

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

(Mark one)



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

For the quarterly period ended January 1, 2022  
or



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

For the transition period from                      to                      .

Commission File Number 0-21272

**Sanmina Corporation**

(Exact name of registrant as specified in its charter)

**DE**

(State or other jurisdiction of  
incorporation or organization)

**77-0228183**

(I.R.S. Employer  
Identification Number)

**2700 N. First St.,                      San Jose,                      CA**  
(Address of principal executive offices)

**95134**  
(Zip Code)

**(408) 964-3500**

(Registrant's telephone number, including area code)

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

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

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

Large Accelerated Filer      [X]      Accelerated filer [ ]      Non-accelerated filer [ ]      Smaller reporting company      ☐  
Emerging growth company      ☐

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

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

Yes ☐ No [x]

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock	SANM	NASDAQ Global Select Market

As of January 25, 2022, there were 63,556,479 shares outstanding of the issuer's common stock, \$0.01 par value per share.

# SANMINA CORPORATION

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**SANMINA CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

	As of	
	January 1, 2022	October 2, 2021
	(Unaudited)	
	(In thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 627,717	\$ 650,026
Accounts receivable, net of allowances of approximately \$7 million as of January 1, 2022 and October 2, 2021	1,298,327	1,192,434
Contract assets	364,407	348,741
Inventories	1,242,440	1,036,511
Prepaid expenses and other current assets	59,188	53,952
Total current assets	3,592,079	3,281,664
Property, plant and equipment, net	525,159	532,985
Deferred tax assets	227,239	235,117
Other	157,533	156,953
Total assets	\$ 4,502,010	\$ 4,206,719
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,694,592	\$ 1,464,693
Accrued liabilities	236,227	161,896
Accrued payroll and related benefits	115,738	117,648
Short-term debt, including current portion of long-term debt	18,750	18,750
Total current liabilities	2,065,307	1,762,987
Long-term liabilities:		
Long-term debt	307,160	311,572
Other	248,326	253,532
Total long-term liabilities	555,486	565,104
Contingencies (Note 7)		
Stockholders' equity	1,881,217	1,878,628
Total liabilities and stockholders' equity	\$ 4,502,010	\$ 4,206,719

See accompanying notes to condensed consolidated financial statements.

**SANMINA CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

	<b>Three Months Ended</b>	
	<b>January 1, 2022</b>	<b>January 2, 2021</b>
	<b>(Unaudited)</b>	
	<b>(In thousands, except per share data)</b>	
Net sales	\$ 1,757,325	\$ 1,755,249
Cost of sales	1,612,836	1,614,014
Gross profit	144,489	141,235
Operating expenses:		
Selling, general and administrative	61,475	58,967
Research and development	4,777	4,805
Restructuring and other	1,414	1,904
Gain on sale of long-lived assets	(4,610)	—
Total operating expenses	63,056	65,676
Operating income	81,433	75,559
Interest income	309	230
Interest expense	(4,877)	(4,954)
Other income, net	2,072	1,867
Interest and other, net	(2,496)	(2,857)
Income before income taxes	78,937	72,702
Provision for income taxes	20,303	24,681
Net income	\$ 58,634	\$ 48,021
Net income per share:		
Basic	\$ 0.91	\$ 0.74
Diluted	\$ 0.89	\$ 0.72
Weighted average shares used in computing per share amounts:		
Basic	64,399	65,243
Diluted	66,233	66,818

See accompanying notes to condensed consolidated financial statements.

SANMINA CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended	
	January 1, 2022	January 2, 2021
	(Unaudited) (In thousands)	
Net income	\$ 58,634	\$ 48,021
Other comprehensive income (loss), net of tax:		
Change in foreign currency translation adjustments	(2,047)	1,639
Derivative financial instruments:		
Change in net unrealized amount	1,964	3,356
Amount reclassified into net income	2,063	(1,501)
Defined benefit plans:		
Changes in unrecognized net actuarial losses and unrecognized transition costs	478	(725)
Amortization of actuarial losses and transition costs	238	506
Total other comprehensive income	2,696	3,275
Comprehensive income	\$ 61,330	\$ 51,296

See accompanying notes to condensed consolidated financial statements.

SANMINA CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Three Months Ended	
	January 1, 2022	January 2, 2021
	(Unaudited) (In thousands)	
<b>Common Stock and Additional Paid-in Capital</b>		
Balance, beginning of period	\$ 6,339,506	\$ 6,301,537
Issuances under stock plans	1,050	1,050
Stock-based compensation expense	9,032	8,208
Balance, end of period	6,349,588	6,310,795
<b>Treasury Stock</b>		
Balance, beginning of period	(1,047,202)	(983,143)
Repurchases of treasury stock	(68,823)	(12,522)
Balance, end of period	(1,116,025)	(995,665)
<b>Accumulated Other Comprehensive Income</b>		
Balance, beginning of period	40,690	34,886
Other comprehensive income	2,696	3,275
Balance, end of period	43,386	38,161
<b>Accumulated Deficit</b>		
Balance, beginning of period	(3,454,366)	(3,723,364)
Net income	58,634	48,021
Balance, end of period	(3,395,732)	(3,675,343)
<b>Total stockholders' equity</b>	<b>\$ 1,881,217</b>	<b>\$ 1,677,948</b>
<b>Common Stock Shares Outstanding</b>		
Number of shares, beginning of period	108,734	107,629
Issuances under stock plans	784	369
Number of shares, end of period	109,518	107,998
<b>Treasury Shares</b>		
Number of shares, beginning of period	(44,427)	(42,630)
Repurchases of treasury stock	(1,771)	(482)
Number of shares, end of period	(46,198)	(43,112)

See accompanying notes to condensed consolidated financial statements.

SANMINA CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended	
	January 1, 2022	January 2, 2021
	(Unaudited) (In thousands)	
<b>CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>		
Net income	\$ 58,634	\$ 48,021
Adjustments to reconcile net income to cash provided by (used in) operating activities:		
Depreciation and amortization	27,465	27,635
Stock-based compensation expense	9,032	8,208
Deferred income taxes	6,707	3,447
Other, net	(3,638)	(99)
Changes in operating assets and liabilities, net of amounts acquired:		
Accounts receivable	(106,972)	(64,217)
Contract assets	(15,666)	46,534
Inventories	(207,300)	42,282
Prepaid expenses and other assets	(2,939)	(9,400)
Accounts payable	234,525	(66,657)
Accrued liabilities	68,452	26,057
Cash provided by operating activities	68,300	61,811
<b>CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES:</b>		
Purchases of property, plant and equipment	(25,376)	(11,343)
Proceeds from sales of property, plant and equipment	8,014	152
Cash used in investing activities	(17,362)	(11,191)
<b>CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES:</b>		
Repayments of long-term debt	(4,688)	(4,688)
Proceeds from revolving credit facility borrowings	16,000	331,300
Repayments of revolving credit facility borrowings	(16,000)	(331,300)
Net proceeds from stock issuances	1,050	1,050
Repurchases of common stock	(68,823)	(12,522)
Cash used in financing activities	(72,461)	(16,160)
Effect of exchange rate changes	(786)	1,044
Increase (decrease) in cash and cash equivalents	(22,309)	35,504
Cash and cash equivalents at beginning of period	650,026	480,526
Cash and cash equivalents at end of period	\$ 627,717	\$ 516,030
Cash paid during the period for:		
Interest, net of capitalized interest	\$ 2,479	\$ 1,096
Income taxes, net of refunds	\$ 5,569	\$ 5,205
Unpaid purchases of property, plant and equipment at the end of period	\$ 17,431	\$ 11,635

See accompanying notes to condensed consolidated financial statements.

## SANMINA CORPORATION

### NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

#### Note 1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of Sanmina Corporation (the “Company”) have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). Certain information and note disclosures normally included in annual financial statements prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) have been omitted pursuant to those rules or regulations. The interim condensed consolidated financial statements are unaudited, but reflect all adjustments, consisting primarily of normal recurring adjustments, that are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented. These unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto for the year ended October 2, 2021, included in the Company's 2021 Annual Report on Form 10-K.

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the unaudited condensed consolidated financial statements and accompanying notes. Due to the COVID-19 pandemic, the global economy and financial markets have been disrupted and there is a significant amount of uncertainty about the length and severity of the consequences caused by the pandemic. The Company has considered information available to it as of the date of issuance of these financial statements and is not aware of any specific events or circumstances that would require an update to its estimates or judgments, or a revision to the carrying value of its assets or liabilities. These estimates may change as new events occur and additional information becomes available. Actual results could differ materially from these estimates.

Results of operations for the first quarter of 2022 are not necessarily indicative of the results that may be expected for other interim periods or for the full fiscal year.

The Company operates on a 52 or 53 week year ending on the Saturday nearest September 30. Fiscal 2022 and 2021 are each 52-week years. All references to years relate to fiscal years unless otherwise noted.

#### *Recent Accounting Pronouncement Not Yet Adopted*

In March 2020, the FASB issued ASU 2020-04, "Reference Rate Reform (Topic 848)", which provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships and other transactions affected by reference rate reform. These expedients and exceptions are effective for the Company as of March 12, 2020 through December 31, 2022. The Company has not yet applied any of the expedients and exceptions and is currently evaluating the impact of the provisions of this ASU.

#### Note 2. Revenue Recognition

The Company is a leading global provider of integrated manufacturing solutions, components, products and repair, logistics and after-market services. For purposes of determining when to recognize revenue, and in what amount, the Company applies a 5-step model: (1) identify the contract with a customer; (2) identify the performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to the performance obligations in the contract; and (5) recognize revenue when (or as) the Company satisfies a performance obligation. Each of these steps may involve the use of significant judgments, as discussed below.

##### *Step 1 - Identify the contract with a customer*

A contract is defined as an agreement between two parties that creates enforceable rights and obligations. The Company generally enters into a master supply agreement (“MSA”) with its customers that provides the framework under which business will be conducted, and pursuant to which a customer will issue purchase orders or other binding documents to specify the quantity, price and delivery requirements for products or services the customer wishes to purchase. The Company generally considers its contract with a customer to be a firm commitment, consisting of the combination of an MSA and a purchase order or any other similar binding document.

#### *Step 2 - Identify the performance obligations in the contract*

A performance obligation is a promised good or service that is material in the context of the contract and is both capable of being distinct (customer can benefit from the good or service on its own or together with other readily available resources) and distinct within the context of the contract (separately identifiable from other promises). The Company reviews its contracts to identify promised goods or services and then evaluates such items to determine which of those items are performance obligations. The majority of the Company's contracts have a single performance obligation since the promise to transfer an individual good or service is not separately identifiable from other promises in the contract. The Company's performance obligations generally have an expected duration of one year or less.

#### *Step 3 - Determine the transaction price*

The Company's contracts with its customers may include certain forms of variable consideration such as early payment discounts, volume discounts and shared cost savings. The Company includes an estimate of variable consideration when determining the transaction price and the appropriate amount of revenue to be recognized. This estimate is limited to an amount which will not result in a significant reversal of revenue in a future period. Factors considered in the Company's estimate of variable consideration are the potential amount subject to these contract provisions, historical experience and other relevant facts and circumstances.

#### *Step 4 - Allocate the transaction price to the performance obligations in the contract*

A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. In the event that more than one performance obligation is identified in a contract, the Company is required to allocate a portion of the transaction price to each performance obligation. This allocation would generally be based on the relative standalone price of each performance obligation, which most often would represent the price at which the Company would sell similar goods or services separately.

#### *Step 5 - Recognize revenue when (or as) a performance obligation is satisfied*

The Company is required to assess whether control of a product or services promised under a contract is transferred to the customer at a point-in-time or over time as the product is being manufactured or the services are being provided. If the criteria in ASC 606 for recognizing revenue on an over time basis are not met, revenue must be recognized at the point-in-time determined by the Company at which its customer obtains control of a product or service.

The Company has determined that revenue for the majority of its contracts is required to be recognized on an over time basis. This determination is based on the fact that 1) the Company does not have an alternative use for the end products it manufactures for its customers and has an enforceable right to payment, including a reasonable profit, for work-in-progress upon a customer's cancellation of a contract for convenience or 2) the Company's customer simultaneously receives and consumes the benefits provided by the Company's services. For these contracts, revenue is recognized on an over time basis using the cost-to-cost method (ratio of costs incurred to date to total estimated costs at completion) which the Company believes best depicts the transfer of control to the customer. At least 95% of the Company's revenue is recognized on an over time basis, which is as products are manufactured or services are performed. Because of this, and the fact that there is no work-in-process or finished goods inventory associated with contracts for which revenue is recognized on an over-time basis, 99% or more of the Company's inventory at the end of a given period is in the form of raw materials. For contracts for which revenue is required to be recognized at a point-in-time, the Company recognizes revenue when it has transferred control of the related goods, which generally occurs upon shipment or delivery of the goods to the customer.

Application of the cost-to-cost method for government contracts in the Company's Defense and Aerospace division requires the use of significant judgments with respect to estimated materials, labor and subcontractor costs. This division is an operating segment whose results are aggregated with eleven other operating segments and reported under Components, Products and Services ("CPS") for segment reporting purposes. During the first quarter of 2022, CPS revenue and gross profit was \$340 million and \$43 million, respectively.

The Company updates its estimates of materials, labor and subcontractor costs on a quarterly basis. These updated estimates are reviewed each quarter by a group of employees that includes representatives from numerous functions such as engineering, materials, contracts, manufacturing, program management, finance and senior management. If a change in estimate is deemed necessary, the impact of the change is recognized in the period of change.

#### **Contract Assets**

A contract asset is recognized when the Company has recognized revenue, but has not issued an invoice to its customer for payment. Contract assets are classified separately on the condensed consolidated balance sheets and transferred to

accounts receivable when rights to payment become unconditional. Because of the Company's short manufacturing cycle times, the transfer from contract assets to accounts receivable generally occurs within the next fiscal quarter.

#### Other

Taxes assessed by governmental authorities that are both imposed on and concurrent with a specific revenue-producing transaction, and are collected by the Company from a customer, are excluded from revenue.

Shipping and handling costs associated with outbound freight after control of a product has transferred to a customer are accounted for as fulfillment costs and are included in cost of sales.

The Company applies the following practical expedients or policy elections under ASC 606:

- The promised amount of consideration under a contract is not adjusted for the effects of a significant financing component because, at inception of a contract, the Company expects the period between when a good or service is transferred to a customer and when the customer pays for that good or service will generally be one year or less.
- The Company has elected to not disclose information about remaining performance obligations that have original expected durations of one year or less, which is substantially all of the Company's remaining performance obligations.
- Incremental costs of obtaining a contract are not capitalized if the period over which such costs would be amortized to expense is less than one year.

#### Disaggregation of revenue

In the following table, revenue is disaggregated by segment, market sector and geography.

	Three Months Ended	
	January 1, 2022	January 2, 2021
	(In thousands)	
Segments:		
IMS	\$ 1,416,911	\$ 1,452,120
CPS	340,414	303,129
Total	<u>\$ 1,757,325</u>	<u>\$ 1,755,249</u>
End Markets:		
Industrial, Medical, Automotive and Defense	\$ 1,054,971	\$ 1,032,518
Communications Networks and Cloud Infrastructure	702,354	722,731
Total	<u>\$ 1,757,325</u>	<u>\$ 1,755,249</u>
Geography:		
Americas (1)	\$ 797,020	\$ 831,822
EMEA	269,234	259,292
APAC	691,071	664,135
Total	<u>\$ 1,757,325</u>	<u>\$ 1,755,249</u>

(1) Mexico represents approximately 60% of the Americas revenue and the U.S. represents approximately 40%.

### Note 3. Financial Instruments

#### Fair Value Measurements

##### Fair Value of Financial Instruments

The fair values of cash equivalents (generally 10% or less of cash and cash equivalents), accounts receivable, accounts payable and short-term debt approximate carrying value due to the short-term duration of these instruments. Additionally, the fair value of variable rate long-term debt approximates carrying value as of January 1, 2022.

##### Assets and Liabilities Measured at Fair Value on a Recurring Basis

The Company's primary financial assets and financial liabilities measured at fair value on a recurring basis are deferred compensation plan assets and defined benefit plan assets, which are both measured using Level 1 inputs. Deferred compensation plan assets were \$52 million and \$46 million as of January 1, 2022 and October 2, 2021, respectively. Defined benefit plan assets were \$40 million as of October 2, 2021 and are measured at fair value only in the fourth quarter of each year. Other financial assets and financial liabilities measured at fair value on a recurring basis include foreign exchange contracts and interest rate swaps, which are both measured using Level 2 inputs. Foreign exchange contracts were not material as of January 1, 2022 or October 2, 2021. Interest rate swaps had a negative value of \$13 million and \$19 million as of January 1, 2022 and October 2, 2021, respectively.

##### Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

Other non-financial assets, such as goodwill and other long-lived assets, are measured at fair value as of the date such assets are acquired or in the period an impairment is recorded.

##### Offsetting Derivative Assets and Liabilities

The Company has entered into master netting arrangements with each of its derivative counterparties that allows net settlement of derivative assets and liabilities under certain conditions, such as multiple transactions with the same currency maturing on the same date. The Company presents its derivative assets and derivative liabilities on a gross basis on the unaudited condensed consolidated balance sheets. The amount that the Company had the right to offset under these netting arrangements was not material as of January 1, 2022 or October 2, 2021.

#### Derivative Instruments

##### Foreign Exchange Rate Risk

The Company is exposed to certain risks related to its ongoing business operations. The primary risk managed by using derivative instruments is foreign currency exchange risk.

Forward contracts on various foreign currencies are used to manage foreign currency risk associated with forecasted foreign currency transactions and certain monetary assets and liabilities denominated in non-functional currencies. The Company's primary foreign currency cash flows are in certain Asian and European countries, Israel and Mexico.

