor, administrator, testamentary trustee, lifetime trustee or legatee of the Stockholder, or (ii) any trust, the trustees of which include only the Stockholder or the Persons named in clause (i) and the beneficiaries of which include only the Stockholder or the Persons named in clause (i), provided that, prior to the effectiveness of such Transfer, such transferee executes and

delivers to Parent a written agreement, in form and substance acceptable to Parent, to assume all of Stockholder's obligations hereunder in respect of the Covered Shares subject to such Transfer and to be bound by the terms of this Agreement, with respect to the Covered Shares subject to such Transfer, to the same extent as the Stockholder is bound hereunder and to make each of the representations and warranties hereunder in respect of the Covered Shares transferred as the Stockholder shall have made hereunder.

"Person" means any individual, corporation, limited liability company, limited or general partnership, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity, or any group comprised of two or more of the foregoing.

"Representatives" means the officers, directors, employees, agents, advisors and Affiliates of a Person.

"Subsidiary" means, with respect to any Person, any corporation or other organization, whether incorporated or unincorporated, (i) of which such Person or any other Subsidiary of such Person is a general partner, or (ii) at least a majority of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the board of directors or others performing similar functions with respect to such corporation or other organization is directly or indirectly owned or controlled by such Person or by any one or more of its Subsidiaries, or by such Person and one or more of its Subsidiaries.

"Transfer" means, directly or indirectly, to sell, transfer, assign, pledge, encumber, hypothecate or similarly dispose of (by merger (including by conversion into securities or other consideration), by tendering into any tender or exchange offer, by testamentary disposition, by operation of law or otherwise), either voluntarily or involuntarily, or to enter into any contract, option or other arrangement or understanding with respect to the voting of or sale, transfer, assignment, pledge, encumbrance, hypothecation or similar disposition of (by merger, by tendering into any tender or exchange offer, by testamentary disposition, by operation of law or otherwise).

ARTICLE II

VOTING

2.1. Agreement to Vote. (a) Subject to paragraph (b) below, the Stockholder hereby irrevocably and unconditionally agrees that during the term of this Agreement, at the Company Stockholders' Meeting and at any other meeting of the stockholders of the Company, however called, including any adjournment or postponement thereof, and in connection with any written consent of the stockholders of the Company, the Stockholder shall, in each case to the fullest extent that the Covered Shares are entitled to vote thereon or consent thereto:

(i) appear at each such meeting or otherwise cause the Covered Shares to be counted as present thereat for purposes of calculating a quorum;
and

(ii) vote (or cause to be voted), in person or by proxy, or deliver (or cause to be delivered) a written consent covering, all of the Covered Shares (I) in favor of

the adoption of the Merger Agreement and any other action reasonably requested by Parent in furtherance thereof; (II) against any action or agreement that would result in a breach of any covenant, representation or warranty or any other obligation or agreement of the Company contained in the Merger Agreement, or of the Stockholder contained in this Agreement; and (III) against any Takeover Proposal and against any other action, agreement or transaction that is intended, or could reasonably be expected to impede, interfere with, delay, postpone, discourage, frustrate the purposes of or adversely affect the Merger or the other transactions contemplated by the Merger Agreement or this Agreement or the performance by the Company of its obligations under the Merger Agreement or by the Stockholder of its obligations under this Agreement, including: (A) any extraordinary corporate transaction, such as a merger, consolidation or other business combination involving the Company or its Subsidiaries (other than the Merger); (B) a sale, lease or transfer of a material amount of assets of the Company or any of its Subsidiaries or any reorganization, recapitalization or liquidation of the Company or any of its Subsidiaries; or (C) any change in the present capitalization or dividend policy of the Company or any amendment or other change to the Company's certificate of incorporation or bylaws, except, in each case of clauses (I) through (III), if permitted by the Merger Agreement or approved by Parent.

The obligations of the Stockholder specified in this Section 2.1(a) shall, subject to Section 2.1(b) and Section 2.1(c), apply whether or not the Merger or any action described above is recommended by the Board of Directors of the Company (or any committee thereof).

(b) Notwithstanding Section 2.1(a), in the event of a Company Adverse Recommendation Change (as defined in the Merger Agreement) made in compliance with the Merger Agreement in connection with a Superior Proposal (as defined in the Merger Agreement), the obligation of the Stockholder to vote Covered Shares as to which the Stockholder controls the right to vote in the manner set forth in Section 2.1(a) shall be modified such that:

(i) the Stockholder shall vote (or cause to be voted), in person or by proxy, or deliver (or cause to be delivered) a written consent covering, an amount of Covered Shares equal to twenty-one and eight-tenths of a percent (21.8%) of the total voting power of the outstanding shares of Common Stock (the "Locked-Up Covered Shares"), voting together as a single class, entitled to vote in respect of such matter, as provided in Section 2.1(a) (ii); and

(ii) the Stockholder, in his sole discretion, shall vote (or cause to be voted), in person or by proxy, or deliver (or cause to be delivered) a written consent covering, all of his remaining Covered Shares in any manner he chooses.

(c) Notwithstanding Section 2.1(a), in the event of a Company Adverse Recommendation Change (as defined in the Merger Agreement) made in compliance with the Merger Agreement, other than a Company Adverse Recommendation Change made in connection with a Superior Proposal, the obligation of the Stockholder to vote Covered Shares as

to which the Stockholder controls the right to vote in the manner set forth in Section 2.1(a) shall be modified such that:

(i) the Stockholder shall vote (or cause to be voted), in person or by proxy, or deliver (or cause to be delivered) a written consent covering the Locked-Up Covered Shares, voting together as a single class, entitled to vote in respect of such matter, as provided in Section 2.1(a)(ii); and

(ii) the Stockholder shall cause all remaining Covered Shares so entitled to vote to be voted in a manner that is proportionate to the manner in which all shares of Common Stock (other than shares voted by the Stockholder) which are voted in respect of such matter, are voted.

2.2. No Inconsistent Agreements. Subject to Section 4.3(b)(ii) and except as set forth on Schedule 2 hereto, the Stockholder hereby covenants and agrees that, except for this Agreement and the Existing Voting Agreement, the Stockholder (a) has not entered into, and shall not enter into at any time while this Agreement remains in effect, any voting agreement or voting trust with respect to the Covered Shares, (b) has not granted, and shall not grant at any time while this Agreement remains in effect, a proxy (except pursuant to Section 2.3 hereof), consent or power of attorney with respect to the Covered Shares and (c) has not taken and shall not knowingly take any action that would make any representation or warranty of the Stockholder contained herein untrue or incorrect or have the effect of preventing or disabling the Stockholder from performing any of its obligations under this Agreement.

2.3. Proxy. Subject to Section 4.3(b)(ii), the Stockholder hereby irrevocably appoints as his proxy and attorney-in-fact, Lawrence A. Zimmerman and James A. Firestone, in their respective capacities as officers of Parent, and any individual who shall hereafter succeed to any such officer of Parent, and any other Person designated in writing by Parent (collectively, the “**Grantees**”), each of them individually, with full power of substitution, to vote or execute written consents with respect to the Covered Shares in accordance with Section 2.1(a), 2.1(b)(i) and 2.1(c)(i) hereof and, in the discretion of the Grantees, with respect to any proposed postponements or adjournments of any annual or special meetings of the stockholders of the Company at which any of the matters described in Section 2.1(a) was to be considered. This proxy is coupled with an interest and shall be irrevocable, and the Stockholder will take such further action or execute such other instruments as may be necessary to effectuate the intent of this proxy and hereby revokes any proxy previously granted by the Stockholder with respect to the Covered Shares. Parent may terminate this proxy with respect to the Stockholder at any time at its sole election by written notice provided to the Stockholder. Notwithstanding anything to the contrary in this Agreement, the proxy granted by this Section 2.3 shall terminate and be of no further force and effect upon the termination of this Agreement.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

3.1. Representations and Warranties of the Stockholder. The Stockholder hereby represents and warrants to Parent as follows:

(a) Authorization; Validity of Agreement; Necessary Action. The Stockholder has the requisite capacity and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Stockholder and, assuming this Agreement constitutes a valid and binding obligation of the other parties hereto, constitutes a legal, valid and binding obligation of the Stockholder, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, moratorium, reorganization or similar laws affecting the rights of creditors generally and the availability of equitable remedies (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(b) Ownership. The Stockholder's Existing Shares are, and all of the Covered Shares owned by the Stockholder from the date hereof through and on the Closing Date will be, Beneficially Owned and owned of record by the Stockholder except to the extent such Covered Shares are Transferred after the date hereof pursuant to a Permitted Transfer. Except as set forth on Schedule 2 hereto and for the Existing Voting Agreement, the Stockholder has good and marketable title to the Stockholder's Existing Shares, free and clear of any Encumbrances other than those imposed by applicable securities laws. As of the date hereof, the Stockholder's Existing Shares constitute all of the shares of Common Stock Beneficially Owned or owned of record by the Stockholder. Except as set forth on Schedule 2 hereto and for the Existing Voting Agreement, and subject to Section 4.3(b)(ii), the Stockholder has and will have at all times through the Closing Date sole voting power (including the right to control such vote as contemplated herein), sole power of disposition, sole power to issue instructions with respect to the matters set forth in Article II hereof, and sole power to agree to all of the matters set forth in this Agreement, in each case with respect to all of the Stockholder's Existing Shares and with respect to all of the Covered Shares owned by the Stockholder at all times through the Closing Date.

(c) No Violation. The execution and delivery of this Agreement by the Stockholder does not, and the performance by the Stockholder of its obligations under this Agreement will not, (i) conflict with or violate any law, ordinance or regulation of any Governmental Entity applicable to the Stockholder or by which any of its assets or properties is bound, or (ii) conflict with, result in any breach of or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of any Encumbrance on the properties or assets of the Stockholder pursuant to, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument or obligation to which the Stockholder is a party or by which the Stockholder or any of his assets or properties is bound, except for any of the foregoing as could not reasonably be expected, either individually or in the aggregate, to materially impair the ability of the Stockholder to perform its obligations hereunder or to consummate the transactions contemplated hereby on a timely basis.

(d) Consents and Approvals. The execution and delivery of this Agreement by the Stockholder does not, and the performance by the Stockholder of its obligations under this Agreement and the consummation by it of the transactions contemplated hereby will not, require the Stockholder to obtain any consent, approval, authorization or permit of, or to make any filing with or notification to, any Governmental Entity.

