

The gross fair values of the Company's derivative assets and liabilities as of September 24, 2022 were as follows (in millions):

	2022		
	Fair Value of Derivatives Designated as Accounting Hedges	Fair Value of Derivatives Not Designated as Accounting Hedges	Total Fair Value
Derivative assets ⁽¹⁾ :			
Foreign exchange contracts	\$ 4,317	\$ 2,819	\$ 7,136
Derivative liabilities ⁽²⁾ :			
Foreign exchange contracts	\$ 2,205	\$ 2,547	\$ 4,752
Interest rate contracts	\$ 1,367	\$ —	\$ 1,367

(1) Derivative assets are measured using Level 2 fair value inputs and are included in other current assets and other non-current assets in the Consolidated Balance Sheets.

(2) Derivative liabilities are measured using Level 2 fair value inputs and are included in other current liabilities and other non-current liabilities in the Consolidated Balance Sheets.

The derivative assets above represent the Company's gross credit exposure if all counterparties failed to perform. To mitigate credit risk, the Company generally enters into collateral security arrangements that provide for collateral to be received or posted when the net fair values of certain derivatives fluctuate from contractually established thresholds. To further limit credit risk, the Company generally enters into master netting arrangements with the respective counterparties to the Company's derivative contracts, under which the Company is allowed to settle transactions with a single net amount payable by one party to the other. As of September 24, 2022, the potential effects of these rights of set-off associated with the Company's derivative contracts, including the effects of collateral, would be a reduction to both derivative assets and derivative liabilities of \$7.8 billion, resulting in a net derivative asset of \$412 million.

The carrying amounts of the Company's hedged items in fair value hedges as of September 24, 2022 and September 25, 2021 were as follows (in millions):

	2022	2021
Hedged assets/(liabilities):		
Current and non-current marketable securities	\$ 13,378	\$ 15,954
Current and non-current term debt	\$ (18,739)	\$ (17,857)

Accounts Receivable

Trade Receivables

The Company has considerable trade receivables outstanding with its third-party cellular network carriers, wholesalers, retailers, resellers, small and mid-sized businesses and education, enterprise and government customers. The Company generally does not require collateral from its customers; however, the Company will require collateral or third-party credit support in certain instances to limit credit risk. In addition, when possible, the Company attempts to limit credit risk on trade receivables with credit insurance for certain customers or by requiring third-party financing, loans or leases to support credit exposure. These credit-financing arrangements are directly between the third-party financing company and the end customer. As such, the Company generally does not assume any recourse or credit risk sharing related to any of these arrangements.

As of September 24, 2022, the Company had one customer that represented 10% or more of total trade receivables, which accounted for 10%. The Company's cellular network carriers accounted for 44% and 42% of total trade receivables as of September 24, 2022 and September 25, 2021, respectively.

Vendor Non-Trade Receivables

The Company has non-trade receivables from certain of its manufacturing vendors resulting from the sale of components to these vendors who manufacture subassemblies or assemble final products for the Company. The Company purchases these components directly from suppliers. As of September 24, 2022, the Company had two vendors that individually represented 10% or more of total vendor non-trade receivables, which accounted for 54% and 13%. As of September 25, 2021, the Company had three vendors that individually represented 10% or more of total vendor non-trade receivables, which accounted for 52%, 11% and 11%.