The Company had the following outstanding foreign currency forward contracts that were entered into to hedge foreign currency exposures:

	As of	
	January 1, 2022	October 2, 2021
Derivatives Designated as Accounting Hedges:		
Notional amount (in thousands)	\$ 109,775	\$ 110,098
Number of contracts	50	48
Derivatives Not Designated as Accounting Hedges:		
Notional amount (in thousands)	\$ 285,555	\$ 353,108
Number of contracts	39	46

The Company utilizes foreign currency forward contracts to hedge certain operational (“cash flow”) exposures resulting from changes in foreign currency exchange rates. Such exposures generally result from (1) forecasted non-functional currency sales and (2) forecasted non-functional currency materials, labor, overhead and other expenses. These contracts are designated as cash flow hedges for accounting purposes and are generally one to two months in duration but, by policy, may be up to twelve months in duration.

For derivative instruments that are designated and qualify as cash flow hedges, the Company excludes time value from its assessment of hedge effectiveness and recognizes the amount of time value in earnings over the life of the derivative instrument. Gains or losses on the derivative not caused by changes in time value are recorded in Accumulated Other Comprehensive Income (“AOCI”), a component of equity, and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. The amount of gain or loss recognized in Other Comprehensive Income on derivative instruments and the amount of gain or loss reclassified from AOCI into income were not material for any period presented herein.

The Company enters into short-term foreign currency forward contracts to hedge currency exposures associated with certain monetary assets and liabilities denominated in non-functional currencies. These contracts have maturities of up to two months and are not designated as accounting hedges. Accordingly, these contracts are marked-to-market at the end of each period with unrealized gains and losses recorded in other income, net, in the condensed consolidated statements of income. The amount of gains or losses associated with these forward contracts was not material for any period presented herein. From an economic perspective, the objective of the Company's hedging program is for gains and losses on forward contracts to substantially offset gains and losses on the underlying hedged items. In addition to the contracts disclosed in the table above, the Company has numerous contracts that have been closed from an economic and financial accounting perspective and will settle early in the first month of the following quarter. Since these offsetting contracts do not expose the Company to risk of fluctuations in exchange rates, these contracts have been excluded from the above table.

#### Interest Rate Risk

The Company enters into forward interest rate swap agreements with independent counterparties to partially hedge the variability in cash flows due to changes in the benchmark interest rate (LIBOR) associated with anticipated variable rate borrowings. These interest rate swaps have a maturity date of December 1, 2023 and effectively convert the Company's variable interest rate obligations to fixed interest rate obligations. These swaps are accounted for as cash flow hedges under ASC Topic 815, *Derivatives and Hedging*. Interest rate swaps with an aggregate notional amount of \$350 million were outstanding as of January 1, 2022 and October 2, 2021. The aggregate effective interest rate of these swaps as of January 1, 2022 was approximately 4.3%. Due to a decline in interest rates since the time the swaps were put in place, these interest rate swaps had a negative value of \$13 million as of January 1, 2022, of which \$8 million is included in accrued liabilities and the remaining amount is included in other long-term liabilities on the condensed consolidated balance sheets.

#### Note 4. Debt

Long-term debt consisted of the following:

	As of	
	January 1, 2022	October 2, 2021
	(In thousands)	
Term loan due 2023 ("Term Loan"), net of issuance costs	\$ 325,910	\$ 330,322
Less: Current portion of Term Loan	18,750	18,750
Long-term debt	<u>\$ 307,160</u>	<u>\$ 311,572</u>

Term Loan maturities as of January 1, 2022 by fiscal year are as follows:

	(In Thousands)
Remainder of 2022	\$ 14,063
2023	14,062
2024	300,000
	<u>\$ 328,125</u>

As of January 1, 2022, there were no borrowings and \$8 million of letters of credit outstanding under the Fourth Amended and Restated Credit Agreement (the "Amended Cash Flow Revolver").

As of January 1, 2022, certain foreign subsidiaries of the Company had a total of \$70 million of short-term borrowing facilities available, under which no borrowings were outstanding.

#### *Debt Covenants*

The Company's Amended Cash Flow Revolver requires the Company to comply with certain financial covenants, namely a maximum leverage ratio and a minimum interest coverage ratio, in both cases measured on the basis of a trailing 12 month look-back period. In addition, the Company's debt agreements contain a number of restrictive covenants, including restrictions on incurring additional debt, making investments and other restricted payments, selling assets and paying dividends, subject to certain exceptions. The Company was in compliance with these covenants as of January 1, 2022.

#### **Note 5. Leases**

The Company's leases consist primarily of operating leases for buildings and land and have initial lease terms of up to 44 years. Certain of these leases contain an option to extend the lease term for additional periods or to terminate the lease after an initial non-cancelable term. Renewal options are considered in the measurement of the Company's initial lease liability and corresponding right-of-use ("ROU") assets only if it is reasonably certain that the Company will exercise such options. Leases with lease terms of twelve months or less are not recorded on the Company's balance sheet.

ROU assets and lease liabilities recorded in the condensed consolidated balance sheet are as follows:

	As of	
	January 1, 2022	October 2, 2021
	(In thousands)	
Other assets	\$ 63,658	\$ 68,012
Accrued liabilities	\$ 16,826	\$ 17,219
Other long-term liabilities	34,764	38,587
Total lease liabilities	\$ 51,590	\$ 55,806
Weighted average remaining lease term (in years)	14.94	14.46
Weighted average discount rate	2.71 %	2.72 %

Lease expense and supplemental cash flow information related to operating leases are as follows:

	Three Months Ended	
	January 1, 2022	January 2, 2021
	(In thousands)	
Operating lease expense (1)	\$ 5,910	\$ 5,344
Cash paid for operating lease liabilities	\$ 4,809	\$ 4,940

(1) Includes immaterial amounts of short term leases, variable lease costs and sublease income.

Future lease payments under non-cancelable operating leases as of January 1, 2022, by fiscal year, are as follows:

	<b>Operating Leases</b>
	<b>(In thousands)</b>
Remainder of 2022	\$ 13,841
2023	12,704
2024	8,449
2025	6,464
2026	4,161
2027	1,601
Thereafter	9,791
Total lease payments	57,011
Less: imputed interest	5,421
Total	\$ 51,590

#### **Note 6. Accounts Receivable Sale Program**

The Company has entered into a Receivable Purchase Agreement (the “RPA”) with certain third-party banking institutions for the sale of trade receivables generated from sales to certain customers, subject to acceptance by, and a funding commitment from, the banks that are party to the RPA. Trade receivables sold pursuant to the RPA are serviced by the Company.

In addition to the RPA, the Company has the option to participate in trade receivables sales programs that have been implemented by certain of the Company's customers, as in effect from time to time. The Company does not service trade receivables sold under these other programs.

Under each of the programs noted above, the Company sells its entire interest in a trade receivable for 100% of face value, less a discount. During the three months ended January 1, 2022 and January 2, 2021, the Company sold approximately \$93 million and \$263 million, respectively, of accounts receivable under these programs. Upon sale, these receivables are removed from the condensed consolidated balance sheets and cash received is presented as cash provided by operating activities in the condensed consolidated statements of cash flows. Discounts on sold receivables were not material for any period presented. As of January 1, 2022 and October 2, 2021, \$8 million and \$7 million, respectively, of accounts receivable sold under the RPA and subject to servicing by the Company remained outstanding and had not yet been collected. The Company's sole risk with respect to receivables it services is with respect to commercial disputes regarding such receivables. Commercial disputes include billing errors, returns and similar matters. To date, the Company has not been required to repurchase any receivable it has sold due to a commercial dispute. Additionally, the Company is required to remit amounts collected as servicer under the RPA on a weekly basis to the financial institutions that purchased the receivables. As of January 1, 2022 and October 2, 2021, \$17 million and \$18 million, respectively, had been collected but not yet remitted. The unremitted amount was included in accrued liabilities on the condensed consolidated balance sheets.

#### **Note 7. Contingencies**

From time to time, the Company is a party to litigation, claims and other contingencies, including environmental, regulatory and employee matters and examinations and investigations by governmental agencies, which arise in the ordinary course of business. The Company records a contingent liability when it is probable that a loss has been incurred and the amount of loss is reasonably estimable in accordance with ASC Topic 450, *Contingencies*, or other applicable accounting standards. As of January 1, 2022 and October 2, 2021, the Company had reserves of \$33 million and \$37 million, respectively, for environmental matters, warranty, litigation and other contingencies (excluding reserves for uncertain tax positions), which the Company believes are adequate. However, there can be no assurance that the Company's reserves will be sufficient to settle these contingencies. Such reserves are included in accrued liabilities and other long-term liabilities on the unaudited condensed consolidated balance sheets.

## Legal Proceedings

### *Environmental Matters*

The Company is subject to various federal, state, local and foreign laws and regulations and administrative orders concerning environmental protection, including those addressing the discharge of pollutants into the environment, the management and disposal of hazardous substances, the cleanup of contaminated sites, the materials used in products, and the recycling, treatment and disposal of hazardous waste. As of January 1, 2022, the Company had been named in a lawsuit and several administrative orders alleging certain of its current and former sites contributed to groundwater contamination. One such order demands that the Company and other alleged defendants remediate groundwater contamination at four landfills located in Northern California to which the Company may have sent wastewater in the past. The Company is participating in a working group of other alleged defendants to better understand its potential exposure in this action and has reserved its estimated exposure for this matter as of January 1, 2022. However, there can be no assurance that the Company's reserve will ultimately be sufficient.

In June 2008, the Company was named by the Orange County Water District in a suit alleging that its actions contributed to polluted groundwater managed by the plaintiff. The complaint seeks recovery of compensatory and other damages, as well as declaratory relief, for the payment of costs necessary to investigate, monitor, remediate, abate and contain contamination of groundwater within the plaintiff's control. In April 2013, all claims against the Company were dismissed. The plaintiff appealed this dismissal and the appellate court reversed the judgment in August 2017. In November 2017, the California Supreme Court denied the Company's petition to review this decision and, in December 2017, the Court of Appeal remanded the case back to the Superior Court for further proceedings. The first phase of a multi-phase trial against the Company and several other defendants commenced on April 12, 2021 and is expected to last for several more months. Subsequent trial phases, if necessary, likely would occur in the 2022/2023 timeframe. The Company is contesting the plaintiff's claims vigorously.

### *Other Matters*

In October 2018, a contractor who had been retained by the Company through a third party temporary staffing agency filed a lawsuit against the Company in the Santa Clara County Superior Court on behalf of himself and all other similarly situated Company contractors and employees in California, alleging violations of California Labor Code provisions governing overtime, meal and rest periods, wages, wage statements and reimbursement of business expenses. The complaint sought certification of a class of all non-exempt employees. Although the Company continued to deny any wrongdoing, on November 19, 2020, the Company reached an agreement to resolve all claims, including claims under California's Private Attorneys General Act of 2004 (the "Settlement"), which also resulted in the dismissal of a suit alleging substantially similar claims filed in the Santa Clara County Superior Court in June 2021. The final amount of the judicially approved settlement was approximately \$3.9 million and was paid during the first quarter of fiscal 2022.

In December 2019, the Company sued a former customer, Dialight plc ("Dialight"), in the United States District Court for the Southern District of New York to collect approximately \$10 million in unpaid accounts receivable and net obsolete inventory obligations. Later the same day, Dialight commenced its own action in the same court. Dialight's complaint, which asserts claims for fraudulent inducement, breach of contract, and gross negligence/willful misconduct, alleges that the Company fraudulently misrepresented its capabilities to induce Dialight to enter into a Manufacturing Services Agreement (the "Dialight MSA"), and then breached its obligations contained in the Dialight MSA relating to quality, on-time delivery and supply chain management. Dialight seeks compensatory and punitive damages that it contends exceed \$200 million, but which the Company believes are vastly overstated and are subject to a contractual limitation of liability that limits any Dialight recovery to less than \$2 million. The Company continues to vigorously prosecute its claim against Dialight. Further, the Company strongly disagrees with Dialight's allegations and intends to defend against them vigorously. No trial date has been set in this matter.

For each of the pending matters noted above, the Company is unable to reasonably estimate a range of possible loss at this time.

## **Note 8. Income Tax**

The Company estimates its annual effective income tax rate at the end of each quarterly period. The estimate takes into account the geographic mix of expected pre-tax income (loss), expected total annual pre-tax income (loss), enacted changes in tax laws, implementation of tax planning strategies and possible outcomes of audits and other uncertain tax positions. To the extent there are fluctuations in any of these variables during a period, the provision for income taxes may vary.

The Company's provision for income taxes for the three months ended January 1, 2022 and January 2, 2021 was \$20 million (26% of income before taxes) and \$25 million (34% of income before taxes), respectively. The tax rate was higher for the three months ended January 2, 2021 due to approximately \$4 million of unfavorable tax discrete items.

## Note 9. Stockholders' Equity

### *Accumulated Other Comprehensive Income*

Accumulated other comprehensive income, net of tax as applicable, consisted of the following:

	As of	
	January 1, 2022	October 2, 2021
	(In thousands)	
Foreign currency translation adjustments	\$ 74,073	\$ 76,120
Unrealized holding losses on derivative financial instruments	(10,278)	(14,305)
Unrecognized net actuarial losses and transition costs for benefit plans	(20,409)	(21,125)
Total	<u>\$ 43,386</u>	<u>\$ 40,690</u>

### *Stock Repurchase Program*

During the three months ended January 1, 2022 and January 2, 2021, the Company repurchased 1.5 million and 0.4 million shares of its common stock for \$60 million and \$9 million, respectively, under a stock repurchase program authorized by the Board of Directors in October 2019. During the first quarter of 2022, the Board of Directors approved a new \$200 million stock repurchase program. These programs have no expiration dates and the timing of repurchases will depend upon capital needs to support the growth of the Company's business, market conditions and other factors. Although stock repurchases are intended to increase stockholder value, purchases of shares reduce the Company's liquidity. As of January 1, 2022, an aggregate of \$221 million remains available under these programs.

In addition to the repurchases discussed above, the Company withheld 0.2 million and 0.1 million shares of its common stock during the three months ended January 1, 2022 and January 2, 2021, respectively, in settlement of employee tax withholding obligations due upon the vesting of restricted stock units. The Company paid \$9 million and \$3 million for the three months ended January 1, 2022 and January 2, 2021, respectively, to applicable tax authorities in connection with these repurchases.

## Note 10. Business Segment, Geographic and Customer Information

ASC Topic 280, *Segment Reporting*, establishes standards for reporting information about operating segments, products and services, geographic areas of operations and major customers. Operating segments are defined as components of an enterprise for which separate financial information is available and evaluated regularly by the chief operating decision maker or decision making group in deciding how to allocate resources and in assessing performance.

The Company's operations are managed as two businesses: IMS and CPS. The Company's CPS business consists of multiple operating segments which do not meet the quantitative threshold for being presented individually as reportable segments. Therefore, financial information for these operating segments is presented in a single category entitled "CPS" and the Company has only one reportable segment - IMS.

During the first quarter of 2021, the Company's Viking Technology operating segment was aggregated and reported in the Company's IMS reportable segment. The Company began reporting Viking Technology under its CPS segment during the fourth quarter of 2021. Accordingly, the data presented in the table below reflects this change in segment reporting for all periods presented. The change in segment reporting does not affect the Company's previously reported consolidated financial statements.

The following table presents revenue and a measure of segment gross profit used by management to allocate resources and assess performance of operating segments:

		Three Months Ended	
		January 1, 2022	January 2, 2021
		(In thousands)	
Gross sales:			
IMS		\$ 1,425,010	\$ 1,457,914
CPS		367,277	323,938
Intersegment revenue		(34,962)	(26,603)
Net sales		<u>\$ 1,757,325</u>	<u>\$ 1,755,249</u>
Gross profit:			
IMS		\$ 106,629	\$ 105,920
CPS		42,738	40,284
Total		149,367	146,204
Unallocated items (1)		(4,878)	(4,969)
Total		<u>\$ 144,489</u>	<u>\$ 141,235</u>

- (1) For purposes of evaluating segment performance, management excludes certain items from its measure of gross profit. These items consist of stock-based compensation expense, amortization of intangible assets, charges or credits resulting from distressed customers and litigation settlements.

Net sales by geographic segment, determined based on the country in which a product is manufactured, were as follows:

		Three Months Ended	
		January 1, 2022	January 2, 2021
		(In thousands)	
Net sales:			
Americas (1)	\$	797,020	\$ 831,822
EMEA		269,234	259,292
APAC		691,071	664,135
Total	\$	1,757,325	\$ 1,755,249

- (1) Mexico represents approximately 60% of the Americas revenue and the U.S. represents approximately 40%.

Percentage of net sales represented by ten largest customers	48 %	58 %
Number of customers representing 10% or more of net sales	1	1

## Note 11. Earnings Per Share

Basic and diluted per share amounts are calculated by dividing net income by the weighted average number of shares of common stock outstanding during the period, as follows:

	Three Months Ended	
	January 1, 2022	January 2, 2021
	(In thousands, except per share data)	
Numerator:		
Net income	\$ 58,634	\$ 48,021
Denominator:		
Weighted average common shares outstanding	64,399	65,243
Effect of dilutive stock options and restricted stock units	1,834	1,575
Denominator for diluted earnings per share	66,233	66,818
Net income per share:		
Basic	\$ 0.91	\$ 0.74
Diluted	\$ 0.89	\$ 0.72

## Note 12. Stock-Based Compensation

Stock-based compensation expense was recognized as follows:

	Three Months Ended	
	January 1, 2022	January 2, 2021
	(In thousands)	
Cost of sales	\$ 3,783	\$ 3,421
Selling, general and administrative	5,135	4,717
Research and development	114	70
Total	\$ 9,032	\$ 8,208

As of January 1, 2022, an aggregate of 6.5 million shares were authorized for future issuance under the Company's stock plans, of which 3.6 million of such shares were issuable upon exercise of outstanding options and delivery of shares upon vesting of restricted stock units and 2.9 million shares of common stock were available for future grant.

### *Restricted and Performance Stock Units*

The Company grants restricted stock units and restricted stock units with performance conditions ("PSUs") to executive officers, directors and certain other employees. These units vest over periods ranging from one year to four years and/or upon achievement of specified performance criteria, with associated compensation expense recognized ratably over the vesting period.