(e) Absence of Litigation. There is no Action pending or, to the knowledge of the Stockholder, threatened against or affecting the Stockholder or any of its Affiliates before or by any Governmental Entity that could reasonably be expected to materially impair the ability of the Stockholder to perform its obligations hereunder or to consummate the transactions contemplated hereby on a timely basis.

(f) Finder's Fees. No investment banker, broker, finder or other intermediary is entitled to a fee or commission from Parent, Merger Sub or the Company in respect of this Agreement based upon any arrangement or agreement made by or on behalf of the Stockholder.

(g) Reliance by Parent and Merger Sub. The Stockholder understands and acknowledges that Parent and Merger Sub are entering into the Merger Agreement in reliance upon the Stockholder's execution and delivery of this Agreement and the representations and warranties of Stockholder contained herein. The Stockholder understands and acknowledges that the Merger Agreement governs the terms of the Merger and the other transactions contemplated thereby.

ARTICLE IV

OTHER COVENANTS

4.1. Prohibition on Transfers, Other Actions. Subject to Section 4.3(b)(ii) and except as set forth on Schedule 2 hereto, the Stockholder hereby agrees not to (i) Transfer any of the Covered Shares, Beneficial Ownership thereof or any other interest therein unless such Transfer is a Permitted Transfer; (ii) enter into any agreement, arrangement or understanding with any Person, or take any other action, that violates or conflicts with or would reasonably be expected to violate or conflict with, or result in or give rise to a violation of or conflict with, the Stockholder's representations, warranties, covenants and obligations under this Agreement; or (iii) take any action that could restrict or otherwise affect the Stockholder's legal power, authority and right to comply with and perform its covenants and obligations under this Agreement. Any Transfer in violation of this provision shall be void.

4.2. Stock Dividends, etc. In the event of a stock split, stock dividend or distribution, or any change in the Common Stock by reason of any split-up, reverse stock split, recapitalization, combination, reclassification, exchange of shares or the like, the terms "Existing Shares" and "Covered Shares" shall be deemed to refer to and include such shares as well as all such stock dividends and distributions and any securities into which or for which any or all of such shares may be changed or exchanged or which are received in such transaction.

4.3. No Solicitation; Support of Takeover Proposals. (a) Subject to paragraph (b) below, the Stockholder hereby agrees that during the term of this Agreement it shall not, and shall not permit any of its Subsidiaries, Affiliates or Representatives to, (i) solicit, knowingly initiate or knowingly encourage, or knowingly facilitate any Takeover Proposal or the making or consummation thereof, (ii) enter into, continue or otherwise participate in any discussions or negotiations regarding, or furnish to any person any information in connection with, or enter into any agreement with respect to, any Takeover Proposal, (iii) waive, terminate, modify or fail to enforce any provision of any "standstill" or similar obligation of any person (other than Parent)

in favor of Stockholder and with respect to the Company or any of its Subsidiaries, (iv) make or participate in, directly or indirectly, a “solicitation” of “proxies” (as such terms are used in the rules of the U.S. Securities and Exchange Commission) or powers of attorney or similar rights to vote, or seek to advise or influence any Person, with respect to the voting of any shares of Common Stock in connection with any vote or other action on any matter, other than to recommend that stockholders of the Company vote in favor of the adoption of the Merger Agreement and as otherwise expressly provided in this Agreement, (v) approve, adopt or recommend, or publicly propose to approve, adopt or recommend a merger agreement, letter of intent, agreement in principle, share purchase agreement, asset purchase agreement, share exchange agreement, option agreement or other similar Contract providing for, with respect to, or in connection with any Takeover Proposal, or (vi) agree or publicly propose to do any of the foregoing. The Stockholder hereby agrees immediately to cease and cause to be terminated all discussions or negotiations with any Person conducted heretofore other than Parent with respect to any Takeover Proposal, and will take the necessary steps to inform its Affiliates and Representatives of the obligations undertaken by the Stockholder pursuant to this Agreement, including this Section 4.3. The Stockholder agrees that any violation of this Section 4.3 by any of its Affiliates or Representatives shall be deemed to be a violation by the Stockholder of this Section 4.3.

(b) Notwithstanding anything to the contrary in paragraph (a) above, (1) the foregoing paragraph (a) shall not prohibit, limit or otherwise restrict the Stockholder in his capacity as a director or officer of the Company and (2) the provisions of the foregoing paragraph (a) shall not apply with respect to a Person who has made a Takeover Proposal that the Board of Directors of the Company (acting through the Special Committee, if then in existence) has determined constitutes or could reasonably be expected to lead to a Superior Proposal in accordance with Section 4.02 of the Merger Agreement, and in such instance:

- (i) the Stockholder (in his capacity as a stockholder of the Company) and his Affiliates and Representatives shall be free to participate in any discussions or negotiations regarding any Takeover Proposal; and
- (ii) from and after a Company Adverse Recommendation Change made in compliance with the Merger Agreement in connection with a Superior Proposal, Sections 2.2, 2.3 and 4.1 shall apply only with respect to the Locked-Up Covered Shares and, for the avoidance of doubt, the Stockholder, in his sole discretion, is able to enter into any voting agreement, proxy, consent or power of attorney with respect to, or Transfer, the remaining Covered Shares.

(c) For the purposes of this Section 4.3 and Section 4.4, the Company shall be deemed not to be an Affiliate or Subsidiary of the Stockholder, and any officer, director, employee, agent or advisor of the Company (in each case, in their capacities as such) shall be deemed not to be a Representative of the Stockholder.

4.4. Notice of Acquisitions, Proposals Regarding Permitted Transfers. The Stockholder hereby agrees to notify Parent as promptly as practicable (and in any event within 48 hours) in writing of (i) the number of any additional shares of Common Stock or other securities of the

Company of which the Stockholder acquires Beneficial Ownership on or after the date hereof, (ii) any inquiries or proposals which are received by, any information which is requested from, or any negotiations or discussions which are sought to be initiated or continued with, the Stockholder (in his capacity as a stockholder of the Company) or any of its Affiliates with respect to any Takeover Proposal or any other matter referred to in Section 4.3 (including the material terms thereof and the identity of such person(s) making such inquiry or proposal, requesting such information or seeking to initiate or continue such negotiations or discussions, as the case may be) and (iii) any proposed Permitted Transfers of the Covered Shares, Beneficial Ownership thereof or any other interest therein. The Stockholder will keep Parent reasonably informed in all material respects of any related developments, discussions and negotiations relating to the matters described in clause (ii) of the preceding sentence (including any change to the proposed terms thereof) and shall provide to Parent as soon as reasonably practicable after receipt or delivery thereof copies of all correspondence and other written materials sent or provided to Stockholder or any of its Subsidiaries from any person that describes the terms or conditions of any Takeover Proposal or other proposal that is the subject of any such inquiry, proposals or information requests.

4.5. Waiver of Appraisal Rights. To the fullest extent permitted by applicable law, the Stockholder hereby waives any rights of appraisal or rights to dissent from the Merger that it may have under applicable law.

4.6. Further Assurances. From time to time, at Parent's request and without further consideration, the Stockholder shall execute and deliver such additional documents and take all such further action as may be necessary or desirable to effect the actions and consummate the transactions contemplated by this Agreement. Without limiting the foregoing, the Stockholder hereby authorizes Parent to publish and disclose in any announcement or disclosure required by the SEC and in the Proxy Statement the Stockholder's identity and ownership of the Covered Shares and the nature of the Stockholder's obligations under this Agreement.

ARTICLE V

MISCELLANEOUS

5.1. Termination. This Agreement shall remain in effect until the earliest to occur of (a) the Effective Time; (b) the termination of the Merger Agreement; and (c) the making of any waiver, amendment or other modification of the Merger Agreement or the Certificate of Amendment that (i) reduces the amount or value of, or changes the type of, consideration payable to holders of Class A Common Stock or Class B Common Stock in the Merger or (ii) is otherwise adverse to holders of Class A Common Stock or Class B Common Stock; provided, however, that the provisions of this Section 5.1 and Sections 5.4 through 5.14 shall survive any termination of this Agreement without regard to any temporal limitation. Nothing in this Section 5.1 and no termination of this Agreement shall relieve any party hereto from any liability or damages incurred or suffered by a party, to the extent such liabilities or damages were the result of fraud or the willful and material breach by another party of any of its representations, warranties, covenants or other agreements set forth in this Agreement. For purposes of this Agreement, "willful and material breach" shall mean a deliberate act or a deliberate failure to act, which act or failure to act constitutes in and of itself a material breach of this Agreement, regardless of whether breaching was the conscious object of the act or failure to act.

5.2. [intentionally omitted]

5.3. No Ownership Interest. Nothing contained in this Agreement shall be deemed to vest in Parent any direct or indirect ownership or incidence of ownership of or with respect to any Covered Shares. All rights, ownership and economic benefits of and relating to the Covered Shares shall remain vested in and belong to the Stockholder, and Parent shall have no authority to direct the Stockholder in the voting or disposition of any of the Covered Shares, except as otherwise provided herein.

5.4. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally, telecopied (upon telephonic confirmation of receipt), on the first Business Day following the date of dispatch if delivered by a recognized next day courier service or on the third Business Day following the date of mailing if delivered by registered or certified mail, return receipt requested, post prepaid. All notices hereunder shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

(a) if to Parent to:

Xerox Corporation
45 Glover Avenue
Norwalk, CT 06856
Fax: (203) 849-5134
Attention: Chief Financial Officer

with a copy to:

Xerox Corporation
45 Glover Avenue
Norwalk, CT 06856
Fax: (203) 849-5152
Attention: General Counsel

with a copy to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017
Fax: (212) 455-2502
Attention: Mario Ponce

(b) if to the Stockholder, to:

Darwin Deason
8181 Douglas Avenue
10th Floor
Dallas, Texas 75225

with a copy to:

Proskauer Rose LLP
1585 Broadway
New York, New York 10036
Fax: (212) 969-2900
Attention: Peter Samuels

5.5. Interpretation. The words “hereof,” “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section references are to this Agreement unless otherwise specified. Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.” The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. This Agreement is the product of negotiation by the parties having the assistance of counsel and other advisers. It is the intention of the parties that this Agreement not be construed more strictly with regard to one party than with regard to the others.