The Company also grants shares for which vesting is contingent on cumulative non-GAAP earnings per share measured over three fiscal years. If a minimum threshold is not achieved during the measurement period, the shares will be cancelled. If a minimum threshold is achieved or exceeded, the number of shares of common stock that will be issued will range from 80% to 120% of the number of PSUs granted, depending on the extent of performance. Additionally, the number of shares that vest may be adjusted up or down by up to 15% based on the Company's total shareholder return relative to that of its peer group over this same period.

Activity with respect to the Company's restricted stock units and PSUs was as follows:

	<b>Number of Shares</b>	<b>Weighted- Average Grant Date Fair Value (\$)</b>	<b>Weighted- Average Remaining Contractual Term (Years)</b>	<b>Aggregate Intrinsic Value (\$)</b>
	<b>(In thousands)</b>			<b>(In thousands)</b>
Outstanding as of October 2, 2021	2,954	32.21	1.23	113,591
Granted	689	39.37		
Vested/Forfeited/Cancelled	(688)	28.35		
Outstanding as of January 1, 2022	2,955	34.78	1.60	113,881
Expected to vest as of January 1, 2022	2,522	34.65	1.52	97,195

As of January 1, 2022, unrecognized compensation expense of \$64 million is expected to be recognized over a weighted average period of 1.6 years.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This quarterly report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements relate to our expectations for future events and time periods. All statements other than statements of historical fact are statements that could be deemed to be forward-looking statements, including any statements regarding trends in future revenue or results of operations, gross margin, operating margin, expenses, earnings or losses from operations, or cash flow; any statements of the plans, strategies and objectives of management for future operations and the anticipated benefits of such plans, strategies and objectives; any statements regarding future economic conditions or performance; any statements regarding litigation or pending investigations, claims or disputes; any statements regarding the timing of closing of, future cash outlays for, and benefits of acquisitions; any statements regarding expected restructuring costs and benefits; any statements concerning the adequacy of our current liquidity and the availability of additional sources of liquidity; any statements regarding the potential or expected impact of the COVID-19 pandemic on our business, results of operations and financial condition; any statements regarding the potential impact of supply chain shortages and changes in component pricing on our business; any statements regarding the future impact of tariffs on our business; any statements relating to the expected impact of accounting pronouncements not yet adopted; any statements regarding future repurchases of our common stock; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. Generally, the words "anticipate," "believe," "plan," "expect," "future," "intend," "may," "will," "should," "estimate," "predict," "potential," "continue" and similar expressions identify forward-looking statements. Our forward-looking statements are based on current expectations, forecasts and assumptions and are subject to risks and uncertainties, including those contained in Part II, Item 1A of this report. As a result, actual results could vary materially from those suggested by the forward-looking statements. We undertake no obligation to publicly disclose any revisions to these forward-looking statements to reflect events or circumstances occurring subsequent to filing this report with the Securities and Exchange Commission. Investors and others should note that Sanmina announces material financial information to our investors using our investor relations website (<http://ir.sanmina.com/investor-relations/overview/default.aspx>), SEC filings, press releases, public conference calls and webcasts. We use these channels to communicate with our investors and the public about Sanmina, its products and services and other issues. It is possible that the information we post on our investor relations website could be deemed to be material information. Therefore, we encourage investors, the media, and others interested in Sanmina to review the information we post on our investor relations website. The contents of our investor relations website are not incorporated by reference into this quarterly report on Form 10-Q or in any other report or document we file with the SEC.

Sanmina Corporation and its subsidiaries (the "Company", "we" or "us") operate on a 52 or 53 week year ending on the Saturday nearest September 30. Fiscal 2022 and 2021 are each 52-week years. All references to years relate to fiscal years unless otherwise noted.

### Overview

We are a leading global provider of integrated manufacturing solutions, components, products and repair, logistics and after-market services. Our revenue is generated from sales of our products and services primarily to original equipment manufacturers (OEMs) that serve the industrial, medical, defense and aerospace, automotive, communications networks and cloud infrastructure solutions industries.

Our operations are managed as two businesses:

1. Integrated Manufacturing Solutions (IMS). Our IMS segment consists of printed circuit board assembly and test, high-level assembly and test and direct-order-fulfillment.
2. Components, Products and Services (CPS). Components include interconnect systems (printed circuit board fabrication, backplane, cable assemblies and plastic injection molding) and mechanical systems (enclosures and precision machining). Products include memory solutions from our Viking Technology division; high-performance storage platforms for hyperscale and enterprise solutions from our Viking Enterprise Solutions (VES) division; optical, radio frequency RF, optical and microelectronic (microE) design and manufacturing services from our Advanced Micro Systems Technologies division; defense and aerospace products from SCI Technology; and cloud-based manufacturing execution software from our 42Q division. Services include design, engineering and logistics and repair.

Our only reportable segment for financial reporting purposes is IMS, which represented approximately 80% of our total revenue in the first three months of 2022. Our CPS business consists of multiple operating segments which do not

individually meet the quantitative thresholds for being presented as reportable segments under the accounting rules for segment reporting. Therefore, financial information for these operating segments is aggregated and presented in a single category entitled "Components, Products and Services".

Our strategy is to leverage our comprehensive product and service offerings, advanced technologies and global capabilities to further penetrate diverse end markets that we believe offer significant growth opportunities and have complex products that require higher value-added services. We believe this strategy differentiates us from our competitors and will help drive more sustainable revenue growth and provide opportunities for us to ultimately achieve operating margins that exceed industry standards.

There are many challenges to successfully executing our strategy. For example, we compete with a number of companies in each of our key end markets. This includes companies that are much larger than we are and smaller companies that focus on a particular niche. Although we believe we are well-positioned in each of our key end markets and seek to differentiate ourselves from our competitors, competition remains intense and profitably growing our revenues has been challenging. The COVID-19 pandemic created a unique and challenging environment in which our results of operations in 2021 and 2020 were significantly and negatively impacted. These impacts arose from rapidly changing market and economic conditions caused by the pandemic, as well as by numerous measures imposed by government authorities to try to limit the spread of the virus. These conditions and measures disrupted our operations and those of our customers, interrupted the supply of components, reduced the capacity of our logistics providers to deliver components and products and resulted in temporary closures of manufacturing sites and reduced staffing of our plants. Although we have implemented infection control measures recommended or required by the applicable public health authorities, should infections or exposures among our employees increase significantly, whether due to workplace exposure or community spread, we could experience significant employee absenteeism as employees become required to temporarily quarantine or isolate, which would result in a reduction of production. We are unable to accurately predict the full impact that the COVID-19 pandemic will have on us due to a number of uncertainties, including the duration of ongoing supply chain constraints directly and indirectly caused by the pandemic, the extent of the impact of the pandemic on our customers' businesses, the number of employees who may become infected or exposed to infected persons, the need for temporary plant closures caused by large scale employee infections, the duration of the outbreak, the continued efficacy and availability of COVID-19 vaccines, the geographic locations of any future outbreaks, including outbreaks caused by variants of COVID-19, such as the Omicron variant, and actions that government authorities may take in response. However, we believe it is likely that the pandemic and related supply chain disruptions will continue to have a negative impact on our business, results of operations and financial condition for the foreseeable future.

A small number of customers have historically generated a significant portion of our net sales. Sales to our ten largest customers have typically represented approximately 50% of our net sales. One customer represented 10% or more of our net sales for the three months ended January 1, 2022 and January 2, 2021.

We typically generate about 80% of our net sales from products manufactured in our foreign operations. The concentration of foreign operations has resulted primarily from a desire on the part of many of our customers to manufacture in lower cost regions such as Asia, Latin America and Eastern Europe.

Historically, we have had substantial recurring sales to existing customers. We typically enter into supply agreements with our major OEM customers. These agreements generally have terms ranging from three to five years and can cover the manufacture of a range of products. Under these agreements, a customer typically purchases its requirements for specific products in particular geographic areas from us. However, these agreements generally do not obligate the customer to purchase minimum quantities of products, which can have the effect of reducing revenue and profitability. In addition, some customer contracts contain cost reduction objectives, which can also have the effect of reducing revenue from such customers.

### **Critical Accounting Policies and Estimates**

Management's discussion and analysis of our financial condition and results of operations are based upon our unaudited condensed consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). We review the accounting policies used in reporting our financial results on a regular basis. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, net sales and expenses and related disclosure of contingent liabilities. On an ongoing basis, we evaluate the process used to develop estimates related to accounts receivable, inventories, income taxes, environmental matters, litigation and other contingencies. We base our estimates on historical experience and on various other assumptions that we believe are reasonable for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Due to the COVID-19 pandemic, the global economy and financial markets have been disrupted and there is a significant amount of uncertainty about the length and severity of the consequences caused by the

pandemic. We have considered information available to us as of the date of issuance of these financial statements and are not aware of any specific events or circumstances that would require an update to our estimates or judgments, or a revision to the carrying value of our assets or liabilities. Our estimates may change as new events occur and additional information becomes available. Our actual results may differ materially from these estimates.

A complete description of our critical accounting policies and estimates is contained in our Annual Report on Form 10-K for the fiscal year ended October 2, 2021 filed with the Securities and Exchange Commission.

## Results of Operations

### Key Operating Results

	Three Months Ended	
	January 1, 2022	January 2, 2021
	(In thousands)	
Net sales	\$ 1,757,325	\$ 1,755,249
Gross profit	\$ 144,489	\$ 141,235
Operating income	\$ 81,433	\$ 75,559
Net income	\$ 58,634	\$ 48,021

### Net Sales

Sales by end market were as follows (dollars in thousands):

	Three Months Ended			
	January 1, 2022	January 2, 2021	Increase/(Decrease)	
Industrial, Medical, Defense and Automotive	\$ 1,054,971	\$ 1,032,518	\$ 22,453	2.2 %
Communications Networks and Cloud Infrastructure	702,354	722,731	(20,377)	(2.8) %
Total	<u>\$ 1,757,325</u>	<u>\$ 1,755,249</u>	<u>\$ 2,076</u>	<u>0.1 %</u>

Net sales increased 0.1% in the first quarter of 2022 compared to the first quarter of 2021.

### Gross Margin

Gross margin increased to 8.2% for the first quarter of 2022 from 8.0% for the first quarter of 2021. IMS gross margin increased to 7.5% for the first quarter of 2022, from 7.3% for the first quarter of 2021 primarily due to improved operational efficiencies. CPS gross margin decreased to 11.6% for the first quarter of 2022, from 12.4% for the first quarter of 2021, primarily due to a less favorable mix of revenue between the various operating segments within CPS.

We have experienced fluctuations in gross margin in the past and may continue to do so in the future. Fluctuations in our gross margins may also be caused by a number of other factors, including:

- the ongoing impacts of the COVID-19 pandemic on our operations, the operations of our suppliers and on our customers' businesses;
- capacity utilization which, if lower, results in lower margins due to fixed costs being absorbed by lower volumes;
- changes in the mix of high and low margin products demanded by our customers;
- competition in the EMS industry and pricing pressures from OEMs due to greater focus on cost reduction;
- the amount of our provisions for excess and obsolete inventory, including those associated with distressed customers;
- levels of operational efficiency and production yields; and
- our ability to transition the location of and ramp manufacturing and assembly operations when requested by a customer in a timely and cost-effective manner.

***Selling, General and Administrative***

Selling, General and Administrative expenses increased \$2.5 million, from \$59.0 million, or 3.4% of net sales, in the first quarter of 2021 to \$61.5 million, or 3.5% of net sales, in the first quarter of 2022. The increase was primarily due to higher incentive compensation expense.

***Gain on Sale of Long-lived Assets***

During the first quarter of 2022, we recognized \$5 million of gain primarily from the sale of a certain real property.

***Provision for Income Taxes***

Our provision for income taxes for the first quarter of 2022 and 2021 was \$20 million (26% of income before taxes) and \$25 million (34% of income before taxes), respectively. The tax rate was higher for the first quarter of 2021 due to approximately \$4 million of unfavorable tax discrete items.

## Liquidity and Capital Resources

	Three Months Ended	
	January 1, 2022	January 2, 2021
	(In thousands)	
<b>Net cash provided by (used in):</b>		
Operating activities	\$ 68,300	\$ 61,811
Investing activities	(17,362)	(11,191)
Financing activities	(72,461)	(16,160)
Effect of exchange rate changes on cash and cash equivalents	(786)	1,044
Increase (Decrease) in cash and cash equivalents	<u>\$ (22,309)</u>	<u>\$ 35,504</u>

### Key Working Capital Management Measures

	As of	
	January 1, 2022	October 2, 2021
Days sales outstanding (1)	64	64
Contract asset days (2)	18	19
Inventory turns (3)	5.7	6.3
Days inventory on hand (4)	64	58
Accounts payable days (5)	89	83
Cash cycle days (6)	57	58

- (1) Days sales outstanding (a measure of how quickly we collect our accounts receivable), or "DSO", is calculated as the ratio of average accounts receivable, net, to average daily net sales for the quarter.
- (2) Contract asset days (a measure of how quickly we transfer contract assets to accounts receivable) are calculated as the ratio of average contract assets to average daily net sales for the quarter.
- (3) Inventory turns (annualized) (a measure of how quickly we sell inventory) are calculated as the ratio of four times our cost of sales for the quarter to average inventory.
- (4) Days inventory on hand (a measure of how quickly we turn inventory into sales) is calculated as the ratio of average inventory for the quarter to average daily cost of sales for the quarter.
- (5) Accounts payable days (a measure of how quickly we pay our suppliers), or "DPO", is calculated as the ratio of 365 days divided by accounts payable turns, in which accounts payable turns is calculated as the ratio of four times our cost of sales for the quarter to average accounts payable.
- (6) Cash cycle days (a measure of how quickly we convert investments in inventory to cash) is calculated as days inventory on hand plus days sales outstanding and contract assets days minus accounts payable days.

Cash and cash equivalents were \$628 million at January 1, 2022 and \$650 million at October 2, 2021. Our cash levels vary during any given quarter depending on the timing of collections from customers and payments to suppliers, borrowings under our credit facilities, sales of accounts receivable under numerous programs we utilize, repurchases of common stock and other factors. Our working capital was \$1.5 billion as of January 1, 2022 and October 2, 2021.

Net cash provided by operating activities was \$68 million and \$62 million for the three months ended January 1, 2022 and January 2, 2021, respectively. Cash flows from operating activities consist of: (1) net income adjusted to exclude non-cash items such as depreciation and amortization, deferred income taxes and stock-based compensation expense and (2) changes in net operating assets, which are comprised of accounts receivable, contract assets, inventories, prepaid expenses and other assets, accounts payable, accrued liabilities and other long-term liabilities. Our working capital metrics tend to fluctuate from quarter-to-quarter based on factors such as the linearity of our shipments to customers and purchases from suppliers, customer and supplier mix, the extent to which we factor customer receivables and the negotiation of payment terms with customers and suppliers. These fluctuations can significantly affect our cash flows from operating activities.

During the three months ended January 1, 2022, we generated \$98 million of cash primarily from earnings, excluding non-cash items, and consumed \$30 million of cash due primarily to increases in accounts receivable and inventory, partially offset by increased accounts payable. Individual components of operating assets and liabilities fluctuate for a number of reasons, including linearity of purchases and sales, the mix of customer and supplier payment terms within our accounts receivable and accounts payable, and the amount and timing of sales of accounts receivable. The increase in accounts receivable is primarily attributable to an increase in sales and billings to customers for their inventory obligations. The increase in inventory is primarily due to shortages of certain components that prevented us from shipping all products for which we had both demand and the other components necessary to build such products. The increase in accounts payable was attributable to an increase in material receipts, consistent with the increase in inventory.

Net cash used in investing activities was \$17 million and \$11 million for the three months ended January 1, 2022 and January 2, 2021, respectively. During the three months ended January 1, 2022, we used \$25 million of cash for capital expenditures and received proceeds of \$8 million primarily from the sale of a certain property. During the three months ended January 2, 2021, we used \$11 million of cash for capital expenditures.

Net cash used in financing activities was \$72 million and \$16 million for the three months ended January 1, 2022 and January 2, 2021, respectively. During the three months ended January 1, 2022, we used \$69 million of cash to repurchase common stock (including \$9 million related to employee tax withholding on vested restricted stock units), repaid an aggregate of \$5 million of long-term debt and received \$1 million of net proceeds from issuances of common stock pursuant to stock option exercises. During the three months ended January 2, 2021, we used \$13 million of cash to repurchase common stock (including \$3 million related to employee tax withholdings on vested restricted stock units), repaid an aggregate of \$5 million of long-term debt and received \$1 million of net proceeds from issuances of common stock pursuant to stock option exercises.

#### *Other Liquidity Matters*

During the three months ended January 1, 2022 and January 2, 2021, we repurchased 1.5 million and 0.4 million shares of our common stock for \$60 million and \$9 million, respectively, under a stock repurchase program authorized by the Board of Directors in October 2019. During the first quarter of 2022, the Board of Directors approved a new \$200 million stock repurchase program. These programs have no expiration dates and the timing of repurchases will depend upon capital needs to support the growth of our business, market conditions and other factors. Although stock repurchases are intended to increase stockholder value, purchases of shares reduce our liquidity. As a result, the timing of future repurchases depends upon our future capital needs, market conditions and other factors. As of January 1, 2022, an aggregate of \$221 million remains available under these programs.

We entered into a Receivable Purchase Agreement (the “RPA”) with certain third-party banking institutions for the sale of trade receivables generated from sales to certain customers, subject to acceptance by, and a funding commitment from, the banks that are party to the RPA. As of January 1, 2022, a maximum of \$543 million of sold receivables can be outstanding at any point in time under this program, as amended, subject to limitations under our Amended Cash Flow Revolver. Additionally, the amount available under the RPA is uncommitted and, as such, is available at the discretion of our third-party banking institutions. On January 16, 2019, we entered into an amendment to our Amended Cash Flow Revolver which increased the percentage of our total accounts receivable that can be sold and outstanding at any time from 30% to 40%. Trade receivables sold pursuant to the RPA are serviced by us.

In addition to the RPA, we have the option to participate in trade receivables sales programs that have been implemented by certain of our customers, as in effect from time to time. We do not service trade receivables sold under these other programs.

The sale of receivables under all of these programs is subject to the approval of the banks or customers involved and there can be no assurance that we will be able to sell the maximum amount of receivables permitted by these programs when desired.

Under each of the programs noted above, we sell our entire interest in a trade receivable for 100% of face value, less a discount. During the three months ended January 1, 2022 and January 2, 2021, we sold approximately \$93 million and \$263 million, respectively, of accounts receivable under these programs. Upon sale, these receivables are removed from the condensed consolidated balance sheets and cash received is presented as cash provided by operating activities in the condensed consolidated statements of cash flows. Discounts on sold receivables were not material for any period presented. As of January 1, 2022 and October 2, 2021, \$8 million and \$7 million, respectively, of accounts receivable sold under the RPA and subject to servicing by us remained outstanding and had not yet been collected. Our sole risk with respect to receivables we service is with respect to commercial disputes regarding such receivables. Commercial disputes include billing errors, returns and similar matters. To date, we have not been required to repurchase any receivable we have sold due to a commercial dispute.

Additionally, we are required to remit amounts collected as servicer on a weekly basis to the financial institutions that purchased the receivables. As of January 1, 2022 and October 2, 2021, \$17 million and \$18 million, respectively, had been collected but not yet remitted. The unremitted amount was classified in accrued liabilities on the condensed consolidated balance sheets.

We enter into forward interest rate swap agreements with independent counterparties to partially hedge the variability in cash flows due to changes in the benchmark interest rate (LIBOR) associated with anticipated variable rate borrowings. These interest rate swaps have a maturity date of December 1, 2023, and effectively convert our variable interest rate obligations to fixed interest rate obligations. These swaps are accounted for as cash flow hedges under ASC Topic 815, *Derivatives and Hedging*. Interest rate swaps with an aggregate notional amount of \$350 million were outstanding as of January 1, 2022 and October 2, 2021. The aggregate effective interest rate under these swaps as of January 1, 2022 was approximately 4.3%. As of January 1, 2022, due to a decline in interest rates since the time the swaps were put in place, these interest rate swaps had a negative value of \$13 million as of January 1, 2022, of which \$8 million is included in accrued liabilities and the remaining amount is included in other long-term liabilities on the condensed consolidated balance sheets.

In the ordinary course of business, we are or may become party to legal proceedings, claims and other contingencies, including environmental, regulatory, warranty and employee matters and examinations by government agencies. As of January 1, 2022, we had accrued liabilities of \$33 million related to such matters. We cannot accurately predict the outcome of these matters or the amount or timing of cash flows that may be required to defend ourselves or to settle such matters or that these reserves will be sufficient to fully satisfy our contingent liabilities.

As of January 1, 2022, we had a liability of \$86 million for uncertain tax positions. Our estimate of liabilities for uncertain tax positions is based on a number of subjective assessments, including the likelihood of a tax obligation being assessed, the amount of taxes (including interest and penalties) that would ultimately be payable, and our ability to settle any such obligations on favorable terms. Therefore, the amount of future cash flows associated with uncertain tax positions may be significantly higher or lower than our recorded liability and we are unable to reliably estimate when cash settlement may occur.

Our liquidity needs are largely dependent on changes in our working capital, including sales of accounts receivable under our receivables sales programs and the extension of trade credit by our suppliers, investments in manufacturing inventory, facilities and equipment, repayments of obligations under outstanding indebtedness and repurchases of common stock. We generated \$68 million of cash from operations in the first quarter of 2022. Our primary sources of liquidity as of January 1, 2022 consisted of (1) cash and cash equivalents of \$628 million; (2) our Amended Cash Flow Revolver, under which \$692 million, net of outstanding borrowings and letters of credit, was available; (3) our foreign short-term borrowing facilities of \$70 million, all of which was available; (4) proceeds from the sale of accounts receivable under our receivables sales programs, if accepted by the counterparties to such programs; and (5) cash generated from operations. Subject to satisfaction of certain conditions, including obtaining additional commitments from existing and/or new lenders, we may increase the revolver commitments under the Amended Cash Flow Revolver by an additional \$200 million.

We believe our existing cash resources and other sources of liquidity, together with cash generated from operations, will be sufficient to meet our working capital requirements through at least the next 12 months. However, should demand for our services decrease significantly over the next 12 months or should we experience significant increases in delinquent or uncollectible accounts receivable for any reason, including in particular continued or worsening economic conditions caused by the COVID-19 pandemic, our cash provided by operations could decrease significantly and we could be required to seek additional sources of liquidity to continue our operations at their current level.

We distribute our cash among a number of financial institutions that we believe to be of high quality. However, there can be no assurance that one or more of such institutions will not become insolvent in the future, in which case all or a portion of our uninsured funds on deposit with such institutions could be lost.

As of January 1, 2022, 63% of our cash balance was held in the United States. Should we choose or need to remit cash to the United States from our foreign locations, we may incur tax obligations which would reduce the amount of cash ultimately available to the United States. We believe that cash held in the United States, together with liquidity available under our Amended Cash Flow Revolver and cash from foreign subsidiaries that could be remitted to the United States without tax consequences, will be sufficient to meet our United States liquidity needs for at least the next twelve months.

#### *Off-Balance Sheet Arrangements*

As of January 1, 2022, we did not have any off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of Regulation S-K promulgated by the SEC, that have or are reasonably likely to have a current or future effect on our financial

condition, changes in our financial condition, revenues, or expenses, results of operations, liquidity, capital expenditures, or capital resources that is material to investors.

### **Item 3. *Quantitative and Qualitative Disclosures About Market Risk***

#### **Interest Rate Risk**

Our primary exposure to market risk for changes in interest rates relates to our Term Loan of \$328 million under our Amended Cash Flow Revolver for which the interest rate we pay is determined at the time of borrowing based on a floating index. As of January 1, 2022, we had interest rate swaps with an aggregate notional amount of \$350 million that effectively convert \$350 million of our outstanding floating rate debt to fixed rate debt. An immediate 10 percent change in interest rates would not have a significant impact on our results of operations.

#### **Foreign Currency Exchange Risk**

We transact business in foreign currencies. Our foreign exchange policy requires that we take certain steps to limit our foreign exchange exposures resulting from certain assets and liabilities and forecasted cash flows. However, our policy does not require us to hedge all foreign exchange exposures. Furthermore, our foreign currency hedges are based on forecasted transactions and estimated balances, the amount of which may differ from that actually incurred. As a result, we can experience foreign exchange gains and losses in our results of operations.

Our primary foreign currency cash flows are in certain Asian and European countries, Israel and Mexico. We enter into short-term foreign currency forward contracts to hedge currency exposures associated with certain monetary assets and liabilities denominated in non-functional currencies. These contracts generally have maturities of up to two months. Accordingly, these forward contracts are not designated as part of a hedging relationship for accounting purposes. All outstanding foreign currency forward contracts are marked-to-market at the end of the period with unrealized gains and losses included in other income, net, in the condensed consolidated statements of income. From an economic perspective, the objective of our hedging program is for gains or losses on forward contracts to substantially offset gains and losses on the underlying hedged items. As of January 1, 2022, we had outstanding foreign currency forward contracts to exchange various foreign currencies for U.S. dollars in an aggregate notional amount of \$286 million.

We also utilize foreign currency forward contracts to hedge certain operational (“cash flow”) exposures resulting from changes in foreign currency exchange rates. Such exposures result from (1) forecasted non-functional currency sales and (2) forecasted non-functional currency materials, labor, overhead and other expenses. These contracts may be up to twelve months in duration and are designated as cash flow hedges for accounting purposes. The effective portion of changes in the fair value of the contracts is recorded in stockholders' equity as a separate component of accumulated other comprehensive income and recognized in earnings when the hedged item affects earnings. We had forward contracts related to cash flow hedges in various foreign currencies in the aggregate notional amount of \$110 million as of January 1, 2022.

The net impact of an immediate 10 percent change in exchange rates would not be material to our unaudited condensed consolidated financial statements, provided we accurately forecast and estimate our foreign currency exposure. If such forecasts are materially inaccurate, we could incur significant gains or losses.

#### **Item 4. Controls and Procedures**

##### ***Changes in Internal Control over Financial Reporting***

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended, (the "Exchange Act")) that occurred during the quarter ended January 1, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

##### ***Evaluation of Disclosure Controls and Procedures***

Our management is responsible for establishing and maintaining our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures will prevent all error and all fraud. Disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that their objectives are met. Further, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and the benefits of disclosure controls and procedures must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of disclosure controls and procedures can provide absolute assurance that all disclosure control issues and instances of fraud, if any, have been detected. Nonetheless, our Chief Executive Officer and Chief Financial Officer have concluded that, as of January 1, 2022, (1) our disclosure controls and procedures were designed to provide reasonable assurance of achieving their objectives, and (2) our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

## PART II. OTHER INFORMATION

### Item 1. *Legal Proceedings*

In June 2008, we were named by the Orange County Water District in a suit alleging that our actions contributed to polluted groundwater managed by the plaintiff. The complaint seeks recovery of compensatory and other damages, as well as declaratory relief, for the payment of costs necessary to investigate, monitor, remediate, abate and contain contamination of groundwater within the plaintiff's control. In April 2013, all claims against us were dismissed. The plaintiff appealed this dismissal and the appellate court reversed the judgment in August 2017. In November 2017, the California Supreme Court denied our petition to review this decision and, in December 2017, the Court of Appeals remanded the case back to the Superior Court for further proceedings. The first phase of a multi-phase trial commenced on April 12, 2021 and is expected to last for several more months. Subsequent trial phases, if necessary, likely would occur in the 2022/2023 timeframe. We are contesting the plaintiff's claims vigorously.

In October 2018, a contractor who had been retained by us through a third party temporary staffing agency filed a lawsuit against us in the Santa Clara County Superior Court on behalf of himself and all other similarly situated Company contractors and employees in California, alleging violations of California Labor Code provisions governing overtime, meal and rest periods, wages, wage statements and reimbursement of business expenses. The complaint sought certification of a class of all non-exempt employees. Although we continued to deny any wrongdoing, on November 19, 2020, we reached an agreement to resolve all claims, including claims under California's Private Attorneys General Act of 2004 which also resulted in the dismissal of a suit alleging substantially similar claims filed in the Santa Clara County Superior Court in June 2021. The final amount of the judicially approved settlement was approximately \$3.9 million and was paid during the first quarter of fiscal 2022.

On December 20, 2019, we sued our former customer, Dialight plc ("Dialight"), in the United States District Court for the Southern District of New York to collect approximately \$10 million in unpaid accounts receivable and net obsolete inventory obligations. Later the same day, Dialight commenced its own action in the same court. Dialight's complaint, which asserts claims for fraudulent inducement, breach of contract and gross negligence/willful misconduct, alleges that we fraudulently misrepresented our capabilities to induce Dialight to enter into a Manufacturing Services Agreement ("Dialight MSA"), and then breached our obligations under the Dialight MSA relating to quality, on-time delivery and supply chain management. Dialight seeks compensatory and punitive damages that it contends exceed \$200 million, but which we believe are vastly overstated and subject to a contractual limitation of liability that limits any Dialight recovery to less than \$2 million. We continue to vigorously prosecute our claim against Dialight. Further, we strongly disagree with Dialight's allegations and intend to defend against them vigorously. No trial date has been set in this matter.

In addition, from time to time, we may become involved in routine legal proceedings, demands, claims, threatened litigation and regulatory inquiries and investigations that arise in the normal course of our business. We record liabilities for such matters when a loss becomes probable and the amount of loss can be reasonably estimated. The ultimate outcome of any litigation is uncertain and unfavorable outcomes could have a negative impact on our results of operations and financial condition. Regardless of outcome, litigation can have an adverse impact on us as a result of incurrence of litigation costs, diversion of management resources, and other factors.

Refer also to Note 7 to the Condensed Consolidated Financial Statements.

## Item 1A. Risk Factors

### End Market and Operational Risks

***The COVID-19 pandemic has had, and will likely continue to have, a significant impact on our results of operations and financial condition by reducing demand from our customers, interrupting the flow of components needed for our customers' products, limiting the operations or productivity of our manufacturing facilities and creating health risks to our employees.***

Our business and operations have been significantly and negatively impacted by the COVID-19 pandemic. Among other impacts, the pandemic has:

- Resulted in the temporary closure of certain of our facilities;
- Reduced the amount of staffing at certain of our plants;
- Required us in some cases to pay staff who are not able to work due to government orders or illness;
- Limited the capacity of logistics providers to deliver components for and the products we manufacture;
- Reduced demand for certain of our customers' products; and
- Resulted in interruptions of supply of components, either because our suppliers have themselves been prevented from operating or because major distribution channels (e.g., sea transport) have been disrupted by the pandemic.

Pandemic-related conditions have reduced our revenue during the last 12 months and we cannot predict when these and other impacts from the pandemic will be fully resolved.

Although we have implemented the infection control measures recommended or required by the applicable public health authorities, should infections or exposures among our employees increase significantly, whether due to workplace exposure or community spread, we could experience significant absenteeism in our plants as employees become required to temporarily quarantine or isolate, which would result in a reduction of production. These risks have become more significant as the Omicron variant of COVID-19 has become more widespread globally.

Furthermore, various local, state and national governments and agencies issued various safety regulations and guidelines intended to help prevent the transmission of COVID-19 in the workplace. These regulations are complex, costly to implement, subject to frequent change and to audit and investigation by national, state and local governmental authorities. Any failure by us to materially comply with COVID-19-related safety rules and regulations in any of our facilities could result in sanctions, fines, as well as negative publicity for us. Recently, OSHA Emergency Temporary Standard ("ETS") and Presidential Executive Order were issued that would require us to mandate that U.S. employees at our commercial plants and San Jose headquarters be vaccinated against COVID-19 (or tested weekly) and that all of our employees supporting certain federal contracts be vaccinated against COVID-19 without a testing option. Although courts have enjoined enforcement of both of these regulations (and OSHA withdrew its ETS as a result), should the Executive Order be reinstated, or a new OSHA rule become effective, employee reaction to the required mandate could be negative and we may be forced to terminate employees who do not comply with the mandate. In such event, we could experience labor shortages at certain of our facilities, which could impact production.

More generally, the continuation of the COVID-19 pandemic raises the possibility of an extended global economic downturn and has caused volatility in financial markets, which has affected and could continue to affect demand for our products and services and impact our results and financial condition for some time. For example, the pandemic has resulted in certain of our customers and suppliers experiencing financial difficulties, which could impact their ability or willingness to satisfy their payment or delivery obligations, respectively, to us in the future. Although we have not experienced any significant increase in customer defaults as a result of the pandemic to date, the risk of such defaults will increase if pandemic conditions continue indefinitely or if commercial and social restrictions originally put in place in response to pandemic conditions by local, state and national governments increase or are reinstated based on changes in community infection and hospitalization rates.

We are unable to accurately predict the full impact that the COVID-19 pandemic will have on us due to a number of uncertainties, including the duration of ongoing supply chain constraints directly and indirectly caused by the pandemic, the extent of the impact of the pandemic on our customers' businesses, the number of our employees who may become infected, the potential need for temporary plant closures caused by large scale employee infections, the duration of the acute phase of the pandemic, the continued efficacy and availability of COVID-19 vaccines and treatments, the geographic locations of any future outbreaks, including outbreaks caused by variants of COVID-19, such as the Omicron variant, and actions that

government authorities may take in response. However, we believe it is likely that the pandemic will continue to have a negative impact on our business, results of operations and financial condition for the foreseeable future.

***Worldwide supply chain shortages are currently limiting our ability to manufacture and ship all of the product for which we have demand; our profitability will be reduced if we are unable to pass on increasing component costs.***

Our supply chain is being significantly impacted by a number of factors relating to the COVID-19 pandemic, including interruptions in supplier and port operations due to infections during a time of a resumption of strong worldwide demand for electronic products and components. As a result, we are experiencing delays in delivery and shortages of certain components, particularly certain types of capacitors, resistors and discrete semiconductors needed for many of the products we manufacture. These conditions are currently limiting our ability to manufacture and ship all of the product for which we have demand and are exacerbated by the fact that we are dependent on a number of limited and sole source suppliers to provide key components we incorporate into our products. We expect these delays and shortages to persist at least through the middle of calendar 2022 and that such shortages could result in delays in shipments to our customers during the period of such shortages. Any such delays would reduce our revenue and margins for the periods affected and would also result in an increase in our inventory of other components, which would reduce our operating cash flow.

In addition, inflationary pressures resulting from supply chain constraints and improving economic conditions in certain countries are leading to sustained increases in the prices we pay for components and materials used in production and in our labor costs. While we seek to pass on to our customers the increased prices for components and shipping caused by the supply chain constraints, our gross margins and profitability could decrease, perhaps significantly, over a sustained period of time if we are unable to do so.

We rely on a variety of common carriers to transport our raw materials and components from our suppliers to us, and to transport our products to our customers. The use of common carriers is subject to a number of risks, including increased costs due to rising energy prices and labor, vehicle and insurance costs, and hijacking and theft resulting in losses of shipments, delivery delays resulting from labor shortages, disturbances and strikes and other factors beyond our control. Although we attempt to mitigate our liability for any losses resulting from these risks through contracts with our customers, suppliers and insurance carriers, any costs or losses that cannot be mitigated could reduce our profitability, require us to manufacture replacement product or damage our relationships with our customers.

***Adverse changes in the key end markets we target could harm our business by reducing our sales.***

We provide products and services to companies that serve the industrial, medical, defense and aerospace, automotive, communications networks and cloud infrastructure industries. Adverse changes in any of these end markets could reduce demand for our customers' products or make these customers more sensitive to the cost of our products and services, either of which could reduce our sales, gross margins and net income. A number of factors could affect these industries in general and our customers in particular, leading to reductions in net sales. These factors include:

- intense competition among our customers and their competitors, leading to reductions in prices for their products and increases in pricing pressure placed on us;
- failure of our customers' products to gain widespread commercial acceptance, which could decrease the volume of orders customers place with us. For example, our sales and margins have been negatively impacted in the past by the slower than expected ramp of 5G programs by our communications customers;
- changes in regulatory requirements affecting the products we build for our customers, leading to product redesigns or obsolescence and potentially causing us to lose business; and
- recessionary periods in our customers' markets, which decrease orders from affected customers.