5.6. Counterparts. This Agreement may be executed by facsimile or other image scan transmission and in counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart.

5.7. Entire Agreement. This Agreement and, to the extent referenced herein, the Merger Agreement, together with the several agreements and other documents and instruments referred to herein or therein or annexed hereto or thereto, embody the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersede and preempt any prior understandings, agreements or representations by or among the parties, written and oral, that may have related to the subject matter hereof in any way.

5.8. Governing Law; Consent to Jurisdiction; Waiver of Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof. In addition, each of the parties hereto (a) consents to submit itself, and hereby submits itself, to the personal jurisdiction of the Court of Chancery of the State of Delaware and the courts of the United States of America located in the State of Delaware in the event any dispute arises out of this Agreement or the transactions contemplated by this Agreement, (b) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, and agrees not to plead or claim any objection to the laying of venue in any such court or that any judicial proceeding in any such court has been brought in an inconvenient forum, and (c) agrees that it will not bring any action relating to this Agreement or the transactions contemplated by this Agreement in any court other than the Court of Chancery of the State of Delaware or a court of the United States of America located in the State of Delaware.

(b) Each party hereto hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any suit, action or other proceeding arising out of this Agreement or the transactions contemplated hereby. Each party hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such party would not, in the event of any action, suit or proceeding, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this Agreement, by, among other things, the mutual waiver and certifications in this Section 5.8.

5.9. Amendment; Waiver. This Agreement may not be amended except by an instrument in writing signed by Parent and the Stockholder with the prior written consent of the Company (which such consent shall not be unreasonably withheld or delayed). Each party may waive any right of such party hereunder by an instrument in writing signed by such party and delivered to Parent and the Stockholder.

5.10. Remedies. (a) In the event that any covenant or agreement in this Agreement is not performed in accordance with its terms, each party hereto agrees that the non-breaching party will have the right to an injunction, temporary restraining order or other equitable relief in any court of competent jurisdiction enjoining any such breach and enforcing specifically the terms and provisions hereof. Each party hereto agrees not to oppose the granting of such relief in the event a court determines that such a breach has occurred, and to waive any requirement for the securing or posting of any bond in connection with such remedy. Each party hereto waives all other remedies, including monetary remedies, with respect to any breaches of any covenants or agreements hereunder.

(b) All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise or beginning of the exercise of any thereof by any party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such party.

5.11. Severability. Any term or provision of this Agreement which is determined by a court of competent jurisdiction to be invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction, and if any provision of this Agreement is determined to be so broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable, in all cases so long as neither the economic nor legal substance of the transactions contemplated hereby is affected in any manner adverse to any party or its stockholders. Upon any such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to effect the original intent of the parties as closely as possible and to the end that the transactions contemplated hereby shall be fulfilled to the maximum extent possible.

5.12. Successors and Assigns; Third Party Beneficiaries. Except in connection with a Permitted Transfer as provided herein, neither this Agreement nor any of the rights or obligations of any party under this Agreement shall be assigned, in whole or in part (by operation of law or otherwise), by any party without the prior written consent of the other parties hereto. Subject to the foregoing, this Agreement shall bind and inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer on any Person other than the parties hereto and, (i) with respect to Section 5.9, the Company or their respective successors and permitted assigns and (ii) with respect to Section 5.14, the Financing Sources (as defined in the Merger Agreement) and their respective successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

5.13. Capacity as a Stockholder. The Stockholder does not make any agreement or understanding herein in his capacity as a director or officer of the Company. The Stockholder makes his agreements and understandings herein solely in his capacity as the record holder and beneficial owner of the Covered Shares and, notwithstanding anything to the contrary herein, nothing herein shall limit or affect any actions taken by the Stockholder in his capacity as a director or officer of the Company.

5.14. Forum with respect to Financing Sources. Notwithstanding the foregoing, each of the parties hereto agrees that it will not bring or support any action, cause of action, claim, cross-claim or third-party claim of any kind or description, whether in law or in equity, whether in contract or in tort or otherwise, against the Financing Sources in any way relating to the Merger Agreement or any of the transactions contemplated by the Merger Agreement, including but not limited to any dispute arising out of or relating in any way to the Commitment Letter (as defined in the Merger Agreement) or the performance thereof, in any forum other than the Supreme Court of the State of New York, County of New York, or, if under applicable law exclusive jurisdiction is vested in the federal courts, the United States District Court for the Southern District of New York (and, in either case, appellate courts thereof).

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed (where applicable, by their respective officers or other authorized Person thereunto duly authorized) as of the date first written above.

XEROX CORPORATION

By /s/ Ursula M. Burns
Name: Ursula M. Burns
Title: Chief Executive Officer

DARWIN DEASON

/s/ Darwin Deason
Darwin Deason

Schedule 1

STOCKHOLDER INFORMATION

| <u>Name</u> | <u>Existing Shares</u> |
|--|--|
| Darwin Deason | 2,140,884 shares of Class A Common Stock |
| Address for Notices: 8181 Douglas Avenue 10th Floor Dallas, Texas 75225 | 6,599,372 shares of Class B Common Stock |

Schedule 2

ENCUMBRANCES

The Stockholder has pledged 2,132,894 shares of Class A Common Stock to four financial institutions.

The Stockholder has granted "European" style call options on 2,000,000 shares of Class A Common Stock. These options are exercisable on March 15, 2010.

J.P. MORGAN SECURITIES INC.
270 Park Avenue
New York, New York 10017

JPMORGAN CHASE BANK, N.A.
270 Park Avenue
New York, New York 10017

PERSONAL AND CONFIDENTIAL

September 27, 2009

Xerox Corporation
45 Glover Avenue
Norwalk, CT 06856-4505

Attention: Mr. Lawrence Zimmerman
Vice Chairman and Chief Financial Officer

Project Boulder
Commitment Letter

Ladies and Gentlemen:

Xerox Corporation (“Xerox,” “you” or the “Company”) has advised J.P. Morgan Securities Inc. (“J.P. Morgan”) and JPMorgan Chase Bank, N.A. (“JPMCB”; together with J.P. Morgan, “we”, “us” or the “Commitment Parties,” and each, a “Commitment Party”) that you intend to acquire Affiliated Computer Services, Inc. (“Boulder”) and consummate the other Transactions, as described in Exhibit A hereto. Capitalized terms used but not defined herein are used with the meanings assigned to them in Exhibits A, B and C hereto (the “Term Sheets”).

J.P. Morgan is pleased to advise you that it is willing to act as a lead arranger and sole bookrunner for the Bridge Facility, and JPMCB is pleased to advise you of its commitment to provide the entire amount of the Bridge Facility. In addition, J.P. Morgan is pleased to advise you that it is willing to use commercially reasonable efforts to arrange the Existing Credit Facility Amendment, and JPMCB is pleased to advise you that it will vote its share of the loans and commitments under the Existing Credit Facility in favor of the Existing Credit Facility Amendment. This commitment letter and the Term Sheets (collectively, the “Commitment Letter”) set forth the principal terms and conditions on and subject to which JPMCB is willing to make available the Bridge Facility.

It is agreed that J.P. Morgan will act as the sole bookrunner in respect of the Bridge Facility (in such capacity, the “Bookrunner”) and as a lead arranger in respect of the Bridge Facility, and that JPMCB will act as the sole administrative agent (the “Administrative Agent”) for the lenders (the “Lenders”) under the Bridge Facility. You agree that, as a condition to the commitments and agreements hereunder, no other agents, co-agents or arrangers will be appointed, no other titles will be awarded and no compensation (other than that expressly contemplated by this Commitment Letter and the Fee Letter referred to below) will be paid in connection with the Bridge Facility unless you and we shall so agree.

We intend and reserve the right to syndicate the Bridge Facility to a group of Lenders selected jointly by the Bookrunner and the Company promptly after your acceptance of this Commitment Letter that will act as co-arrangers and commit to provide a portion of the Bridge Facility (the “Primary Syndication”) and, each such Lender committing during the Primary Syndication, a “Co-Arranger”). In addition, up to two Co-Arrangers mutually acceptable to you and us (such acceptance, in either case, not

to be unreasonably withheld) may be given the role of joint lead arrangers (together with J.P. Morgan in its capacity as a lead arranger, the "Lead Arrangers") in connection with the Bridge Facility; it being understood that J.P. Morgan shall have "left placement" in all marketing materials (and all associated rights) with respect to the Bridge Facility. The Bookrunner intends to commence the Primary Syndication promptly following the public announcement of the Acquisition Agreement. Following the Primary Syndication, the Bookrunner will promptly commence efforts to arrange, in a general syndication, a syndicate of Lenders selected by the Bookrunner and reasonably satisfactory to the Company (such satisfaction not to be unreasonably withheld or delayed) (the "General Syndication") and, together with the Primary Syndication, the "Syndication"). Subject to the foregoing, the Bookrunner will, in consultation with the Company, manage each Syndication, including determining the timing of all offers to potential Lenders, any title of agent or similar designations or roles awarded to any Lender and the acceptance of commitments, the amounts offered and the compensation provided to each Co-Arranger and Lender from the amounts to be paid to the Commitment Parties pursuant to the terms of this Commitment Letter and the Fee Letter. The Bookrunner will, in consultation with the Company, determine the final commitment allocations for each Syndication (including the reallocation of a portion of the commitments in respect of the Bridge Facility of the Commitment Parties to the Co-Arrangers) and will notify the Company of such determination. The Company agrees that it will use commercially reasonable efforts to negotiate, execute and deliver the Loan Documents (as defined below) as soon as reasonably practicable following commencement of General Syndication.

You agree to actively assist the Bookrunner in completing a Successful Syndication (as defined in the Fee Letter) and in obtaining affirmative votes for the Existing Credit Facility Amendment. Such assistance shall include, at the Bookrunner's request, (a) your using commercially reasonable efforts to ensure that the Syndication efforts benefit materially from the existing banking relationships of the Company and, to the extent consistent with the Acquisition Agreement, Boulder, (b) direct contact between senior management and advisors of the Company and the proposed Lenders, and using your commercially reasonable efforts consistent with the Acquisition Agreement to cause direct contact between senior management and advisors of Boulder and the proposed Lenders, (c) assistance from the Company and using your commercially reasonable efforts consistent with the Acquisition Agreement to cause Boulder to assist in the preparation of a customary confidential information memorandum and other marketing materials to be used in connection with each Syndication, including using commercially reasonable efforts to complete the confidential information memorandum before commencement of General Syndication, and (d) the hosting of, with us and senior management of the Company and using your commercially reasonable efforts consistent with the Acquisition Agreement to cause senior management of Boulder to participate in, one or more meetings of prospective Lenders at times and locations mutually agreed upon in connection with the General Syndication. Without limiting your obligations to assist with syndication efforts as set forth above, each Commitment Party agrees that completion of syndication of the Bridge Facility is not a condition to its commitment hereunder.

In its capacity as Bookrunner or as a Lead Arranger, J.P. Morgan will have no responsibility other than to arrange the Syndication as set forth herein and in no event shall be subject to any fiduciary or other implied duties. To assist us in the Syndication, you agree promptly to, and to use your commercially reasonable efforts consistent with the Acquisition Agreement to cause Boulder to, prepare and provide to us all customary information with respect to the Company and Boulder, as applicable, and their respective subsidiaries, the Transactions and the other transactions contemplated hereby, including all financial information and projections (the "Projections"), as we may reasonably request in connection with the arrangement and syndication of the Bridge Facility.

At our request, in connection with the General Syndication, you agree to assist, and use your commercially reasonable efforts consistent with the Acquisition Agreement to cause Boulder to assist, in the preparation of a version of the information package and presentation consisting exclusively of information and documentation that is either publicly available or not material with respect to the Company, Boulder or their respective affiliates and any of their respective securities for purposes of United States federal and state securities laws (all such information and documentation being "Public Lender Information"). Any information and documentation that is not Public Lender Information is referred to herein as "Private Lender Information". You further agree that each document to be disseminated by us to any Lender in connection with the Bridge Facility will, at the request of the Bookrunner, be identified by you as either (i) containing Private Lender Information or (ii) containing solely Public Lender Information. The Company acknowledges and agrees that the following documents may be distributed to "public side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Company, Boulder or their respective affiliates or securities) (provided that the Company has been afforded an opportunity to comply with applicable Securities Exchange Commission disclosure obligations): (a) a term sheet for the Bridge Facility and draft and final versions of the Loan Documents; (b) administrative materials prepared by us for prospective Lenders (such as a lender meeting invitation, bank allocation, if any, and funding and closing memoranda), in each of the foregoing cases, to the extent submitted to the Company for review prior to distribution; and (c) notification of changes in the terms of the Bridge Facility.

You hereby represent and covenant that (a) all information other than the Projections and information of a general economic or industry nature (the "Information") that has been or will be made available to us by you or any of your representatives (with respect to information relating to Boulder and its affiliates, in each case to the best of the Company's knowledge), when taken as a whole, is or will be, when furnished, complete and correct in all material respects and does not or will not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made and (b) the Projections that have been or will be made available to us by you or any of your representatives have been or will be prepared in good faith based upon assumptions believed by you to be reasonable at the time made and at the time the related Projections are made available to us (it being understood that projections are subject to uncertainties and that actual results may differ from projections and such differences may be material). You understand that in arranging and syndicating the Bridge Facility we may use and rely on the Information and Projections without independent verification thereof. You agree that if at any time prior to the date of consummation of the Acquisition (the "Closing Date") and, if requested by us, for such period thereafter as is necessary to complete the Syndication any of the representations in the preceding sentence would be incorrect in any material respect if the Information and Projections were being furnished, and such representations were being made, at such time, then you will promptly supplement, or cause to be supplemented, the Information and Projections so that such representations will be correct at such time.

As consideration for the commitments and agreements of the Commitment Parties hereunder, you agree to cause to be paid the nonrefundable fees described in the Fee Letter dated the date hereof and delivered herewith (the "Fee Letter").

Each Commitment Party's commitments and agreements hereunder are subject to:

(a) since June 30, 2009, except as disclosed in the Company SEC Documents (as defined in the Acquisition Agreement) or any other reports, schedules, forms, statements or other documents (including exhibits and other information incorporated therein), in each case, filed

with or furnished by Boulder to the SEC (as defined in the Acquisition Agreement) since January 1, 2007 and publicly available prior to the date of the Acquisition Agreement (but excluding any forward looking disclosures set forth in any risk factor section, any disclosures in any section relating to forward looking statements and any other disclosures included therein to the extent they are predictive or forward-looking in nature), and except as set forth in the disclosure letter delivered by Boulder to the Company prior to the execution of the Acquisition Agreement (in the form furnished to us prior to our execution of this Commitment Letter) (the “Boulder Disclosure Letter”) (with specific reference to the particular section or subsection of the Acquisition Agreement to which the information set forth in the Boulder Disclosure Letter relates (and such items or matters disclosed in other sections of the Boulder Disclosure Letter to the extent the relevance of such items or matters to the referenced section or subsection of the Acquisition Agreement is readily apparent on the face of such disclosure)) (collectively, the “Boulder Disclosed Matters”), there not having been any Material Adverse Effect (as defined below) on Boulder;

(b) since June 30, 2009, except as disclosed in the Parent SEC Documents (as defined in the Acquisition Agreement) or any other reports, schedules, forms, statements or other documents (including exhibits and other information incorporated therein), in each case, filed with or furnished by the Company to the SEC since January 1, 2007 and publicly available prior to the date of the Acquisition Agreement (but excluding any forward looking disclosures set forth in any risk factor section, any disclosures in any section relating to forward looking statements and any other disclosures included therein to the extent they are predictive or forward-looking in nature), and except as set forth in the disclosure letter delivered by the Company to Boulder prior to the execution of the Acquisition Agreement (in the form furnished to us prior to our execution of this Commitment Letter) (the “Company Disclosure Letter”) (with specific reference to the particular section or subsection of the Acquisition Agreement to which the information set forth in the Company Disclosure Letter relates (and such items or matters disclosed in other sections of the Company Disclosure Letter to the extent the relevance of such items or matters to the referenced section or subsection of the Acquisition Agreement is readily apparent on the face of such disclosure)) (collectively, the “Company Disclosed Matters”), there not having been any Material Adverse Effect on the Company;

(c) such Commitment Party’s satisfaction that, at any time prior to completion of a Successful Syndication of the Bridge Facility, there shall be no offering, placement, arrangement or syndication (or announcement thereof) of any debt securities or bank financing (other than (i) the Notes, (ii) indebtedness incurred in the ordinary course of business (it being understood that issuance of debt in capital markets transactions or syndication of any new credit facilities shall not be deemed ordinary course) and which could not reasonably be expected to materially impair the syndication of the Bridge Facility or the marketing of the Notes, (iii) the syndication and arrangement of the Existing Credit Facility Amendment, (iv) indebtedness permitted to be incurred by Boulder pursuant to the Acquisition Agreement as in effect on the date hereof and (v) other financing agreed to by the Bookrunner) by or on behalf of the Company, Boulder or any of their respective affiliates; *provided, however*, that this condition shall survive this Commitment Letter as a covenant in the Loan Documents if a Successful Syndication has not occurred prior to the Closing Date;

(d) execution and delivery of definitive documentation for the Bridge Facility (the “Loan Documents”), consistent with the terms of this Commitment Letter and otherwise mutually acceptable to the Company and the Bookrunner; and

(e) the other conditions expressly set forth under the heading “Conditions Precedent” in Exhibit B.

“Material Adverse Effect” means, with respect to any person, an effect, event, development, change, state of facts, condition, circumstance or occurrence that (i) is or would be reasonably expected to be materially adverse to the financial condition, assets, liabilities, business or results of operations of such person and its subsidiaries, taken as a whole; *provided* that a Material Adverse Effect shall not be deemed to include effects, events, developments, changes, states of facts, conditions, circumstances or occurrences arising out of, relating to or resulting from: (A) changes generally affecting the economy, financial or securities markets or political or regulatory conditions, to the extent such changes do not affect such person and its subsidiaries in a disproportionate manner relative to other participants in the industries in which such person and its subsidiaries operate; (B) changes in the industries in which such person and its subsidiaries operate, to the extent such changes do not adversely affect such person and its subsidiaries in a disproportionate manner relative to other participants in such industry; (C) any change in law or the interpretation thereof or GAAP or the interpretation thereof, to the extent such changes do not adversely affect such person and its subsidiaries in a disproportionate manner relative to other participants in such industry; (D) any change attributable to the negotiation, execution or announcement of the Acquisition; and (E) compliance with the terms of, or the taking of any action required by, the Acquisition Agreement, or (ii) is or would reasonably be expected to impair in any material respect the ability of any such person to consummate the Acquisition and the other transactions contemplated by the Acquisition Agreement or to perform its obligations under the Acquisition Agreement on a timely basis.

There shall be no conditions to closing and funding not expressly set forth herein (including the Term Sheets).

You agree to indemnify and hold harmless the Commitment Parties, their affiliates and their respective officers, directors, employees, advisors, and agents (each, an “indemnified person”) from and against any and all losses, claims, damages, liabilities and expenses (including, without limitation, reasonable fees and disbursements of counsel), to which any such indemnified person may become subject arising out of or in connection with this Commitment Letter, the Bridge Facility, the use of the proceeds thereof, the Transactions or any related transaction or any claim, litigation, investigation or proceeding relating to any of the foregoing, regardless of whether any indemnified person is a party thereto, and to reimburse each indemnified person promptly after demand for any documented reasonable out-of-pocket legal or other out-of-pocket expenses incurred in connection with investigating or defending any of the foregoing, *provided* that the foregoing indemnity will not, as to any indemnified person, apply to losses, claims, damages, liabilities or related expenses to the extent they are found by a final and non-appealable judgment of a court of competent jurisdiction to arise from the willful misconduct or gross negligence of such indemnified person. In the case of an investigation, litigation or other proceeding to which the indemnity in this paragraph applies, such indemnity shall be effective (i) whether or not such investigation, litigation or proceeding is brought by the Company, any of its directors, security holders or creditors, an indemnified person or any other person, (ii) whether or not an indemnified party is otherwise a party thereto and (iii) whether or not the transactions contemplated hereby are consummated. No indemnified person shall be liable for (x) any special, indirect, consequential or punitive damages (including, without limitation, any loss of profits, business or anticipated savings) in connection with this Commitment Letter, the Bridge Facility, use of the proceeds thereof, the Transactions or any related transaction or activity or (y) absent the willful misconduct or gross negligence of such person, any damages arising from the use by others of Information or other materials obtained through electronic, telecommunications or other information transmission systems.