We realize a substantial portion of our revenues from communications equipment customers. This market is highly competitive, particularly in the area of price. Should any of our larger customers in this market fail to effectively compete with their competitors, they could reduce their orders to us or experience liquidity difficulties, either of which could have the effect of substantially reducing our revenue and net income. There can be no assurance that we will not experience declines in demand in this or in other end markets in the future.

***Our operating results are subject to significant uncertainties, which can cause our future sales, net income and cash generated from operations to be variable.***

Our operating results can vary due to a number of significant uncertainties, including:

- our ability to replace declining sales from end-of-life programs and customer disengagements with new business wins;
- conditions in the global economy as a whole and in the industries we serve, which are being significantly impacted by the COVID-19 pandemic;
- fluctuations in component prices, component shortages and extended component lead times caused by high demand, disruptions relating to the COVID-19 pandemic, natural disasters or otherwise;
- timing and success of new product developments and ramps by our customers, which create demand for our services, but which can also require us to incur start-up costs relating to new tooling and processes;
- levels of demand in the end markets served by our customers;
- timing of orders from customers and the accuracy of their forecasts;
- our inventory levels, which have been driven higher as a result of supply chain disruptions caused by the COVID-19 pandemic, with higher levels of inventory reducing our operating cash flow;
- customer payment terms and the extent to which we factor customer receivables during the quarter;
- increasing labor costs in the regions in which we operate;
- mix of products ordered by and shipped to major customers, as high volume and low complexity manufacturing services typically have lower gross margins than more complex and lower volume services;
- our ability to pass tariffs through to our customers;
- resolution of claims with our customers;
- the degree to which we are able to fully utilize our available manufacturing capacity, including due to restrictions under local, state and national public health orders covering the locations of our plants and employee health conditions as a result of the COVID-19 pandemic;
- customer insolvencies resulting in bad debt or inventory exposures that are in excess of our reserves;
- our ability to efficiently move manufacturing operations to lower cost regions when required;
- changes in our tax provision due to changes in our estimates of pre-tax income in the jurisdictions in which we operate, uncertain tax positions, and our ability to utilize our deferred tax assets; and
- political and economic developments in countries in which we have operations, which could restrict our operations or those of our suppliers and/or customers or increase our costs.

Variability in our operating results may also lead to variability in cash generated by operations, which can adversely affect our ability to make capital expenditures, engage in strategic transactions and repurchase stock.

***We are subject to risks arising from our international operations.***

The substantial majority of our net sales are generated through our non-U.S. operations. As a result, we are affected by economic, political and other conditions in the foreign countries in which we do business, including:

- changes in trade and tax laws that may result in us or our customers being subject to increased taxes, duties and tariffs, which could increase our costs and/or reduce our customers' willingness to use our services in countries in which we are currently manufacturing their products;
- compliance with foreign laws, including labor laws that generally provide for increased notice, severance and consultation requirements compared to U.S. labor laws;
- labor unrest, including strikes;
- difficulties in staffing due to immigration or travel restrictions imposed by national governments, including the U.S.;
- security concerns;
- political instability and/or regional military tension or hostilities;
- fluctuations in currency exchange rates, which may either increase or decrease our operating costs and for which we have significant exposure;
- the imposition of currency controls;
- exposure to heightened corruption risks;
- aggressive, selective or lax enforcement of laws and regulations by national governmental authorities; and
- potentially increased risk of misappropriation of intellectual property.

We operate in countries that have experienced labor unrest, political instability or conflict and strife in the past, including China, India, Israel, Malaysia, Mexico and Thailand, and we have experienced work stoppages and similar disruptions at our plants in these countries. To the extent such developments in these countries or similar events elsewhere prevent us from adequately staffing our plants and manufacturing and shipping products in those jurisdictions, our margins and net income could be reduced and our reputation as a reliable supplier could be negatively impacted.

Certain of our foreign manufacturing facilities are leased from third parties. To the extent we are unable to renew the leases covering such facilities as they expire on reasonable terms, or are forced to move our operations at those facilities to other locations as a result of a failure to agree upon renewal terms, production for our customers may be interrupted, we may breach our customer agreements, we could incur significant start-up costs at new facilities and our lease expense may increase, potentially significantly.

***We rely on a relatively small number of customers for a substantial portion of our sales, and declines in sales to these customers could reduce our net sales and net income.***

Sales to our ten largest customers have historically represented approximately half of our net sales. We expect to continue to depend upon a relatively small number of customers for a significant percentage of our sales for the foreseeable future. The loss of, or a significant reduction in sales or pricing to, our largest customers could substantially reduce our revenue and margins.

***Current U.S. trade policy could increase the cost of using both our onshore and offshore manufacturing services for our U.S. customers, leading them to reduce their orders to us.***

Although we maintain significant manufacturing capacity in the U.S., the substantial majority of our manufacturing operations are located outside the U.S. As a result of continuing trade disputes, the U.S., China, the E.U. and several other countries have imposed tariffs on certain imported products. In particular, the U.S. has imposed tariffs impacting certain components and products imported from China by us into the U.S. These tariffs apply to both components imported into the U.S. from China for use in the manufacture of products at our U.S. plants and to certain of our customers' products that we manufacture for them in China and that are then imported into the U.S. Any decision by a large number of our customers to cease using our manufacturing services due to the continued application of tariffs would materially reduce our revenue and net income. In addition, our gross margins would be reduced in the event we are for any reason unable to pass on any tariffs that we incurred to our customers. Although our customers are generally liable for tariffs we pay on their behalf on importation of components used in the manufacture of their products, our gross margins would be reduced in the event we were for any reason unable to recover tariffs or duties from our customers. Further, although we are required to pay tariffs upon importation of the components, we may not be able to recover these amounts from customers until sometime later, if at all, which would adversely impact our operating cash flow in a given period.

***Cancellations, reductions in production quantities, delays in production by our customers and changes in customer requirements could reduce our sales and net income.***

We generally do not obtain firm, long-term purchase commitments from our customers and our bookings may generally be canceled prior to the scheduled shipment date. Although a customer is generally liable for raw materials we procure on their behalf, finished goods and work-in-process at the time of cancellation, the customer may fail to honor this commitment or we may be unable or, for other business reasons, choose not to enforce our contractual rights. Cancellations, reductions or delays of orders by customers could increase our inventory levels, lead to write-offs of inventory that we are not able to resell to the customer, reduce our sales and net income, delay or eliminate recovery of our expenditures for inventory purchased in preparation for customer orders and lower our asset utilization, all of which could result in lower gross margins and lower net income.

***Our strategy to pursue higher margin business depends in part on the success of our CPS businesses, which, if not successful, could cause our future gross margins and operating results to be lower.***

A key part of our strategy to capitalize on our end-to-end solutions is to grow our CPS business, which includes printed circuit boards, backplane and cable assemblies and plastic injection molding, mechanical systems, memory, RF, optical and microelectronic solutions, and data storage solutions and design, engineering, logistics and repair services and our SCI defense and aerospace products business. A decrease in orders for these components, products and services can have a disproportionately adverse impact on our profitability since these components, products and services generally carry higher than average contribution margins than our core IMS business. In addition, in order to grow this portion of our business profitably, we must continually make substantial investments in the development of our product development capabilities, research and development activities, test and tooling equipment and skilled personnel, all of which reduce our operating results in the short term. The success of our CPS business also depends on our ability to increase sales of our proprietary products, convince our customers to agree to purchase our components for use in the manufacture of their products, rather than directing us to buy them from third parties, and expand the number of our customers who contract for our design, engineering, logistics and repair services. We may face challenges in achieving commercially viable yields and difficulties in manufacturing components in the quantities and to the specifications and quality standards required by our customers, as well

as in qualifying our components for use in our customers' designs. Our proprietary products and design, engineering, logistics and repair services must compete with products and services offered by established vendors which focus solely on development of similar technologies or the provision of similar services. Any of these factors could reduce our CPS business revenue and margins, which in turn would have an adverse and potentially disproportionate effect on our overall revenues and profitability.

***Customer requirements to transfer business may increase our costs.***

Our customers sometimes require that we transfer the manufacturing of their products from one of our facilities to another to achieve cost reductions, tariff reductions and other objectives. These transfers have resulted in increased costs to us due to facility downtime, less than optimal utilization of our manufacturing capacity and delays and complications related to the transition of manufacturing programs to new locations. These transfers, and any decision by a significant customer to terminate manufacturing services in a particular facility, could require us to close or reduce operations at certain facilities and, as a result, we may incur in the future significant costs for the closure of facilities, employee severance and related matters. We may be required to relocate additional manufacturing operations in the future and, accordingly, we may incur additional costs that decrease our net income. Any of these factors could reduce our revenues, increase our expenses and reduce our net income.

**Regulatory, Compliance and Litigation Risks**

***We are subject to a number of U.S. export control and other regulatory requirements, the failure to comply with which could result in damages or reduction of future revenue.***

We are subject to a number of laws and regulations relating to the export of U.S. technology, anti-corruption and the award, administration and performance of U.S. government contracts and subcontracts. In particular, our activities must comply with the restrictions relating to the export of controlled technology and sales to denied or sanctioned parties contained in the International Traffic in Arms Regulations (ITAR), the U.S. Export Administration Regulations and sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department (OFAC). We must also comply with the regulations relating to the award, administration and performance of U.S. government contracts and subcontracts with respect to our defense business, including regulations that govern price negotiations, cost accounting standards, procurement practices, termination at the election of the government and many other aspects of performance under government contracts and subcontracts. These laws and regulations are complex, require extensive compliance efforts and expenditures in the form of additional personnel, systems and personnel and, in some cases, require us to ensure that our suppliers adhere to such regulations. Furthermore, our compliance with such regulations is subject to audit or investigation by governmental authorities and, from time to time, we receive formal and informal inquiries from government agencies and regulators regarding our compliance. Should we be found to have violated one or more of such laws or regulations, we could become subject to civil damages (which in some cases could be trebled) or criminal penalties and administrative sanctions, including appointment of government monitors, termination of our government contracts and, ultimately, debarment from doing further business with the U.S. government. Any of such results would increase our expenses, reduce our revenue and damage our reputation as both a commercial and government supplier.

***If we manufacture or design defective products, if there are manufacturing defects in the components we incorporate into customer products or if our manufacturing processes do not comply with applicable statutory and regulatory requirements and standards, we could be subject to claims, damages and fines and lose customers.***

We manufacture products to our customers' specifications, and in some cases our manufacturing processes and facilities need to comply with various statutory and regulatory requirements and standards. For example, many of the medical products that we manufacture, as well as the facilities and manufacturing processes that we use to produce them, must comply with standards established by the U.S. Food and Drug Administration and products we manufacture for the automotive end market are generally subject to the IATF 16949:2016 standard. In addition, our customers' products and the manufacturing processes that we use to produce them often are highly complex. As a result, products that we design or manufacture may at times contain design or manufacturing defects, and our manufacturing processes may be subject to errors or may not be in compliance with applicable statutory and regulatory requirements and standards. Finally, customer products can experience quality problems or failures as a result of defects in the components they specify to be included in the products we manufacture for them. Defects in the products we design or manufacture, even if caused by components specified by the customer, may result in product recalls, warranty claims by customers, including liability for repair costs, delayed shipments to customers or reduced or canceled customer orders. The failure of the products that we design or manufacture or of our manufacturing processes and facilities to comply with applicable statutory and regulatory requirements and standards may subject us to legal fines or penalties, cause us to lose business and, in some cases, require us to shut down

or incur considerable expense to correct a manufacturing program or facility. In addition, these defects may result in product liability claims against us. The magnitude of such claims may increase as we continue to expand our presence in the medical and automotive end markets since defects in these types of products can result in death or significant injury to end users of these products. Even when our customers are contractually responsible for defects in the design of a product and defects in components used in the manufacture of such products, there is no guarantee that these customers will have the financial resources to indemnify us for such liabilities and we could nonetheless be required to expend significant resources to defend ourselves if named in a product liability suit over such defects.

***If we are unable to protect our intellectual property or if we infringe, or are alleged to infringe, upon the intellectual property of others, we could be required to pay significant amounts in costs or damages.***

We rely on a combination of copyright, patent, trademark and trade secret laws and contractual restrictions to protect our intellectual property rights. However, a number of our patents covering certain aspects of our manufacturing processes or products have expired and will continue to expire in the future. Such expirations reduce our ability to assert claims against competitors or others who use or sell similar technology. Any inability to protect our intellectual property rights could diminish or eliminate the competitive advantages that we derive from our proprietary technology.

We are also subject to the risk that current or former employees violate the terms of their proprietary information agreements with us. Should a current or former employee use or disclose any of our or our customers' proprietary information, we could become subject to legal action by our customers or others, our key technologies could become compromised and our ability to compete could be adversely impacted.

In addition, we may become involved in administrative proceedings, lawsuits or other proceedings if others allege that the products we manufacture for our customers or our own manufacturing processes and products infringe on their intellectual property rights. If successful, such claims could force our customers and us to stop importing or producing products or components of products that use the challenged intellectual property, to pay up to treble damages and to obtain a license to the relevant technology or to redesign those products or services so as not to use the infringed technology. The costs of defense and potential damages and/or impact on production of patent litigation could be significant and have a materially adverse impact on our financial results. In addition, although our customers typically indemnify us against claims that the products we manufacture for them infringe others' intellectual property rights, there is no guaranty that these customers will have the financial resources to stand behind such indemnities should the need arise, nor is there any guarantee that any such indemnity could be fully enforced. We sometimes design products on a contract basis or jointly with our customers. In such situations, we may become subject to claims that products we design infringe third party intellectual property rights and may also be required to indemnify our customer against liability caused by such claims.

Any of these events could reduce our revenue, increase our costs and damage our reputation with our customers.

***Allegations of failures to comply with domestic or international employment and related laws could result in the payment of significant damages, which would reduce our net income.***

We are subject to a variety of domestic and foreign employment laws, including those related to safety, wages and overtime, discrimination, harassment, organizing, whistle-blowing, classification of employees, privacy and severance payments. We may be required to defend against allegations that we have violated such laws. Allegations that we have violated labor laws could lead to damages being awarded to employees or fines from or settlements with plaintiffs or federal, state or foreign regulatory authorities, the amounts of which could be substantial, and which would reduce our net income.

***Cyberattacks and other disruptions of our information technology ("IT") network and systems could interrupt our operations, lead to loss of our customer and employee data and subject us to damages.***

We rely on internal and cloud-based networks and systems furnished by third parties for worldwide financial reporting, inventory management, procurement, invoicing, employee payroll and benefits administration and email communications, among other functions. In addition, our 42Q manufacturing execution solutions software used by us and certain of our customers operates in the cloud. Despite our business continuity planning, including redundant data sites and network availability, both our internal and cloud-based infrastructure may be susceptible to outages due to fire, floods, power loss, telecommunications failures, terrorist attacks and similar events. In addition, despite the implementation of numerous network security measures, both our internal and our cloud-based infrastructure may also be vulnerable to hacking, computer viruses, the installation of malware and similar disruptions either by third parties or employees with access to key IT infrastructure. Cybersecurity attacks can come in many forms, including distributed denial of service attacks, advanced persistent threat, phishing, business email compromise efforts and ransomware attacks. Recently, a cyberattack involving

malware delivered through network monitoring software sold by SolarWinds resulted in the penetration of the systems of a multitude of governmental and commercial entities. While we were not affected by this cyberattack, there can be no assurance that a future malware attack will not be successful in breaching our systems. Hacking, malware and other cybersecurity attacks, if not prevented, could lead to the collection and disclosure of sensitive personal or confidential information relating to our customers, employees or others, exposing us to legal liability and causing us to suffer reputational damage. In addition, our SCI defense and aerospace businesses are subject to U.S. government regulations requiring the safeguarding of certain unclassified government information and to report to the U.S. government certain cyber incidents that affect such information. The increasing sophistication of cyberattacks requires us to continually evaluate new technologies and processes intended to detect and prevent these attacks. Our insurance coverage for cyber-attacks is limited. There can be no assurance that our security measures will be sufficient to protect the data we manage. If we and our cloud infrastructure vendors are not successful in preventing such outages and cyberattacks, our operations could be disrupted, we could incur losses, including losses relating to claims by our customers, employees or privacy regulators relating to loss of personal or confidential business information, the willingness of customers to do business with us may be damaged and, in the case of our defense business, we could be debarred from future participation in U.S. government programs.

***Any failure to comply with applicable environmental laws could adversely affect our business by causing us to pay significant amounts for cleanup of hazardous materials or for damages or fines.***

We are subject to various federal, state, local and foreign environmental laws and regulations, including those governing the use, generation, storage, discharge and disposal of hazardous substances and waste in the ordinary course of our manufacturing operations. If we violate environmental laws or if we own or operate, or owned or operated in the past, a site at which we or a predecessor company caused contamination, we may be held liable for damages and the costs of remedial actions. Although we estimate and regularly reassess our potential liability with respect to violations or alleged violations and accrue for such liability, our accruals may not be sufficient. Any increase in existing reserves or establishment of new reserves for environmental liability would reduce our net income. Our failure or inability to comply with applicable environmental laws and regulations could also limit our ability to expand facilities or could require us to acquire costly equipment or to incur other significant expenses to comply with these laws and regulations.

Partly as a result of certain of our acquisitions, we have incurred liabilities associated with environmental contamination. These liabilities include ongoing investigation and remediation activities at a number of current and former sites. The time required to perform environmental remediation can be lengthy and there can be no assurance that the scope, and therefore cost, of these activities will not increase as a result of the discovery of new contamination or contamination on adjoining landowner's properties or the adoption of more stringent regulatory standards covering sites at which we are currently performing remediation activities.