You acknowledge that each Commitment Party and its affiliates (the term "Commitment Party" as used below in this paragraph being understood to include such affiliates) may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which you may have conflicting interests regarding the transactions described herein and otherwise. No Commitment Party will use confidential information obtained from you by virtue of the transactions contemplated hereby or its other relationships with you in connection with the performance by such Commitment Party of services for other companies, and no Commitment Party will furnish any such information to other companies. You also acknowledge that no Commitment Party has any obligation to use in connection with the transactions contemplated hereby, or to furnish to you, confidential information obtained from other companies. You further acknowledge that J.P. Morgan is a full service securities firm and J.P. Morgan may from time to time effect transactions, for its own or its affiliates' account or the account of customers, and hold positions in loans, securities or options on loans or securities of the Company and its affiliates and of other companies that may be the subject of the transactions contemplated by this Commitment Letter. You further acknowledge and agree that (a) no fiduciary, advisory or agency relationship between you and the Commitment Parties is intended to be or has been created in respect of any of the transactions contemplated by this Commitment Letter, irrespective of whether any Commitment Party has advised or is advising you on other matters, (b) the Commitment Parties on the one hand, and you, on the other hand, have an arm's-length business relationship that does not directly or indirectly give rise to, nor do you rely on, any fiduciary duty on the part of any Commitment Party, (c) you are capable of evaluating and understanding, and you understand and accept, the terms, risks and conditions of the transactions contemplated by this Commitment Letter, (d) you have been advised that the Commitment Parties are engaged in a broad range of transactions that may involve interests that differ from your interests and that no Commitment Party has any obligation to disclose such interests and transactions to you by virtue of any fiduciary, advisory or agency relationship, and (e) you waive, to the fullest extent permitted by law, any claims you may have against the Commitment Parties for breach of fiduciary duty or alleged breach of fiduciary duty and agree that the Commitment Parties shall have no liability (whether direct or indirect) to you in respect of such a fiduciary duty claim, or to any person asserting a fiduciary duty claim on behalf of or in right of you, including your stockholders, employees or creditors. Additionally, you acknowledge and agree that the Commitment Parties are not advising you as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. You shall consult with your own advisors concerning such matters and shall be responsible for making your own independent investigation and appraisal of the transactions contemplated hereby, and the Commitment Parties shall have no responsibility or liability to you with respect thereto. Any review by the Commitment Parties of the Company, Boulder, the Transactions, the other transactions contemplated hereby, or other matters relating to such transactions will be performed solely for the benefit of the Commitment Parties and shall not be on behalf of you or any of your affiliates. Nothing in this paragraph or elsewhere in this Commitment Letter is intended to, or shall, diminish the obligations or liabilities of the parties under the engagement letter dated as of August 25, 2009 between the Company and J.P. Morgan (the "M&A Engagement Letter").

Each Commitment Party may employ the services of its affiliates in providing certain services hereunder and, in connection with the provision of such services, may exchange with such affiliates information concerning you and the other companies that may be the subject of the transactions contemplated by this Commitment Letter and, to the extent so employed, such affiliates shall be entitled to the benefits afforded such Commitment Party hereunder.

This Commitment Letter shall not be assignable by you without the prior written consent of each Commitment Party (and any purported assignment without such consent shall be null and void), is intended to be solely for the benefit of the parties hereto and is not intended to confer any benefits upon, or create any rights in favor of, any person other than the parties hereto and the indemnified persons. The

Commitment Parties may, in consultation with the Company, assign their commitments hereunder, in whole or in part, to Co-Arrangers or other Lenders; *provided* that no such assignment shall relieve the Commitment Parties of their obligations hereunder, except to the extent such assignment is evidenced by (i) a joinder agreement reasonably satisfactory to the Bookrunner and the Company to which the assignee and the Company are parties (the “Joinder Agreements”) or (ii) the Loan Documents. In connection with any such assignments to Co-Arrangers, you agree, promptly upon the request of the Commitment Parties, to enter into Joinder Agreements with Co-Arrangers. The Commitment Parties shall be relieved of their commitments to fund the Bridge Facility to the extent of the commitments of Co-Arrangers or other Lenders under Joinder Agreements (in the case of other Lenders, to the extent the Company elects to execute Joinder Agreements with such other Lenders). No Joinder Agreement shall add any conditions to the availability of the Bridge Facility or change the terms of the Bridge Facility or the compensation payable by you in connection therewith as set forth in the Commitment Letter and the Fee Letter. Joinder Agreements will include a provision allowing the Company, at the Company’s expense, to replace any Co-Arranger that has (or is controlled by or under common control with any person or entity that has) been deemed insolvent or become subject to a bankruptcy, insolvency, receivership, conservatorship or other similar proceeding, or that refuses to execute, or materially delays in executing, Loan Documents agreed with the Bookrunner with respect to the Bridge Facility, with another financial institution selected by the Company in consultation with the Bookrunner.

This Commitment Letter may not be amended or waived except by an instrument in writing signed by you and each Commitment Party. This Commitment Letter and the Fee Letter constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof; it being understood that the M&A Engagement Letter is not superseded in any respect. No party has been authorized by any Commitment Party to make any oral or written statements or agreements that are inconsistent with this Commitment Letter and the Fee Letter. This Commitment Letter may be executed in any number of counterparts, each of which shall be an original, and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of a signature page to this Commitment Letter or the Fee Letter by telecopier, facsimile or other electronic transmission (i.e., a “pdf” or “tiff”) shall be effective as delivery of a manually executed counterpart thereof. Headings are for convenience of reference only and shall not affect the construction of, or be taken into consideration when interpreting, this Commitment Letter.

This Commitment Letter shall be governed by, and construed and interpreted in accordance with, the laws of the State of New York without regard to principles of conflicts of law to the extent that the application of the laws of another jurisdiction would be required thereby. Any right to trial by jury with respect to any claim or action arising out of this Commitment Letter or the Fee Letter is hereby waived. You hereby submit to the exclusive jurisdiction of the federal and New York State courts located in the Borough of Manhattan in The City of New York (and appellate courts thereof) in connection with any dispute related to this Commitment Letter, the Fee Letter or any of the matters contemplated hereby or thereby, and agree that service of any process, summons, notice or document by registered mail addressed to you shall be effective service of process against you for any suit, action or proceeding relating to any such dispute. You irrevocably and unconditionally waive any objection to the laying of such venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. Each of the parties hereto agrees that a final judgment in any such suit, action or proceeding may be enforced in any other jurisdiction by suit on the judgment or in any other manner provided by law.

Notices to the Company provided for herein and in the Fee Letter shall be directed to the person set forth above and delivered by hand, by overnight courier service or mailed by certified or registered mail to such person at the address set forth above, or sent by facsimile to or by email to such person at (203) 849-5134 or lawrence.zimmerman@xerox.com.

This Commitment Letter is delivered to you on the understanding that neither this Commitment Letter (including the Term Sheets) or the Fee Letter nor any of their terms or substance shall be disclosed, directly or indirectly, to any other person (including, without limitation, other potential providers or arrangers of financing) except (a) on a confidential basis, to your officers, agents and advisors and, with respect to this Commitment Letter and the Fee Letter only, those of Boulder, in each case, who are directly involved in the consideration of this matter; *provided* that the economic terms of the Fee Letter provided to Boulder pursuant to the foregoing shall be redacted in a manner satisfactory to the Bookrunner, (b) as may be compelled in a judicial or administrative proceeding or as otherwise required by law (in which case you agree to inform us promptly thereof) or (c) with respect to this Commitment Letter only, to Moody's Investors Services, Inc., Standard & Poor's Ratings Group and Fitch, Inc.

Each of the Commitment Parties hereby notifies you that, pursuant to the requirements of the USA Patriot Act, Title III of Pub. L. 107-56 (signed into law on October 26, 2001) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Company and each Guarantor (as defined in the Term Sheets), which information includes names and addresses and other information that will allow such Lender to identify the Company and each Guarantor in accordance with the Patriot Act.

The compensation, reimbursement, indemnification, syndication and confidentiality provisions contained herein and in the Fee Letter and any other provision herein or therein which by its terms expressly survives the termination of this Commitment Letter shall remain in full force and effect regardless of whether Loan Documents shall be executed and delivered and notwithstanding the termination of this Commitment Letter or the commitments hereunder.

If the foregoing correctly sets forth our agreement, please indicate your acceptance of the terms hereof and of the Term Sheets and the Fee Letter by returning to us executed counterparts hereof and of the Fee Letter (together with fees payable pursuant to the Fee Letter upon acceptance hereof) not later than 4:00 p.m., New York City time, on September 28, 2009. This offer will automatically expire at such time if we have not received such executed counterparts (and such fees) in accordance with the preceding sentence.

The commitments and agreements of the Commitment Parties hereunder in respect of the Bridge Facility will terminate upon the first to occur of (i) the consummation of the Acquisition, (ii) the execution and delivery of the Loan Documents, (iii) the abandonment or termination of the Acquisition Agreement, (iv) a material breach by the Company of its obligations under this Commitment Letter, and (v) 11:59 p.m., New York City time, on the Outside Date unless, in the case of this clause (v), the Commitment Parties, in their discretion, agree to an extension. "Outside Date" means the date that is nine months after the date hereof.

[Remainder of page intentionally left blank]

We are pleased to have been given the opportunity to assist you in connection with this important financing.

Very truly yours,

J.P. MORGAN SECURITIES INC.

By: /s/ THOMAS D. CASSIN

Name: Thomas D. Cassin

Title: Managing Director

JPMORGAN CHASE BANK, N.A.