We cannot assure that past disposal activities will not result in liability that will materially affect us in the future, nor can we provide assurance that we do not have environmental exposures of which we are unaware and which could adversely affect our future operating results. Changes in or restrictions on discharge limits, emissions levels, permitting requirements and material storage or handling could require a higher than anticipated level of remediation activities, operating expenses and capital investment or, depending on the severity of the impact of the foregoing factors, costly plant relocation, any of which would reduce our net income.

***Global, national and corporate initiatives addressing climate change could increase our costs.***

Concern over climate change may lead to state, federal and international legislative and regulatory initiatives aimed at reducing carbon dioxide and other greenhouse gas emissions through incentives, taxes or mandates and there is increased stockholder interest generally in voluntary corporate commitments to reduce the generation of greenhouse gases. Collectively, such initiatives and commitments could lead to an increase in both the price of energy and our operating costs. A sustained increase in energy prices for any reason could increase our raw material, components, operations and transportation costs, which we may not be able to pass on to our customers and which would therefore reduce our profitability, as would increased operating costs and investments due to our adoption, whether voluntary or mandatory, of measures to reduce our carbon footprint. We could also suffer reputational damage if our practices are perceived to be inadequate.

***Changes in financial accounting standards or policies have affected, and in the future may affect, our reported financial condition or results of operations; there are inherent limitations to our system of internal controls; changes in corporate governance policies and practices may impact our business.***

We prepare our consolidated financial statements in conformity with U.S. Generally Accepted Accounting Principles ("GAAP"). The preparation of our financial statements in accordance with GAAP requires that we make estimates and assumptions that affect the recorded amounts of assets, liabilities and net income during the reporting period. A change in the facts and circumstances surrounding those estimates could result in a change to our estimates and could impact our future operating results. GAAP is subject to interpretation by the Financial Accounting Standards Board ("FASB"), the SEC and various bodies formed to interpret and create accounting policies. A change in those policies can have a significant effect on our reported results and may affect our reporting of transactions which are completed before a change is announced. For example, in fiscal 2019, we implemented the new revenue recognition standard, which is complex and requires significant management judgment. Although we believe the judgments we applied in implementation of the new revenue recognition standard are appropriate, there can be no assurance that we will not be required to change our judgments relating to implementation of such standard in the future, whether as a result of new guidance or otherwise. A significant change in our accounting judgments could have a significant impact on our reported revenue, gross profit, assets and liabilities. In general, changes to accounting rules or challenges to our interpretation or application of the rules by regulators may have a material adverse effect on our reported financial results or on the way we conduct business.

Our system of internal and disclosure controls and procedures were designed to provide reasonable assurance of achieving their objectives. However, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been or will be detected. As a result, there can be no assurance that our system of internal and disclosure controls and procedures will be successful in preventing all errors, theft and fraud, or in informing management of all material information in a timely manner.

Finally, corporate governance, public disclosure and compliance practices continue to evolve based upon continuing legislative action, SEC rulemaking and policy positions taken by large institutional stockholders and proxy advisors. As a result, the number of rules, regulations and standards applicable to us may become more burdensome to comply with, could increase scrutiny of our practices and policies by these or other groups and increase our legal and financial compliance costs and the amount of time management must devote to governance and compliance activities. Increasing regulatory burdens and corporate governance requirements could also make it more difficult for us to attract and retain qualified members of our Board of Directors, particularly to serve on our Audit Committee, and qualified executive officers.

#### **Liquidity and Credit Risks**

***Our customers could experience credit problems, which could reduce our future revenues and net income.***

Some companies in the industries for which we provide products have previously experienced significant financial difficulties, with a few filing for bankruptcy in the past. In particular, the COVID-19 pandemic has resulted in certain of our customers experiencing financial difficulties. Such financial difficulties, if experienced by one or more of our customers, may negatively affect our business due to the decreased demand from these financially distressed customers, the lengthening of customer payment terms, the potential inability of these companies to make full payment on amounts owed to us or to purchase inventory we acquired to support their businesses. Customer bankruptcies also entail the risk of potential recovery by the bankruptcy estate of amounts previously paid to us that are deemed a preference under bankruptcy laws. There can be no assurance that additional customers will not declare bankruptcy, including as a result of changes in their end markets due to the COVID-19 pandemic.

***We may be unable to generate sufficient liquidity to maintain or expand our operations, which would reduce the amount of business our customers and vendors are able to do with us and impact our ability to continue operations at current levels without seeking additional funding; we could experience losses if one or more financial institutions holding our cash or other financial counterparties were to fail; repatriation of foreign cash could increase our taxes.***

Our liquidity is dependent on a number of factors, including profitability, business volume, inventory requirements, the extension of trade credit by our suppliers, the degree of alignment of payment terms from our suppliers with payment terms granted to our customers, the amount we invest in our facilities and equipment, the timing of acquisitions and divestitures, the schedule for repayment of our outstanding indebtedness, the timing of stock repurchases, the availability under our Amended Cash Flow Revolver and the amount of accounts receivable eligible for sale under our factoring programs. In the event we need or desire additional liquidity beyond the sources described above to maintain or expand our business levels, make acquisitions or repurchase stock, there can be no assurance that such additional liquidity will be

available on acceptable terms or at all. Any failure to maintain adequate liquidity would prevent us from maintaining operations at current or desired levels, which in turn would reduce both our revenue and profitability.

Although we believe our existing cash resources and sources of liquidity, together with cash generated from operations, will be sufficient to meet our working capital requirements for at least the next 12 months, should demand for our services increase significantly over the next 12 months or should we experience significant increases in delinquent or uncollectible accounts receivable for any reason, including in particular continued or worsening economic conditions caused by the COVID-19 pandemic or otherwise, our cash provided by operations could decrease significantly and we could be required to seek additional sources of liquidity to continue our operations at their current level. In such a case, there can be no assurance that such additional sources of financing would be available.

A principal source of our liquidity is our cash and cash equivalents, which are held with various financial institutions. Although we distribute such funds among a number of financial institutions that we believe to be of high quality, there can be no assurance that one or more of such institutions will not become insolvent in the future, in which case all or a portion of our uninsured funds on deposit with such institutions could be lost. Finally, if one or more counterparties to our interest rate or foreign currency hedging instruments were to fail, we could suffer losses and our hedging of risk could become less effective.

Approximately 40% of our cash is held in foreign jurisdictions. Some of these jurisdictions restrict the amount of cash that can be transferred to the U.S. or impose taxes and penalties on such transfers of cash. To the extent we have excess cash in foreign locations that could be used in, or is needed by, our U.S. operations, we may incur significant foreign taxes to repatriate these funds which would reduce the net amount ultimately available for such purposes.

***Our Amended Cash Flow Revolver contains covenants that may adversely impact our business; the failure to comply with such covenants or the occurrence of an event of default could cause us to be unable to borrow additional funds and cause our outstanding debt to become immediately payable.***

Our Amended Cash Flow Revolver contains a maximum leverage and minimum interest coverage ratio, in both cases measured on the basis of a trailing 12-month look-back period, and a number of restrictive covenants, including restrictions on incurring additional debt, making investments and other restricted payments, selling assets and paying dividends, subject to certain exceptions, with which we must comply. Collectively, these covenants could constrain our ability to grow our business through acquisition or engage in other strategic transactions. Such facility also contains customary events of default, including that a material business interruption or cessation has not occurred. Finally, such facility includes covenants requiring, among other things, that we file quarterly and annual financial statements with the SEC, comply with all laws, pay all taxes and maintain casualty insurance. If we are not able to comply with these covenants or if an event of default were to occur and not be cured, all of our outstanding debt would become immediately due and payable and the incurrence of additional debt under our Amended Cash Flow Revolver would not be allowed, either of which would have a material adverse effect on our liquidity and ability to continue to conduct our business.

#### **General Risk Factors**

***We are subject to intense competition in the EMS industry, which could cause us to lose sales and, therefore, harm our financial performance.***

The EMS industry is highly competitive and the industry has experienced a surplus of manufacturing capacity. Our competitors include major global EMS providers, including Benchmark Electronics, Inc., Celestica, Inc., Flex Ltd., Hon Hai Precision Industry Co., Ltd. (Foxconn), Jabil Circuit, Inc. and Plexus Corp., as well as other companies that have a regional, product, service or industry-specific focus. We also face competition from current and potential OEM customers who may elect to manufacture their own products internally rather than outsourcing to EMS providers.

Competition is based on a number of factors, including end markets served, price and quality. We may not be able to offer prices as low as some of our competitors for any number of reasons, including the willingness of competitors to provide EMS services at prices we are unable or unwilling to offer. There can be no assurance that we will win new business or maintain existing business due to competitive factors, which could decrease our sales and net income. In addition, due to the extremely price sensitive nature of our industry, business that we do win or maintain may have lower margins than our historical or target margins. As a result, competition may cause our gross and operating margins to fall.

***Consolidation in the electronics industry may adversely affect our business by increasing customer buying power and increasing prices we pay for components.***

Consolidation in the electronics industry among our customers, our suppliers and/or our competitors may increase, which could result in a small number of very large electronics companies offering products in multiple sectors of the electronics industry. If one of our customers is acquired by another company that does not rely on us to provide EMS services, we may lose that customer's business. Similarly, consolidation among our suppliers could result in a sole or limited source for certain components used in our customers' products. Any such consolidation could cause us to be required to pay increased prices for such components if we are unable to pass on such increases to our customers, which could reduce our gross margin and profitability.

***Unanticipated changes in our income tax rates or exposure to additional tax liabilities could increase our taxes and decrease our net income; our projections of future taxable income that drove the release of our valuation allowance in prior years could prove to be incorrect, which could cause a charge to earnings.***

We are or may become subject to income, sales, value-added, goods and services, withholding and other taxes in the United States and various foreign jurisdictions. Significant judgment is required in determining our worldwide provision for taxes and, in the ordinary course of business, there are many transactions and calculations for which the ultimate tax determination is uncertain. Our effective income tax rates and liability for other taxes could increase as a result of changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities, changes in enacted tax laws, the effectiveness of our cash and tax management strategies, our ability to negotiate advance pricing agreements with foreign tax authorities, compliance with local trade laws and other factors. Recent international initiatives require multinational enterprises, like ours, to report profitability on a country-by-country basis, which could increase scrutiny by foreign tax authorities. In addition, our tax determinations are regularly subject to audit by tax authorities. For example, we are currently undergoing audits of our tax returns for certain recent tax years in a number of jurisdictions, including the United States. Developments in these or future audits could adversely affect our tax provisions, including through the disallowance or reduction of deferred tax assets or the assessment of back taxes, interest and penalties, any of which could result in an increase to income tax expense and therefore a decrease in our net income.

***We can experience losses due to foreign exchange rate fluctuations and currency controls, which could reduce our net income and impact our ability to repatriate funds.***

Because we manufacture and sell the majority of our products abroad, our operating results can be negatively impacted due to fluctuations in foreign currency exchange rates, particularly in volatile currencies to which we are exposed, such as the Euro, Mexican peso, Malaysian ringgit, and Chinese renminbi. We use financial instruments, primarily short-term foreign currency forward contracts, to hedge our exposure to exchange rate fluctuations. However, the success of our foreign currency hedging activities in preventing foreign exchange losses depends largely upon the accuracy of our forecasts of future sales, expenses, capital expenditures and monetary assets and liabilities. As such, our foreign currency hedging program may not fully cover all of our exposure to exchange rate fluctuations. If our hedging activities are not successful, our net income may be reduced. In addition, certain countries in which we operate have adopted currency controls requiring that local transactions be settled only in local currency rather than in our functional currency, which is generally different than the local currency. Such controls could require us to hedge larger amounts of local currency than we otherwise would and/or prevent us from repatriating cash generated by our operations in such countries.

***We may not have sufficient insurance coverage for potential claims and losses, which could leave us responsible for certain costs and damages.***

We carry various forms of business and liability insurance in types and amounts we believe are reasonable and customary for similarly situated companies in our industry. However, our insurance program does not generally cover losses due to failure to comply with typical customer warranties for workmanship, product and medical device liability, intellectual property infringement, product recall claims, or environmental contamination. In particular, our insurance coverage with respect to damages to or closure of our facilities, or damages to our customers' products caused by cyberattacks and certain natural disasters, such as earthquakes, epidemics and pandemics (such as the COVID-19 pandemic), is limited and is subject to policy deductibles, coverage limits, and exclusions, and as a result, may not be sufficient to cover all of our losses. For example, our policies have very limited coverage for damages due to earthquakes or losses caused by business disruptions. In addition, such coverage may not continue to be available at commercially reasonable rates and terms. In addition, our policies generally have deductibles and/or limits or may be limited to certain lines or business or customer engagements that reduce the amount of our potential recoveries from insurance. As a result, not all of our potential business losses are covered under our insurance policies. Should we sustain a significant uncovered loss, our net income will be reduced. Additionally, if one or more counterparties to our insurance coverage were to fail, we would bear the entire amount of an otherwise insured loss.

***Recruiting and retaining our key personnel is critical to the continued growth of our business.***

Our success depends upon the continued service of our key personnel, particularly our highly skilled sales and operations executives, managers and engineers with many years of experience in electronics and contracts manufacturing. Such individuals can be difficult to identify, recruit and retain and are heavily recruited by our competitors. As our key employees choose to retire or terminate their employment with us, we will be required to replace them with new employees with the required experience. Should we be unable to recruit new employees to fill key positions with us, our operations, financial controls and growth prospects could be negatively impacted.

***We may not be successful in implementing and integrating strategic transactions or in divesting assets or businesses, which could harm our operating results; we could become required to book a charge to earnings should we determine that goodwill and other acquired assets are impaired.***

From time to time, we may undertake strategic transactions that give us the opportunity to access new customers and new end markets, increase our proprietary product offerings, obtain new manufacturing and service capabilities and technologies, enter new geographic manufacturing locations, lower our manufacturing costs, increase our margins or further develop existing customer relationships. Strategic transactions involve a number of risks, uncertainties and costs, including integrating acquired operations and workforce, businesses and products, resolving quality issues involving acquired products, incurring severance and other restructuring costs, diverting management attention from their normal operational duties, maintaining customer, supplier or other favorable business relationships of acquired operations, terminating unfavorable commercial arrangements, losing key employees, integrating the systems of acquired operations into our management information systems and satisfying the liabilities of acquired businesses, including liability for past violations of law and material environmental liabilities. Any of these risks could cause our strategic transactions not to be ultimately profitable. We may also choose to divest plants, businesses or products lines in the future. Divestitures reduce revenue and, potentially, margins and can involve the risk of retained liabilities from the operations divested, including environmental liabilities.

In addition, we have in the past recorded, and may be required to record in the future, goodwill and other intangible assets in connection with our acquisitions. We evaluate, at least on an annual basis, whether events or circumstances have occurred that indicate all, or a portion, of the carrying amount of our goodwill and other intangible assets may no longer be recoverable. Should we determine in the future that our goodwill or other intangible assets have become impaired, an impairment charge to earnings would become necessary, which could be significant. For example, during our fiscal 2018 annual goodwill impairment analysis, we fully impaired goodwill of \$31 million associated with the acquisition of a storage software business we purchased in 2016.

***We are subject to risks associated with natural disasters and global events.***

Our activities, including manufacturing, administration and information technology management, can be adversely affected by natural disasters such as major earthquakes, hurricanes, floods, tsunamis, tornadoes, fires and epidemics or pandemics, such as the COVID-19 pandemic. Climate change may cause these events to become more severe and therefore more damaging. In the event of a major natural disaster affecting one or more of our facilities, our operations and management information systems, which control our worldwide procurement, inventory management, shipping and billing activities, could be significantly disrupted. Such events could delay or prevent product manufacturing for an extended period of time. Any extended inability to continue our operations at affected facilities following such an event could reduce our revenue.

**Risks Of Investing In Our Stock**

***The market price of our common stock is volatile and is impacted by factors other than our financial performance.***

The stock market in recent years has experienced significant price and volume fluctuations that have affected our stock price. Recent stock market fluctuations related to the COVID-19 pandemic have been particularly significant. These fluctuations have often been unrelated to our operating performance. Factors that can cause such fluctuations include announcements by our customers, suppliers, competitors or other events affecting companies in the electronics industry, such as component shortages, currency fluctuations, the impact of natural disasters and global events, such as the COVID-19 pandemic, geopolitical tensions, general market fluctuations and macroeconomic conditions, any of which may cause the market price of our common stock to fluctuate widely.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

In October 2019, our Board of Directors authorized us to repurchase up to \$200 million of our common stock in the open market or in negotiated transactions off the market (the “2019 Program”). The 2019 Program has no expiration date. During the first quarter of 2022, our Board of Directors authorized us to repurchase up to an additional \$200 million of our common stock under a new program with the same terms as the 2019 Program. The table below sets forth information regarding our repurchases of our common stock under these programs during the first quarter of 2022.

Period (1)	TOTAL NUMBER OF SHARES PURCHASED	AVERAGE PRICE PAID PER SHARE (2)	TOTAL NUMBER OF SHARES PURCHASED AS PART OF PUBLICLY ANNOUNCED PROGRAMS	MAXIMUM DOLLAR VALUE OF SHARES THAT MAY YET BE PURCHASED UNDER THE PROGRAMS (2)
Month #1				
October 3, 2021 through October 30, 2021	11,107	\$ 38.00	11,107	\$ 280,377,679
Month #2				
October 31, 2021 through November 27, 2021	685,541	\$ 39.33	685,541	\$ 253,416,420
Month #3				
November 28, 2021 through January 1, 2022	853,082	\$ 38.44	853,082	\$ 220,623,019
Total	<u>1,549,730</u>	<u>\$ 38.83</u>	<u>1,549,730</u>	

(1) All months shown are our fiscal months.

(2) Amounts do not include commission payable on shares repurchased. The total average price paid per share is a weighted average based on the total number of shares repurchased during the period.