By: /s/ JOHN G. KOWALCZUK

Name: John G. Kowalczuk

Title: Executive Director

Accepted and agreed to as of
the date first written above by:

XEROX CORPORATION

By: /s/ LAWRENCE A. ZIMMERMAN

Name: Lawrence A. Zimmerman

Title: Vice Chairman and Chief Financial Officer

PROJECT BOULDER
Description of the Transactions

XEROX CORPORATION (the "Company") intends to acquire (the "Acquisition") Boulder pursuant to that certain Agreement and Plan of Merger by and among the Company, a newly-formed wholly-owned subsidiary of the Company ("MergerSub") and Boulder (together with all schedules, annexes, disclosure letters and other attachments thereto, the "Acquisition Agreement"). In connection therewith:

- (a) pursuant to the Acquisition Agreement, (i) Boulder will merge with MergerSub, with MergerSub surviving such merger as a wholly-owned subsidiary of the Company, (ii) each share of Class A common stock of Boulder will be converted into the right to receive a combination of cash and common stock of the Company and (iii) each share of Class B common stock of Boulder will be converted into the right to receive a combination of cash, common stock of the Company and preferred stock of the Company;
- (b) the Company will amend (the "Existing Credit Facility Amendment") its existing \$2,000,000,000 Amended & Restated Credit Agreement dated as of April 30, 2007 among the Company, Citibank, N.A., as administrative agent, and the other lenders party thereto (as amended prior to the date hereof, the "Existing Credit Facility") as described in Annex I to this Exhibit A;
- (c) the Company will obtain \$3.0 billion in cash proceeds (before fees and original issue or market discount) from either (i) the issuance of senior unsecured notes (the "Notes") in a public offering or Rule 144A private placement or (ii) if the Company is unable to issue the full amount of the Notes at or prior to the Closing Date, a senior unsecured bridge term loan facility (the "Bridge Facility") having the terms set forth in Exhibit B; and
- (d) the Company will use the proceeds of the Notes and/or the Bridge Facility (i) first, to repay or redeem (the "Refinancing") Boulder's indebtedness outstanding on the Closing Date other than its 5.20% senior notes due 2015, 4.70% senior notes due 2010 and capitalized lease obligations and (ii) second, to fund, in part (together with cash on hand of the Company and Boulder and borrowings under the Existing Credit Facility), the cash consideration for the Acquisition and pay fees and expenses related to the Transactions.

The foregoing transactions and the other transactions contemplated by the Commitment Letter are referred to herein collectively as the "Transactions". Terms not otherwise defined herein have the meaning specified in the Commitment Letter to which this Exhibit A is attached.

PROJECT BOULDER
Description of the Existing Credit Facility Amendment

The Existing Credit Facility will be amended as follows:

1. Section 3.03(a)(iii) shall be amended in its entirety to read as follows: “(iii) the Company’s ratio of Debt for Borrowed Money, after giving effect to such Borrowing or issuance, to Consolidated EBITDA (a) for the period of four Fiscal Quarters most recently ended on or before June 30, 2010 shall not be greater than 4.25:1, (b) for the period of four Fiscal Quarters ending on or about September 30, 2010 shall not be greater than 4.00:1 and (c) for each period of four Fiscal Quarters ending thereafter shall not be greater than 3.75:1.”¹

2. Section 5.03(a) shall be amended in its entirety to read as follows: “(a) Leverage Ratio. Maintain a ratio of Debt for Borrowed Money as of the end of such Fiscal Quarter to Consolidated EBITDA (i) for each period of four Fiscal Quarters ending on or before June 30, 2010 of not greater than 4.25:1, (ii) for the period of four Fiscal Quarters ending on or about September 30, 2010 of not greater than 4.00:1 and (iii) for each period of four Fiscal Quarters ending thereafter of not greater than 3.75:1.”²

3. Debt for Borrowed Money will be calculated net of cash and cash equivalents on hand at the Company up to the amount of net cash proceeds of indebtedness that reduce commitments in respect of the Bridge Facility pursuant to the provisions described under “— Mandatory Prepayments and Commitment Reductions” in Exhibit B (the “Netting Provision”). The Netting Provision will cease to apply upon the earliest of (x) the Closing Date, (y) five days after the abandonment or termination of the Acquisition Agreement and (z) five days after the Outside Date; *provided* that (i) the Netting Provision will continue to apply after the date specified in clause (y) or (z) with respect to net cash proceeds of up to \$700 million of indebtedness issued in capital markets transactions until the Company’s \$700.0 million of 7.125% senior notes due 2010 are no longer outstanding and (ii) the periods in clauses (y) and (z) shall be extended, with respect to cash and cash equivalents reserved for payment of debt securities for which notices of redemption have been delivered to the holders thereof, by the minimum period required for such notices in the instruments governing such debt securities (to the extent such periods are customary for prepayment or redemption notices).

¹ Subject to modification to be mutually agreed upon review of quarterly forecasts.

² Subject to modification to be mutually agreed upon review of quarterly forecasts.

PROJECT BOULDER
Summary of the Bridge Facility

| | |
|----------------------------|---|
| Borrower: | Xerox Corporation, a New York corporation (the " <u>Borrower</u> "). |
| Guarantors: | Each guarantor of the Existing Credit Facility, the Notes or any other issue of debt of the Borrower exceeding \$100.0 million (" <u>Other Debt</u> ") shall guarantee the Bridge Facility. In addition, the Borrower may designate, in its sole discretion, additional subsidiaries that will guarantee the obligations of the Borrower under the Bridge Facility. |
| Use of Proceeds: | The proceeds of the Bridge Facility will be used (i) first to fund the Refinancing and (ii) second, to fund, in part, the cash consideration for the Acquisition and pay fees and expenses related to the Transactions. |
| Sole Bookrunner: | J.P. Morgan Securities Inc. (in such capacity, the " <u>Bookrunner</u> "). |
| Lead Arrangers: | J.P. Morgan Securities Inc. and up to two additional Co-Arrangers selected in accordance with the Commitment Letter (in such capacities, collectively, the " <u>Lead Arrangers</u> "). |
| Administrative Agent: | JPMorgan Chase Bank, N.A. (in such capacity, the " <u>Administrative Agent</u> "). |
| Lenders: | A syndicate of banks, financial institutions and other entities, including JPMorgan Chase Bank, N.A., selected in accordance with the Commitment Letter (each, a " <u>Lender</u> " and, collectively, the " <u>Lenders</u> "). |
| Amount of Bridge Facility: | Up to \$3.0 billion unsecured term loan bridge facility (the " <u>Bridge Facility</u> "; the commitments thereunder, the " <u>Bridge Commitments</u> "; loans thereunder, the " <u>Loans</u> "), subject to reductions as set forth under the heading "Mandatory Prepayments and Commitment Reductions". |
| Availability: | Amounts available under the Bridge Facility shall be borrowed in a single draw on the Closing Date, which shall occur on or prior to the Outside Date. |

| | |
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| Maturity: | The Bridge Facility will mature on the first anniversary of the Closing Date (the “ <u>Maturity Date</u> ”). Subject to conditions listed under the heading “Conditions to Extension” below, the Borrower may elect to (a) extend the Maturity Date (the “ <u>First Extension</u> ”) for up to \$1.5 billion of the aggregate principal amount of Loans to the second anniversary of the Closing Date (the “ <u>Extended Maturity Date</u> ”) and (b) extend the Extended Maturity Date (the “ <u>Second Extension</u> ”) for up to \$750.0 million of the aggregate principal amount of Loans to the third anniversary of the Closing Date (the “ <u>Final Extended Maturity Date</u> ”). |
| Conditions to Extension: | <p>The availability of First Extension shall be subject to (i) receipt of written notice by the Borrower, (ii) receipt of the Extension Fee, (iii) accuracy of representations and warranties on the date of the First Extension, (iv) no default or event of default on the date of the First Extension and (v) pro forma compliance with the financial covenants.</p> <p>The availability of Second Extension shall be subject to (i) receipt of written notice by the Borrower, (ii) receipt of the Extension Fee, (iii) accuracy of representations and warranties on the date of the Second Extension, (iv) no default or event of default on the date of the Second Extension and (v) pro forma compliance with the financial covenants.</p> |
| Amortization: | None. |
| Interest Rate and Fees: | As set forth on Annex I hereto. |
| Yield Protection: | Customary for credit facilities of this type, including breakage costs, gross-up for withholding, compensation for increased costs and compliance with capital adequacy and other regulatory restrictions. |
| Voluntary Prepayments and Commitment Reductions: | Prior to the Closing Date, commitments under the Bridge Facility may be reduced in whole or in part at the election of the Borrower without premium or penalty. Following the Closing Date, the Bridge Facility may be prepaid in whole or in part at the election of the Borrower without premium or penalty; provided that Loans bearing interest with reference to the Eurodollar Rate (as defined in Annex I) will be prepayable only on the last day of the related interest period unless the Borrower pays any related breakage costs. Amounts repaid or prepaid may not be reborrowed. |

Mandatory Prepayments and Commitment Reductions:

On or prior to the Closing Date, the commitments in respect of the Bridge Facility under the Commitment Letter or under the Loan Documents shall be permanently reduced, and after the Closing Date, the Loans shall be prepaid, in each case by the following amounts:

1. Asset Sales: An amount equal to 100% of the net cash proceeds of the sale or other disposition of any property or assets of the Borrower or any of its subsidiaries (including the receipt of insurance and/or condemnation proceeds to the extent not used or committed to be used for the restoration or repair of assets giving rise to the receipt of such proceeds within 180 days thereof), subject to exceptions for (a) sales of inventory in the ordinary course of business, (b) factoring of receivables in the ordinary course of business consistent with recent practice, (c) sale leasebacks of real property, (d) dispositions of assets by the Borrower or any of its subsidiaries with aggregate fair market value of less than \$25.0 million (per transaction or series of related transactions) and (e) dispositions of assets by the Borrower or any of its subsidiaries with aggregate fair market value of \$200.0 million (for all dispositions with aggregate fair market value (per transaction or series of related transactions) of greater than \$25.0 million) from the date of the Commitment Letter).
2. Equity Offerings: An amount equal to 100% of the net cash proceeds received from the issuance of equity interests of the Borrower (other than any issuance of equity interests (a) constituting consideration for the Acquisition or (b) pursuant to employee stock plans and other similar arrangements).
3. Incurrence of Indebtedness: An amount equal to 100% of the net cash proceeds received from the incurrence of indebtedness for borrowed money by the Borrower or any of its subsidiaries, other than (a) borrowings under the Existing Credit Facility; *provided* that borrowings in excess of \$500.0 million to fund the Transactions shall be subject to prepayment or commitment reduction, (b) intercompany indebtedness, (c) debt of foreign subsidiaries for working capital purposes or otherwise in the ordinary course of business (but

Exhibit B-3

excluding, in any event, debt issued in any public or Rule 144A-style capital markets transaction), (d) debt of foreign subsidiaries of up to \$375.0 million (reduced by the amount of debt of domestic subsidiaries incurred pursuant to Section 5.02(c)(viii) of the Existing Credit Facility) and (e) borrowings of up to \$500.0 million under the Amended and Restated Loan Agreement dated as of October 21, 2002 between Xerox Lease Funding LLC and General Electric Capital Corporation, as amended to the date hereof.

The Company shall give prompt notice to the Commitment Parties (prior to the execution and delivery of the Loan Documents) or to the Administrative Agent (after the execution and delivery of the Loan Documents) of any event that reduces commitments or requires prepayment pursuant to the above.

Security:

None.

Representations and Warranties:

The Loan Documents will contain only the following representations and warranties, which shall be the same as those contained in the Existing Credit Facility as modified to reflect any guarantee of the Bridge Facility, except as set forth below:

1. Due organization; requisite power and authority;
2. Due authorization, execution, delivery and enforceability of the Loan Documents;
3. No conflicts with charter, law or debt or other material agreements;
4. Governmental and third party consents;
5. Latest audited annual and unaudited quarterly financial statements available prior to execution and delivery of the Loan Documents;
6. In the case of the representations made upon execution and delivery of the Loan Documents and on the Closing Date, no Material Adverse Effect (as defined in the Commitment Letter) as set forth in clauses (a) (qualified to the knowledge of the Borrower) and (b) of the tenth paragraph of the Commitment Letter; and in the case of representations made thereafter, no event, development, condition or change shall have occurred

Exhibit B-4

or exist that has had or could reasonably be expected to have a material adverse change in the business, assets, operations or condition (financial or otherwise) of the Borrower and its Subsidiaries taken as a whole ("Credit Agreement MAE") since December 31, 2008;

7. (a) In the case of representations made on the Closing Date and on the date of execution and delivery of the Loan Documents,
 - (i) absence of any Actions (as defined in the Acquisition Agreement)
 - (x) pending or, to the knowledge of the Borrower, threatened against the Borrower or any of its subsidiaries or any of their respective assets, rights or properties or any of the officers or directors of the Borrower, or
 - (y) pending or, to the knowledge of the Borrower, threatened against Boulder or any of its subsidiaries or any of their respective assets, rights or properties or any of the officers or directors of Boulder, except, in the case of clauses (x) and (y), for those that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Material Adverse Effect (as defined in the Commitment Letter) on the Borrower or Boulder, as the case may be, and
 - (ii) (A) neither the Borrower nor any of its subsidiaries nor any of their respective properties, rights or assets and
 - (B) neither Boulder nor any of its subsidiaries nor any of their respective properties, rights or assets is or are subject to any Order (as defined in the Acquisition Agreement), except in case of clauses (A) and (B), for those that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Material Adverse Effect (as defined in the Commitment Letter) on the Borrower or Boulder, as the case may be; *provided* that such representations made at the execution of the Loan Documents concerning Boulder and its subsidiaries shall be made to the knowledge of the Borrower; *provided* that the representation with respect to the Borrower shall be qualified by the Company Disclosed Matters and the representation with respect to Boulder shall be qualified by the Boulder Disclosed Matters;
- (b) In the case of representations made after the Closing Date,
 - (i) absence of any Actions pending or, to the knowledge of the Borrower, threatened

Exhibit B-5

against the Borrower or any of its subsidiaries or any of their respective assets, rights or properties or any of the officers or directors of the Borrower, except for those that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Credit Agreement MAE, and (ii) neither the Borrower nor any of its subsidiaries nor any of their respective properties, rights or assets is or are subject to any Order, except for those that, individually or in the aggregate, have not had, and would not reasonably be expected to have, a Credit Agreement MAE;

8. Investment Company Act and margin stock matters; and
9. Accuracy of disclosure provided to the Commitment Parties prior to execution and delivery of the Commitment Letter and to the Lenders prior to execution and delivery of the Loan Documents and, in the case of representations made after the Closing Date, accuracy of disclosure provided to the Lenders prior to such making of representations.

Covenants:

The Loan Documents will contain only the following financial, affirmative and negative covenants on substantially the same terms as those contained in the Existing Credit Facility as modified to reflect the Transactions (to the extent applicable), except as set forth below:

— financial covenant:

A maximum leverage ratio

A minimum interest coverage ratio

The financial covenants will be the same as in the Existing Credit Facility as in effect on the date hereof; *provided* that from and after the date that the Existing Credit Facility is amended by the Existing Credit Facility Amendment, the financial covenants will be the same as in the Existing Credit Facility as so amended but in any event the maximum leverage ratio shall not be higher than as set forth in Annex I to Exhibit A.

— affirmative covenants:

the following affirmative covenants:

1. Delivery of financial statements and reports and other information;
2. Notice of default and litigation;

3. Maintenance of existence and conduct of business;
4. Payment of tax liabilities;
5. Maintenance of properties;
6. Maintenance of insurance;
7. Maintenance of books and records;
8. Visitation rights;
9. Compliance with laws;
10. Maintenance of credit ratings on the Company's long-term senior unsecured debt by Moody's and S&P;
11. Use of proceeds;
12. Covenant to maintain receivables unencumbered;
13. Additional guarantors;
14. Transactions with affiliates; and
15. Covenant to use reasonable best efforts to obtain permanent financing to repay the Bridge Facility (including the Company's taking the actions of the type described in Section 5.13(b) of the Acquisition Agreement) and, in connection with an issuance of Notes, the Borrower will cause such Notes to be guaranteed by the same subsidiaries of the Borrower that guarantee the Existing Credit Facility or Other Debt.

— negative covenants:

the following negative covenants:

1. Limitations on subsidiary indebtedness;
2. Limitations on liens;
3. Limitations on dividends and share repurchases; *provided* that the Borrower may pay (i) ordinary cash dividends economically equivalent (on a per share basis, giving effect to the Acquisition in the case of dividends paid after the Closing Date) to the ordinary cash dividends historically paid by the Borrower prior to the Closing Date

Exhibit B-7

and (ii) after the Closing Date, quarterly cash dividends at a rate per annum equal to 8.00% on the Borrower's Series A convertible perpetual preferred stock to be issued in connection with the Acquisition, in accordance with the Borrower's certificate of incorporation as proposed to be amended as set forth in an exhibit to the Acquisition Agreement; *provided, further* that on or after the Closing Date, the exceptions in clause (i) and (ii) shall be available only so long as no default or event of default exists and the Borrower is in pro forma compliance with the financial covenants;

4. Limitations on restrictions on subsidiary distributions and negative pledges;
5. Limitations on investments in less than majority-owned entities and on acquisitions of entities and business units; *provided* that, so long as no default or event of default exists, investments and acquisitions of \$250.0 million in the aggregate from the date of the Commitment Letter shall be permitted;
6. Limitations on mergers and other fundamental changes of the Borrower or any Guarantor;
7. Limitations on speculative hedge agreements;
8. Limitations on changes in nature of business; and
9. Limitations on prepayment of indebtedness prior to scheduled maturity (other than borrowings under revolving credit facilities).

After the Company's acceptance of the Commitment Letter and prior to execution and delivery of the Loan Documents, the Company agrees to comply with the covenants listed above (in the form set forth in the Existing Credit Facility to the extent therein, and if not in the Existing Credit Facility, as described above).

Events of Default:

The Loan Documents will include only the following events of default on substantially the same terms as those contained in the Existing Credit Facility as modified to reflect the Transactions (to the extent applicable): failure to make payments when due, defaults under other agreements or instruments of indebtedness, noncompliance with covenants, breaches of representations and

warranties, bankruptcy, judgments in excess of specified amounts, ERISA, invalidity of the guarantee of the Bridge Facility and “change of control”.

Conditions Precedent:

Availability of the Bridge Facility shall be conditioned upon the satisfaction of the conditions set forth in the tenth paragraph of the Commitment Letter and on Exhibit C. In addition, the borrowing under the Bridge Facility will be subject to requirements relating to prior written notice of borrowing, the accuracy of representations and warranties on the Closing Date and the absence of any default or event of default on the Closing Date.

Assignments and Participations:

The Lenders shall be permitted to assign all or a portion of their Loans and Bridge Commitments with the consent, not to be unreasonably withheld, of (a) the Borrower, unless (i) the assignee is a Lender, an affiliate of a Lender or an approved fund or (ii) an event of default has occurred and is continuing and (b) the Administrative Agent. In the case of partial assignments (other than to another Lender, an affiliate of a Lender or an approved fund), the minimum assignment amount shall be \$10,000,000 (or integral multiple of \$1,000,000 in excess thereof), in each case unless otherwise agreed by the Borrower and the Administrative Agent. The Administrative Agent shall receive a processing and recordation fee of \$3,500 in connection with all assignments. The Lenders shall also be permitted to sell participations in their Loans. Participants shall have the same benefits as the selling Lenders with respect to yield protection and increased cost provisions subject to customary limitations. Voting rights of participants shall be subject to customary limitations.

Amendments:

Amendments and waivers with respect to the Loan Documents shall require the approval of Lenders holding more than 50% of the aggregate amount of the Bridge Commitments (or, if the Closing Date shall have occurred, the Loans) except that (a) the consent of each Lender directly affected thereby shall be required with respect to (i) reductions in the amount or extensions of the final maturity of any Loan, (ii) reductions in the rate of interest or any fee or extensions of any due date thereof and (iii) increases in the amount or extensions of the expiry date of any Lender’s Bridge Commitment and (b) the consent of 100% of the Lenders shall be required with respect to (i) reductions of any of the voting percentages or modifications to amendment or pro rata sharing provisions and (ii) any release of all or substantially all of the Guarantors.

In addition, for so long as the Bridge Facility is outstanding, the Loan Documents shall be automatically amended to reflect any changes or amendments to the Existing Credit Facility, to the extent favorable to the Administrative Agent or the Lenders under the Bridge Facility (other than changes to the interest rates under the Existing Credit Facility).

The Loan Documents shall contain customary provisions for replacing non-consenting Lenders in connection with amendments and waivers requiring the consent of all relevant Lenders or of all relevant Lenders directly affected thereby so long as relevant Lenders holding more than 50% of the aggregate amount of the loans and commitments under the Loan Documents have consented thereto.

The Loan Documents shall contain customary provisions relating to “defaulting” Lenders (including provisions relating to the suspension of the voting rights, rights to receive undrawn commitment fees, and the termination or assignment of commitments of such Lenders).