**Item 6. Exhibits**

<b>Exhibit Number</b>	<b>Description</b>
10.38 ±	<a href="#"><u>Amendment No. 6 to the Receivables Purchase Agreement, dated November 26, 2021, among Sanmina Corporation, Sanmina-SCI Systems Pte. Ltd., MUFG Bank Ltd., Wells Fargo Bank N.A. and Bank of the West (filed herewith).</u></a>
31.1	<a href="#"><u>Certification of the Principal Executive Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).</u></a>
31.2	<a href="#"><u>Certification of the Principal Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).</u></a>
32.1 (1)	<a href="#"><u>Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).</u></a>
32.2 (1)	<a href="#"><u>Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).</u></a>
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

± Portions of this exhibit have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K under the Securities Act of 1933.

- (1) This exhibit shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filings under the Securities Act of 1933 or the Securities Exchange Act of 1934, whether made before or after the date hereof and irrespective of any general incorporation language in any filings.

## 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.

SANMINA CORPORATION  
(Registrant)

By: /s/ JURE SOLA  
Jure Sola  
*Chief Executive Officer (Principal Executive Officer)*

Date: February 2, 2022

By: /s/ KURT ADZEMA  
Kurt Adzema  
*Executive Vice President and*  
*Chief Financial Officer (Principal Financial Officer)*

Date: February 2, 2022

The portions of this exhibit marked with “[\*\*\*]” have been excluded in accordance with Item 601(b)(10)(iv) of Regulation S-K under the Securities Act of 1933 because they are both not material and would likely cause competitive harm to the registrant if publicly disclosed.

### AMENDMENT NO. 6

This **AMENDMENT NO. 6** to the RECEIVABLES PURCHASE AGREEMENT (this “Amendment”), dated as of November 24, 2021, is among each of SANMINA CORPORATION, a Delaware corporation (“Sanmina”), SANMINA-SCI SYSTEMS SINGAPORE PTE. LTD., a Singapore private company limited by shares (“Sanmina Singapore”), in its capacity as a seller (each in such capacity, a “Seller” and collectively, the “Sellers”) and a servicer (each in such capacity, a “Servicer” and collectively, the “Servicers”), Sanmina, as a guarantor (in such capacity, the “Guarantor”), MUFG BANK, LTD. (“MUFG Bank”), WELLS FARGO BANK, N.A. (“Wells”), BANK OF THE WEST (“BOW”) (each a “Buyer” and collectively, the “Buyers”), and MUFG Bank, as administrative agent (in such capacity, the “Administrative Agent”).

### WITNESSETH:

WHEREAS, Sanmina, as a Seller, Servicer and Guarantor, the Buyers and the Administrative Agent, have previously entered into the Receivables Purchase Agreement, dated as of March 26, 2018 (as amended, restated, supplemented, assigned or otherwise modified from time to time, the “Receivables Purchase Agreement”);

WHEREAS, the parties hereto wish to amend the Receivables Purchase Agreement as more fully set forth herein.

**NOW, THEREFORE**, in exchange for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged and confirmed), the parties hereto agree as follows:

### A G R E E M E N T:

1. Definitions. Unless otherwise defined or provided herein, capitalized terms used herein have the meanings attributed thereto in (or by reference in) the Receivables Purchase Agreement.
2. Amendments to Receivables Purchase Agreement. The Receivables Purchase Agreement is hereby amended to incorporate the changes shown on the marked pages of the Receivables Purchase Agreement attached hereto as Exhibit A.
3. Conditions to Effectiveness. This Amendment shall be effective as of the date on which all of the following conditions are satisfied (such date, the “Amendment Effective Date”):
  - (a) the Administrative Agent receives a counterpart of this Amendment duly executed by each party hereto;
  - (b) the Administrative Agent receives a fully executed counterpart of the Third Amended and Restated BOW Pricing Letter, dated as of the date hereof, duly executed by Sanmina, BOW, and the Administrative Agent; and
  - (c) the Administrative Agent receives a fully executed counterpart of the Third Amended and Restated MUFG Bank Pricing Letter, dated as of the date hereof, duly executed by Sanmina, Sanmina Singapore, MUFG Bank, and the Administrative Agent.

4. Certain Representations, Warranties and Covenants. The Sellers, the Servicers and the Guarantor hereby represent and warrant to the Administrative Agent and each Buyer, as of the Amendment Effective Date, that:

(a) the representations and warranties made by it in the Receivables Purchase Agreement and in any other Transaction Document to which it is a party are true and correct in all material respects as of (i) the Amendment Effective Date and (ii) immediately after giving effect to this Amendment on the Amendment Effective Date;

(b) it has the requisite power and authority to enter into and deliver this Amendment and the other Transaction Documents, and it has taken all necessary corporate or other action required to authorize the execution, delivery and performance by such Person of this Amendment and the other Transaction Documents. This Amendment and the other Transaction Documents to which such Person is a party have been duly executed and delivered by such Person; and

(c) no Servicer Termination Event or Insolvency Event with respect to any Seller, Servicer or Guarantor has occurred and is continuing, or would occur as a result of this Amendment or the transactions contemplated hereby.

5. Reference to, and Effect on the Receivables Purchase Agreement and the Transaction Documents.

(a) The Receivables Purchase Agreement (except as specifically amended herein) and the other Transaction Documents shall remain in full force and effect and the Receivables Purchase Agreement and such other Transaction Documents are hereby ratified and confirmed in all respects by each of the parties hereto.

(b) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Buyer or the Administrative Agent, nor constitute a waiver of any provision of, the Receivables Purchase Agreement or any other Transaction Document.

(c) After this Amendment becomes effective, all references in the Receivables Purchase Agreement or in any other Transaction Document to "the Receivables Purchase Agreement," "this Agreement," "hereof," "herein" or words of similar effect, in each case referring to the Receivables Purchase Agreement, shall be deemed to be references to the Receivables Purchase Agreement as amended by this Amendment.

6. Reaffirmation of Guaranty. The Guarantor hereby ratifies and affirms Section 7 of the Receivables Purchase Agreement and acknowledges that its guaranty provided therein has continued and shall continue to be in full force and effect following the effectiveness of this Amendment.

7. Further Assurances. Each party hereto agrees at the sole cost and expense of the Sellers to do all such things and execute all such documents and instruments as the other party may reasonably consider necessary or desirable to give full effect to the transaction contemplated by this Amendment and the documents, instruments and agreements executed in connection herewith.

8. Costs and Expenses. The Sellers agree to reimburse the Administrative Agent and each Buyer on demand for all reasonable and documented out-of-pocket costs and expenses (including reasonable legal fees) that the Administrative Agent or any Buyer incurs in connection with the preparation, negotiation, documentation and delivery of this Amendment.

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9. Transaction Document. This Amendment is a Transaction Document for purposes of the Receivables Purchase Agreement.
10. Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the Sellers, the Servicers, the Guarantor, the Administrative Agent and each Buyer, and their respective successors and assigns.
11. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by electronic mail attachment in portable document format (.pdf) shall be effective as delivery of a manually executed counterpart of this Amendment.
12. Governing Law. THIS AMENDMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF, EXCEPT TO THE EXTENT THAT THE PERFECTION, THE EFFECT OF PERFECTION OR PRIORITY OF THE INTERESTS OF THE BUYERS IN THE PURCHASED RECEIVABLES IS GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK).
13. Headings. Section headings in this Amendment are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof.
14. Severability. Any provisions of this Amendment which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

*[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]*

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**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

**SANMINA-SCI SYSTEMS SINGAPORE PTE. LTD.**, as a Seller and Servicer

By: /s/ Christopher K. Sadeghian

Name: Christopher K. Sadeghian

Title: Director

**SANMINA CORPORATION**, as Seller and Servicer

By: /s/ Brian Wszolek  
Name: Brian Wszolek  
Title: VP, Treasurer

**SANMINA CORPORATION**,  
as Guarantor

By: /s/ Brian Wszolek  
Name: Brian Wszolek  
Title: VP, Treasurer

**MUFG BANK, LTD.,**  
as the Administrative Agent

By: /s/ Richard Gregory Hurst  
Name: Richard Gregory Hurst  
Title: Managing Director

**MUFG BANK, LTD.,**  
as a Buyer

By: /s/ Richard Gregory Hurst  
Name: Richard Gregory Hurst  
Title: Managing Director

**WELLS FARGO BANK, N.A.,**  
as a Buyer

By: /s/ Brian K. Work  
Name: Brian K. Work  
Title: Vice President

**BANK OF THE WEST,**  
as a Buyer

By: /s/ Scott Bruni  
Name: Scott Bruni  
Title: Director

**RECEIVABLES PURCHASE AGREEMENT**

dated as of

March 26, 2018

by and among

**SANMINA CORPORATION,**  
as Seller, Servicer, and Guarantor

**THE BUYERS DESCRIBED HEREIN**

and

**MUFG BANK, LTD.,**  
as Administrative Agent

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Annex I: Electronic Services Schedule

## RECEIVABLES PURCHASE AGREEMENT

This RECEIVABLES PURCHASE AGREEMENT (this “Agreement”) is entered into as of March 26, 2018, by and among SANMINA CORPORATION, a Delaware corporation, and any other seller from time to time party hereto (each, in such capacity, a “Seller” and collectively, the “Sellers”), and as servicers (each, in such capacity, a “Servicer” and collectively, the “Servicers”), SANMINA CORPORATION, as guarantor (in such capacity the “Guarantor”), MUFG BANK, LTD. (“MUFG Bank”) and each other buyer from time to time party hereto (each, in such capacity, a “Buyer” and collectively, the “Buyers”), and MUFG Bank, as administrative agent (in such capacity, the “Administrative Agent”).

### RECITALS

WHEREAS, each Seller desires to sell certain of its Receivables from time to time, and the Buyers may be willing to purchase from each Seller such Receivables, in which case the terms set forth herein shall apply to such purchase. Each capitalized term used but not defined herein shall have the meaning set forth in, or by reference in, Exhibit A hereto, and the interpretive provisions set out in Exhibit A hereto shall be applied in the interpretation of this Agreement.

Accordingly, the parties hereto agree as follows:

### AGREEMENT

#### 1. Sale and Purchase.

(a) Sales of Receivables. From time to time during the term of this Agreement, one or more Sellers may submit to the Administrative Agent a request (a “Purchase Request”) via the PrimeRevenue System that the Buyers purchase from such Seller or Sellers the Proposed Receivables described in such Purchase Request on the proposed Purchase Date indicated therein; provided, however, and notwithstanding anything herein to the contrary, if (i) the PrimeRevenue System is not operational or is otherwise offline or (ii) the Administrative Agent has, in its discretion, instructed the Sellers that the PrimeRevenue System is no longer available for use, then such Seller or Sellers may deliver a Purchase Request to the Administrative Agent in substantially the form of Schedule I attached hereto, and this Agreement shall be construed and interpreted accordingly, *mutatis mutandis*.

(b) If received by no later than 1:00 p.m. New York City time (or such later time as agreed to by the Administrative Agent and the Buyers in writing in their sole and absolute discretion) on a Business Day from such Seller, by no later than 2:00 p.m. New York City time (or such later time as agreed to by the Buyers in writing in their sole and absolute discretion) on such date, the Administrative Agent shall transmit such Purchase Request to each Buyer having a Pro Rata Share in any Proposed Receivables described in such Purchase Request, together with an estimate prepared by the Administrative Agent of the Purchase Price for such Proposed Receivables, and the Pro Rata Share of each such Buyer. The applicable Buyers, in their sole and absolute discretion, may elect to accept or reject a Purchase Request. Each Buyer receiving such a Purchase Request shall endeavor to respond to the Administrative Agent as to its willingness to accept such Purchase Request and purchase its respective Pro Rata Share of such Proposed Receivables by no later than 5:00 p.m. New York City time on such Business Day; provided that, for the avoidance of doubt, an affirmative response by such Buyer shall not be deemed to constitute a commitment to complete such purchase on the proposed Purchase Date, which decision shall remain at the discretion of such Buyer. If the applicable Buyers, in their sole and absolute discretion, accept a Purchase Request, then such Buyers shall purchase, and such Seller or Sellers shall

sell, all of each applicable Seller's right, title and interest (but none of such Seller's underlying obligations to the applicable Account Debtor) with respect to such Proposed Receivables as of the Purchase Date to such Buyers to the extent of each Buyer's Pro Rata Share of each such Proposed Receivable (all such Proposed Receivables, once sold and purchased hereunder, collectively the "Purchased Receivables"). For the avoidance of doubt, it is acknowledged that a Buyer's Pro Rata Share of any particular Proposed Receivable may be zero because such Buyer does not have a Designated Percentage with respect to the Account Debtor related to such Proposed Receivable.

(c) UNCOMMITTED ARRANGEMENT. EACH SELLER AND THE BUYERS ACKNOWLEDGE THAT THIS IS AN UNCOMMITTED ARRANGEMENT, THAT NO SELLER HAS PAID, OR IS REQUIRED TO PAY, A COMMITMENT FEE OR COMPARABLE FEE TO ANY BUYER. SALES OF PROPOSED RECEIVABLES BY A SELLER SHALL BE AT SUCH SELLER'S SOLE AND ABSOLUTE DISCRETION. PURCHASES OF PROPOSED RECEIVABLES BY ANY BUYER SHALL BE AT SUCH BUYER'S SOLE AND ABSOLUTE DISCRETION.

(d) Conditions to Effectiveness. This Agreement shall become effective at such time as each of the conditions precedent set forth on Exhibit B to this Agreement has been satisfied to the satisfaction of each of the Administrative Agent and each Buyer.

(e) Conditions Precedent to Each Purchase. Notwithstanding the otherwise uncommitted nature of this Agreement, under no circumstances will any Buyer purchase any portion of any Proposed Receivable unless:

(i) the Administrative Agent has received a Purchase Request via the PrimeRevenue System (or, if applicable, in physical form in substantially the form of Schedule I attached hereto) with respect to the Proposed Receivables at least two (2) Business Days (or less, if the Administrative Agent and each Buyer holding a Designated Percentage with respect to each Account Debtor appearing on such Purchase Request, so agrees) prior to the applicable Purchase Date, together with any such additional supporting documentation that the Administrative Agent or any Buyer may have reasonably requested;

(ii) the applicable Buyers have accepted such Purchase Request with respect to such Proposed Receivable and notified the Administrative Agent thereof;

(iii) no Servicer Termination Event shall have occurred and no Servicer Termination Event shall exist immediately following the Buyers' purchase of such Proposed Receivables;

(iv) each of the representations and warranties made by each Seller, Servicer and the Guarantor in Exhibit C to this Agreement and each of the other Transaction Documents is true and correct in all material respects as of such Purchase Date or, in the case of any representation or warranty which speaks as to a particular date or period, as of that particular date or period;

(v) each Proposed Receivable is an Eligible Receivable; and

(vi) immediately following the sale and purchase of such Proposed Receivable, (A) the Outstanding Purchase Amount with respect to the Purchased Receivables payable by any Account Debtor will not exceed such Account Debtor's Purchase Sublimit and (B) the Outstanding Purchase Amount with respect to any Buyer will not exceed the Buyer's Facility Share applicable to such Buyer.

Each delivery of a Purchase Request or submission of a Purchase Request via the PrimeRevenue System by any Seller shall be deemed a representation and warranty by each applicable Seller that the foregoing conditions set forth in subclauses (iii)-(vi) of this clause (e) are satisfied and each of the statements set forth on such Purchase Request are true and correct as of the applicable Purchase Date with respect to the Proposed Receivables described therein or submitted onto the PrimeRevenue System, as applicable, with respect to such Purchase Request.

(f) Purchase Price. The purchase price for each Purchased Receivable purchased on any Purchase Date shall equal (i) the Net Invoice Amount of such Purchased Receivable, minus (ii) the Discount (such amount herein referred to as the “Purchase Price”). Each Buyer shall transfer its Pro Rata Share of the Purchase Price (the “Funded Amount”) with respect to each Purchased Receivable by depositing such Funded Amount into the Administrative Agent’s Account in immediately available funds no later than 1:30 p.m. New York City time (or such later time as agreed to in writing by the Administrative Agent in its sole and absolute discretion) on the applicable Purchase Date. Upon receipt of all of the amounts set forth in the foregoing sentence, the Administrative Agent, on behalf of the Buyers, shall pay the Purchase Price for each Purchased Receivable on such Purchase Date to the applicable Seller, less any other amounts owing to the Administrative Agent and the Buyers hereunder on such Purchase Date no later than 3:30 p.m. New York City time. All payments of Purchase Price shall be paid in the same currency in which the applicable Purchased Receivable is denominated. Upon such payment each such Purchased Receivable shall be automatically sold by the applicable Seller to the applicable Buyers without any further action or notice by any party.

(g) Non-Funding Buyers. Notwithstanding anything herein to the contrary, unless and until the Administrative Agent shall have received a Buyer’s Funded Amount in connection with each Proposed Receivable to be funded by such Buyer on any Purchase Date in accordance with clause (f) above when required therein (each such Buyer being a “Non-Funding Buyer”), the purchase of any Proposed Receivables in which such Non-Funding Buyer has a Pro Rata Share shall be deemed automatically be rejected by all applicable Buyers (each, an “Auto Rejected Receivable”); provided that any Proposed Receivables in which such Non-Funding Buyer has does not have a Pro Rata Share shall not be deemed automatically rejected and shall continue to be funded by the Administrative Agent. In the case of any Proposed Receivables that are also Auto Rejected Receivables, (i) the Administrative Agent shall promptly return any related Funded Amounts delivered by the other Buyers having a Pro Rata Share under such Auto Rejected Receivables to such Buyers and (ii) if mutually agreed among the Sellers, the Administrative Agent and the Modified Designated Percentage Buyers (as defined below), the Sellers may submit a new Purchase Request in accordance with Section 1(a) containing only the Auto Rejected Receivables and such Auto Rejected Receivables may be purchased, according to the applicable Modified Designated Percentages (as defined below), by the Modified Designated Percentage Buyers. For purposes of this Section 1(g), (A) “Modified Designated Percentage Buyers” shall mean, collectively, some or all of the Buyers that have a Pro Rata Share in respect of an Auto Rejected Receivables (other than any Non-Funding Buyers) and (B) “Modified Designated Percentage” shall mean, in connection with any Proposed Receivables that are also Auto Rejected Receivables, the respective Designated Percentages corresponding to the Modified Designated Percentage Buyers from time to time agreed among the Modified Designated Percentage Buyers, the Administrative Agent and the Sellers (but in all cases representing, on an aggregate basis, 100% of each such Proposed Receivable).