Taxes:

Subject to customary exceptions, the Bridge Facility will provide that all payments are to be made free and clear of any taxes (other than franchise taxes and taxes on overall net income), imposts, assessments, withholdings or other deductions whatsoever. Lenders will furnish to the Administrative Agent appropriate certificates or other evidence of exemption from U.S. federal tax withholding.

Indemnity:

The Bridge Facility will provide customary and appropriate provisions relating to indemnity and related matters in form substantially similar to the Existing Credit Facility.

Governing Law and Jurisdiction:

The Bridge Facility will provide that the Borrower, the Guarantor, the Administrative Agent and the Lenders will submit to the non-exclusive jurisdiction and venue of the federal and state courts of the State of New York and will waive any right to trial by jury. New York law will govern the Loan Documents.

Counsel to Lead Arrangers and Administrative Agent:

Cahill Gordon & Reindel LLP.

Interest Rate and Fees

Interest Rate: The Loans comprising each borrowing bear interest at a rate per annum equal to either, at the Borrower's election, (a) the Base Rate plus the Applicable Margin or (b) the Eurodollar Rate plus the Applicable Margin.

"Applicable Margin" has the meaning set forth in Annex 1-B.

Interest Payment Dates: In the case of Loans bearing interest based upon the Base Rate ("Base Rate Loans"), quarterly in arrears.

In the case of Loans bearing interest based upon the Eurodollar Rate ("Eurodollar Loans") on the last day of each relevant interest period (which will be one, two, three or six months) and, in the case of any interest period longer than three months, on each successive date three months after the first day of such interest period.

Default Rate: At any time when the Borrower is in default in the payment of any amount of principal due under the Bridge Facility, the overdue amount shall bear interest at 2% above the rate otherwise applicable thereto. Overdue interest, fees and other amounts shall bear interest at 2% above the rate applicable to Base Rate Loans.

Undrawn Commitment Fee: The Borrower shall pay a fee (the "Undrawn Commitment Fee") quarterly in arrears, for the ratable benefit of the Lenders, from the date of execution and delivery of the Loan Documents to the termination or expiration of the Bridge Commitments, in an amount equal to 0.50% per annum of the aggregate daily average undrawn and uncanceled amount of the Bridge Commitments.

Duration Fee: The Borrower shall pay a fee (the "Duration Fee") for the ratable benefit of the Lenders, on the dates set forth below, equal to the percentage (the "Applicable Duration Fee Percentage") of the aggregate principal amount of Loans outstanding on such date set forth below:

| | |
|---------------------------------|-------|
| 90 Days after the Closing Date | 0.75% |
| 180 Days after the Closing Date | 1.50% |
| 270 days after the Closing Date | 2.25% |

Extension Fee:

The Borrower shall pay an extension fee (the "Extension Fee") for the ratable benefit of the Lenders, on each date set forth below, equal to the percentage set forth below opposite such date of the aggregate principal amount of Loans outstanding on such date (after giving effect to any repayments on such date):

| | |
|--|-------|
| Maturity Date | 2.50% |
| 18 months after the Closing Date | 2.50% |
| Second anniversary of the Closing Date | 2.75% |
| 30 months after the Closing Date | 2.75% |

Rate and Fee Basis:

All per annum rates shall be calculated on the basis of a year of 360 days (or 365/366 days, in the case of Base Rate Loans the interest rate payable on which is then based on the Prime Rate) for actual days elapsed.

“Applicable Margin” means, as of any date of determination during any period set forth below, the percentage per annum set forth below under the applicable type of loan opposite the Public Debt Ratings in effect at the time.

| | Level I | | Level II | | Level III | | Level IV | |
|---|-----------------|-----------|-----------------|-----------|-----------------|-----------|-----------------|-----------|
| | Eurodollar Rate | Base Rate | Eurodollar Rate | Base Rate | Eurodollar Rate | Base Rate | Eurodollar Rate | Base Rate |
| Closing Date until 3-month anniversary thereof | 2.50% | 1.50% | 3.00% | 2.00% | 3.75% | 2.75% | 4.25% | 3.25% |
| 3-month anniversary of Closing Date until 6-month anniversary thereof | 3.00% | 2.00% | 3.50% | 2.50% | 4.25% | 3.25% | 4.75% | 3.75% |
| 6-month anniversary of Closing Date until 9-month anniversary thereof | 3.50% | 2.50% | 4.00% | 3.00% | 4.75% | 3.75% | 5.25% | 4.25% |
| 9-month anniversary of Closing Date until 12-month anniversary thereof | 4.00% | 3.00% | 4.50% | 3.50% | 5.25% | 4.25% | 5.75% | 4.75% |
| 12-month anniversary of Closing Date until 15-month anniversary thereof | 4.50% | 3.50% | 5.00% | 4.00% | 5.75% | 4.75% | 6.25% | 5.25% |
| 15-month anniversary of Closing Date until 18-month anniversary thereof | 5.00% | 4.00% | 5.50% | 4.50% | 6.25% | 5.25% | 6.75% | 5.75% |
| 18-month anniversary of Closing Date until 21-month anniversary thereof | 5.50% | 4.50% | 6.00% | 5.00% | 6.75% | 5.75% | 7.25% | 6.25% |
| 21-month anniversary of Closing Date until 24-month anniversary thereof | 6.00% | 5.00% | 6.50% | 5.50% | 7.25% | 6.25% | 7.75% | 6.75% |
| 24-month anniversary of Closing Date until 27-month anniversary thereof | 6.50% | 5.50% | 7.00% | 6.00% | 7.75% | 6.75% | 8.25% | 7.25% |
| 27-month anniversary of Closing Date until 30-month anniversary thereof | 7.00% | 6.00% | 7.50% | 6.50% | 8.25% | 7.25% | 8.75% | 7.75% |
| 30-month anniversary of Closing Date until 33-month anniversary thereof | 7.50% | 6.50% | 8.00% | 7.00% | 8.75% | 7.75% | 9.25% | 8.25% |
| 33-month anniversary of Closing Date until 36-month anniversary thereof | 8.00% | 7.00% | 8.50% | 7.50% | 9.25% | 8.25% | 9.75% | 8.75% |

“Public Debt Ratings” means, as of any date, the rating that has been most recently announced by either S&P or Moody’s, as the case may be, for any class of non-credit enhanced long-term senior unsecured debt issued by the Company or, if any such rating agency shall have issued more than one such rating, the lowest such rating issued by such rating agency.

“Level I” means Public Debt Ratings of BBB or higher from S&P and Baa3 or higher from Moody’s, or BBB- or higher from S&P and Baa2 or higher from Moody’s.

“Level II” means Level I does not apply and Public Debt Ratings of BBB- or higher from S&P and Baa3 or higher from Moody’s.

“Level III” means Level I and II do not apply and Public Debt Ratings of either (x) BBB- or higher from S&P and Ba1 or higher from Moody’s, or (y) BB+ or higher from S&P and Baa3 or higher from Moody’s.

“Level IV” means none of Level I, II or III applies.

“Base Rate” means the highest of (i) the rate of interest publicly announced by JPMorgan Chase Bank, N.A. as its prime rate in effect at its principal office in New York City (the “Prime Rate”), (ii) the federal funds effective rate from time to time plus 0.5% and (iii) the one month adjusted London interbank offered rate plus 1.0%.

“Eurodollar Rate” means the rate (adjusted for any statutory reserve requirements for eurocurrency liabilities) for eurodollar deposits having a maturity closest to the applicable interest period appearing on Page 3750 of the Telerate screen.

PROJECT BOULDER
Conditions

The availability of the Bridge Facility, in addition to the conditions expressly set forth in Exhibit B and in the tenth paragraph of the Commitment Letter, shall be subject to the satisfaction of the following conditions. Capitalized terms used but not defined herein have the meanings given in the Commitment Letter.

1. The Acquisition shall be consummated substantially concurrently with the funding of the Bridge Facility in accordance with the terms of the Acquisition Agreement in the form delivered to the Bookrunner prior to execution of the Commitment Letter (and the amount and form of the purchase price shall not be changed without the Bookrunner's prior consent, not to be unreasonably withheld, and no other provision or condition of the Acquisition Agreement shall have been waived, amended, supplemented or otherwise modified or consented to in any respect that would be materially adverse to the Bookrunner or the Lenders without the Bookrunner's prior consent).

2. The Lenders, the Administrative Agent and the Bookrunner shall have received all fees and invoiced expenses required to be paid on or before the Closing Date.

3. The Administrative Agent shall have received such legal opinions, corporate organizational documents, good standing certificates, resolutions and other customary closing certificates as it may reasonably request, all in form and substance reasonably satisfactory to the Administrative Agent.

4. The Company shall have received (i) from S&P, within one week of the Closing Date, a reaffirmation of the corporate credit rating of the Company after giving effect to the Transactions, which shall be BBB- or higher (stable) on the Closing Date and (ii) from Moody's, within one week of the Closing Date, a reaffirmation of the corporate family rating of the Company after giving effect to the Transactions, which shall be Baa3 or higher (stable) on the Closing Date. In addition, the credit ratings (after giving effect to the Transactions (including any issuance of Notes)) of each issue of notes outstanding on the Closing Date (for the avoidance of doubt, not including the outstanding 8% trust preferred securities) of the Company or any of its subsidiaries shall be at least BBB- (stable) from S&P and Baa3 (stable) from Moody's on the Closing Date.

5. The Commitment Parties shall have received (a) if the Closing Date occurs on or after March 1, 2010, audited financial statements of the Company for the year ended December 31, 2009, which audit report thereon shall not be qualified, (b) as soon as available, unaudited financial statements of the Company and Boulder for each fiscal quarter ended at least 45 days before the Closing Date (to the extent financial statements for such fiscal quarter were not available prior to the date hereof) and the comparable period of the prior year, and (c) a pro forma consolidated balance sheet and related pro forma consolidated statements of income of the Company and its subsidiaries as of the end of and for the most recently completed four-fiscal quarter period ended at least 45 days prior to the Closing Date (or, if the most recently completed fiscal period is the end of the fiscal year of the Company, ended at least 60 days before the Closing Date) prepared after giving effect to the Transactions as if the Transactions had occurred as of such date (in the case of such balance sheet) or at the beginning of such period (in the case of such other financial statements) prepared in accordance with Regulation S-X.