(h) True Sale; No Recourse. Except as otherwise provided in this Agreement, each purchase of the Purchased Receivables is made without recourse to any Seller and no Seller shall have liability to the Administrative Agent or any Buyer for the failure of any Account Debtor to pay any Purchased Receivable when it is due and payable under the terms applicable thereto. The parties hereto

have structured each transaction contemplated by this Agreement as an absolute and irrevocable sale, and each Buyer, the Guarantor and each Seller agree to treat each such transaction as a “true sale” for all purposes under Applicable Law and accounting principles, including, without limitation, in their respective books, records, computer files, tax returns (federal, state and local), regulatory and governmental filings (and shall reflect such sale in their respective financial statements). Each Seller and the Guarantor will advise all Persons inquiring about the ownership of any Purchased Receivable that all Purchased Receivables have been sold to the Buyers. In the event that, contrary to the mutual intent of the parties hereto, any purchase of Purchased Receivables is not characterized as a sale, each Seller (other than any Seller organized under the laws of Singapore) shall, effective as of the date hereof, be deemed to have granted to the Administrative Agent (for the benefit of the Buyers), and each such Seller hereby does grant to the Administrative Agent (for the benefit of the Buyers), in addition to and not in substitution for the rights and remedies described in Section 6(f) hereof, a first-priority security interest in and to any and all present and future Purchased Receivables and the proceeds thereof to secure the payment of all obligations of such Seller arising in connection with this Agreement and each of the other Transaction Documents, whether now or hereafter existing. Each Seller hereby authorizes the Administrative Agent, on behalf of each Buyer, to file such financing statements (and continuation statements with respect to such financing statements when applicable) as may be necessary to perfect the Administrative Agent’s and each Buyer’s security interest and ownership under the UCC, with applicable collateral description in any such financing statements designating all Purchased Receivables, together with the rights granted to Administrative Agent hereunder and proceeds thereof. With respect to such grant of a security interest, the Administrative Agent and the Buyers may at its option exercise from time to time any and all rights and remedies available to it hereunder, under the UCC or otherwise. For purposes of this clause (h), each Seller (other than any Seller organized under the laws of Singapore) agrees that ten (10) Business Days shall be reasonable prior notice to such Seller of the date of any public or private sale or other disposition of all or any of the Purchased Receivables.

(i) Pro Rata Shares. Purchases in respect of each Proposed Receivable shall be made by the Buyers simultaneously and proportionately to their respective Pro Rata Shares for such Proposed Receivable.

(j) Several Obligations of Buyers. The obligations of the Buyers hereunder are several and not joint, and no Buyer shall be responsible for the obligations of any other Buyer hereunder. Nothing contained herein or in any other Transaction Document, and no action taken by the Buyers pursuant hereto or thereto, shall be deemed to constitute the Buyers as a partnership, an association, a joint venture or any other kind of entity.

(k) Applicable Benchmark Replacement. Anything in this Agreement to the contrary notwithstanding, if the Administrative Agent determines (which determination shall be binding and conclusive) that quotations of rates for the relevant deposits in the definition of the Applicable Benchmark herein are not being provided in the relevant amounts or for the relevant maturities for purposes of determining the Discount applicable to any Receivables included in any Purchase Request (whether by reason of circumstances affecting the London interbank Eurodollar market or otherwise) or adequate and reasonable means do not exist for ascertaining such Applicable Benchmark, then the Administrative Agent shall give the Sellers prompt notice thereof, and so long as such condition remains in effect, (i) no Purchase Request shall be funded using such Applicable Benchmark as a component of the Account Debtor Discount Rate and (ii) all outstanding and future Purchase Requests shall be funded using an Account Debtor Discount Rate that is calculated based on the Prime Rate plus a margin mutually agreed to by the applicable Buyer and the Sellers in a Buyer Pricing Letter. If (i) the Administrative Agent determines in its

sole discretion (which shall be conclusive absent manifest error) that the foregoing unavailability or inadequacy with respect to such Applicable Benchmark is not of a temporary nature or (ii) the Administrative Agent determines that (A) the administrator of such Applicable Benchmark or a Governmental Authority having jurisdiction over such administrator or over the Administrative Agent (or any other Person on behalf of such administrator or Governmental Authority) has made or published a public statement announcing that (1) the administrator of such Applicable Benchmark has ceased or will cease to provide such Applicable Benchmark, permanently or indefinitely (provided that, at the time of such statement or publication, no successor administrator will continue to provide such Applicable Benchmark), or (2) such Applicable Benchmark is no longer representative of the applicable rate or (B) receivable purchase agreements that include similar language to that contained in this Section 1(k) are being executed or amended to incorporate or adopt a new benchmark interest rate (including any mathematical or other adjustments to the benchmark (if any) incorporated therein) to replace such Applicable Benchmark, then the Administrative Agent, upon notice to the Sellers, may replace the Applicable Benchmark with a Replacement Rate for calculating the Account Debtor Discount Rate (including any mathematical or other adjustments to such benchmark or the Account Debtor Discount Rate) for any relevant Receivable.

On March 5, 2021, the ICE Benchmark Administration (the "IBA"), the administrator of London interbank offered rate, and the Financial Conduct Authority (the "FCA"), the regulatory supervisor of the IBA, announced in public statements (the "Announcements") that the final publication or representativeness date for the London interbank offered rate for Dollars: (i) for 1-week and 2-month tenor settings will be December 31, 2021, and (ii) for overnight, 1-month, 3-month, 6-month and 12-month tenor settings will be June 30, 2023. No successor administrator for the IBA was identified in such Announcements. The parties hereto agree and acknowledge that the Announcements resulted in the occurrence of a triggering event for purposes of the second sentence of this Section 1(k) with respect to the London interbank offered rate and that any obligation of the Administrative Agent to notify any parties thereof shall be deemed satisfied.

In addition, in the event that the Administrative Agent determines in its sole discretion (which shall be conclusive absent manifest error) to utilize a rate other than the Applicable Benchmark, then the Administrative Agent may replace the Applicable Benchmark with a Replacement Rate for calculating the Account Debtor Discount Rate (including any mathematical or other adjustments to such benchmark or the Account Debtor Discount Rate) for any relevant Receivable.

For purposes of this Section 1(k), (i) the "Applicable Benchmark" means initially, (A) with respect to amounts denominated in USD, LIBOR and, (B) with respect to amounts denominated in Euro, EURIBOR and the Eurocurrency Rate; provided that if the replacement of a then-current Applicable Benchmark has occurred pursuant to this Section 1(k), then the "Applicable Benchmark" means the applicable Replacement Rate and (ii) the "Replacement Rate" means, with respect to amounts denominated in a particular currency, the alternative rate and margin (which may be different to the previously specified rate and may include an adjustment spread) notified to the Sellers by the Administrative Agent and which, in the Administrative Agent's opinion (which shall be conclusive absent manifest error), shall take into account benchmark rates and means of calculating spread adjustments that are being generally accepted in the relevant markets; provided, that, if such alternate benchmark interest rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement. Each determination by the Administrative Agent pursuant to this Section 1(k) shall be conclusive absent manifest error.

2. No Administrative Agent or Buyer Liability. Notwithstanding anything herein to the contrary, each Seller hereby acknowledges and agrees that the Administrative Agent and the Buyers shall

not be in any way responsible for the performance of any Contract and such Persons shall not have any obligation to intervene in any Dispute arising out of the performance of any contract giving rise to any Purchased Receivable. All obligations of a Seller as seller of the goods and provider of any related services, including, without limitation, all obligations of such Seller as seller under the such Contract, all representations and warranty obligations, all servicing obligations, all maintenance obligations, and all delivery, transport and insurance obligations, shall be retained by such Seller.

3. Representations and Warranties. Each Seller, Servicer and the Guarantor represents and warrants to the Administrative Agent and each Buyer on the date hereof and on each Purchase Date that the representations and warranties set forth on Exhibit C hereto are true and correct as of the date hereof and as of each such Purchase Date or, in the case of any representation or warranty which speaks as to a particular date or period, as of that particular date or period. Each Seller represents and warrants to the Administrative Agent and each Buyer on each Purchase Date that each Proposed Receivable included in the applicable Purchase Request is an Eligible Receivable as of such Purchase Date.

4. Covenants. Each Seller, Servicer, and the Guarantor agrees to perform each of the covenants set forth on Exhibit D hereto applicable to it.

5. Servicing Activities.

(a) Appointment of Servicer. Each Buyer appoints each Seller as its servicer and agent (each, in such capacity, a “Servicer” and collectively, the “Servicers”) for the administration and servicing of its Purchased Receivables sold by such Person to such Buyer hereunder, and each Seller hereby accepts such appointment and agrees to assume the duties and the administration and servicing obligations as a Servicer, and perform all necessary and appropriate commercial servicing and collection activities in arranging the timely payment of amounts due and owing by any Account Debtor (including the identification of the proceeds of the Purchased Receivables and related recordkeeping which shall be made available to the Administrative Agent and/or any Buyer upon its reasonable request) all in accordance with Applicable Laws, with reasonable care and diligence, including, without limitation, diligently and faithfully performing all servicing and collection actions (including, if necessary, acting as party of record in foreign jurisdictions); provided, however, that such appointment as Servicer shall not release a Seller from any of its duties, responsibilities, liabilities and obligations resulting from or arising hereunder. In connection with its servicing obligations, each Servicer will perform its duties under the Contract related to the Purchased Receivables with the same care and applying the same policies as it applies to its own Receivables generally and would exercise and apply if it owned the Purchased Receivables and shall act to maximize Collections thereon.

(b) Transfer of Collections to and by Administrative Agent. Subject to Sections 5(c), 5(d), 5(e) and 6(a) below, each Seller and Servicer covenant and agree to deposit in the Administrative Agent’s Account all Collections and other amounts received by any Seller or Servicer (or any of their respective Affiliates) with respect to Purchased Receivables without adjustment, setoff or deduction of any kind or nature no later than the first Settlement Date occurring after such Collections are received and identified as such in accordance with Section 5(e). Until remitted to the Administrative Agent’s Account, such Seller or Servicer will hold such funds in trust as the Buyers’ exclusive property and safeguard such funds for the benefit of the Buyers.

The Administrative Agent shall promptly distribute to each Buyer at such address as such Buyer shall indicate in writing, such Buyer’s applicable Pro Rata Share of all payments due hereunder to such Buyer, together with all other amounts due thereto, including all fees payable with respect thereto, to the

extent received by the Administrative Agent. If received prior to 3:00 p.m. New York City time (or such later time as agreed to in writing by the Administrative Agent in its sole and absolute discretion) on any Business Day, such amounts shall be transferred to the Buyers on such Business Day. If received after such time, such amounts shall be transferred to the Buyers on the next Business Day. The Administrative Agent may, at its discretion from time to time, setoff and deduct from such payments the full amount (or any partial amount available thereunder) of the applicable obligations due to the Administrative Agent from the Buyers.

(c) Ratable Sharing. If any Buyer shall, by exercising any right of setoff or counterclaim or otherwise for any reason, obtain payment in respect of any Purchased Receivable or other obligations hereunder resulting in such Buyer receiving payment of a proportion of the aggregate amount payable under any Purchased Receivable to such Buyer greater than its Pro Rata Share would warrant as provided herein, then such Buyer receiving such greater proportion shall (i) notify the Administrative Agent of such fact, and (ii) purchase (for cash) participations in the other Buyers' interests in the Purchased Receivables (not in excess of the applicable Purchase Price thereof), or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Buyers ratably in accordance with the aggregate amount owing to them; provided, that: (a) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the Purchase Price restored to the extent of such recovery, without interest; and (b) the provisions of this Section 5(c) shall not be construed to apply to (A) any payment made by a Seller or Servicer pursuant to and in accordance with the express terms hereof, (B) any payment obtained by a Buyer as consideration for the assignment of or sale of a participation in any of its Purchased Receivables to any assignee or participant, or (C) any closing fees payable to the Administrative Agent and documented separately from this Agreement in any Agent Fee Letter or otherwise.

(d) Misdirected Payments. If, following receipt by the Administrative Agent or a Buyer of any payment (whether from any Seller, Servicer or Account Debtor) initially deemed a Collection in respect of Purchased Receivable, such payment is later identified as constituting payment in respect of a Receivable which is not a Purchased Receivable, the Administrative Agent or such Buyer, as applicable, will return such payment to the applicable Seller upon receipt of evidence reasonably satisfactory to the Administrative Agent or the applicable Buyer that such amounts do not constitute Collections on Purchased Receivables.

(e) Identifying Collections. Pursuant to its servicing obligations under Section 5(a) hereof, each Servicer shall be responsible for identifying, matching and reconciling any payments received from Account Debtors with the Receivable associated with such payment. If any payment is received from an Account Debtor, and such payment is not identified by such Account Debtor in its remittance instructions as relating to a particular Receivable and such payment cannot otherwise be reasonably identified by the applicable Servicer as relating to a particular Receivable within five (5) Business Days of receipt thereof, then such payment shall be applied against unpaid Purchased Receivables of such Account Debtor and the unpaid Receivables not constituting Purchased Receivables of such Account Debtor in chronological order, oldest first. For the avoidance of doubt, it is understood and agreed that (i) the foregoing sentence is intended to deal with the rare situation where a payment cannot be identified to a particular Receivable and (ii) nothing in the foregoing sentence shall be understood to permit such Servicer to apply to non-Purchased Receivables any Collections which are identifiable as Collections in respect of Purchased Receivables.

(f) No Changes to Receivables. Except as otherwise expressly provided for in Section 6(a) hereof, no Seller or Servicer shall compromise or settle any Purchased Receivable or extend the Maturity Date with respect thereto without the consent of the Administrative Agent and each Buyer who has acquired any interest in any such Purchased Receivables in accordance with this Agreement.

(g) Reconciliation Report. Concurrently with (a) each transfer of funds by any Seller to the Administrative Agent's Account on a Settlement Date and (b) each request by any Seller for a return of payments received by the Administrative Agent or a Buyer which do not represent Collections on Purchased Receivables in accordance with Section 5(d), the Servicers shall provide to the Administrative Agent, in form and substance reasonably satisfactory to the Administrative Agent, a full reconciliation of all Collections with respect to each Purchased Receivable of an Account Debtor for which Collections were received (each, a "Reconciliation Report"). The Servicers shall be responsible for submitting the Reconciliation Report to the Administrative Agent via the PrimeRevenue System; provided, however, and notwithstanding anything herein to the contrary, if (i) the PrimeRevenue System is not operational or is otherwise offline or (ii) the Administrative Agent has, in its discretion, instructed a Servicer that the PrimeRevenue System is no longer available for use, then such Servicer may deliver a written Reconciliation Report to the Administrative Agent (for distribution to the Buyers), and this Agreement shall be construed and interpreted accordingly, *mutatis mutandis*.

(h) Non-Payment Report. In the event a Purchased Receivable has not been paid in full by the date that is seven (7) days after the Maturity Date therefor (an "Overdue Receivable"), the applicable Seller shall use commercially reasonable efforts to determine the cause of such payment delay or non-payment, including whether it is due to a Dispute, and it shall deliver to the Administrative Agent (for delivery to the Buyer) by no later than fourteen (14) days after such Maturity Date, a certification and report (a "Non-Payment Report") identifying the Overdue Receivable and the Account Debtor thereof and describing in reasonable detail the cause of such non-payment, including whether a Dispute exists with respect to such Overdue Receivable, or certifying that such cause is unknown. In the event a Purchased Receivable has not been paid in full by the date that is thirty (30) days after the Maturity Date therefor and no Non-Payment Report with respect thereto has been delivered or the Non-Payment Report delivered with respect thereto does not report a Dispute or states that the cause of such payment delay or non-payment is unknown (a "Non-Payment Event"), the Administrative Agent may in its sole discretion (or shall, at the direction of the Required Buyers) (a) contact such Account Debtor by phone or in person to discuss the status of such Overdue Receivable and to inquire whether such payment delay or non-payment is due to a Dispute and when payment can be expected and/or (b) take any other lawful action to collect such Purchased Receivable directly from such Account Debtor. If the Account Debtor advises the Administrative Agent of the existence of a Dispute, the Administrative Agent shall advise the applicable Seller of such Overdue Receivable that the Account Debtor has asserted a Dispute.

(i) Servicer Indemnification. Each Servicer hereby agrees to indemnify and hold harmless the Administrative Agent and the Buyers and their respective officers, directors, agents, representatives, shareholders, counsel, employees and each of their respective Affiliates, successors and assigns (each, an "Indemnified Person") from and against any and all damages, claims, losses, costs, expenses and liabilities (including, without limitation, reasonable and documented attorneys' fees and expenses) (all of the foregoing being collectively referred to as "Indemnified Amounts") arising out of or resulting from or related to (i) any failure by any Servicer to perform its duties or obligations as Servicer hereunder in accordance with this Agreement or to comply in all material respects with any Applicable Law in connection with the Transaction Documents or any Purchased Receivables, (ii) any breach of any Servicer's (in its capacity as Servicer) representations, warranties or covenants under any Transaction Document or (iii) any claim brought by any Person other than an Indemnified Person arising from any

Servicer's servicing or collection activities with respect to the Purchased Receivables; provided, however, that in all events there shall be excluded from the foregoing indemnification any damages, claims, losses, costs, expenses or liabilities to the extent resulting solely from (x) the gross negligence or willful misconduct of the applicable Indemnified Person and/or any of its Related Indemnified Persons as determined in a final non-appealable judgment by a court of competent jurisdiction, (y) the failure of an Account Debtor to pay any sum due under its Purchased Receivables by reason of the financial or credit condition of such Account Debtor (including, without limitation, the occurrence of an Insolvency Event with respect to the applicable Account Debtor), or (z) any action taken by the Administrative Agent or any Buyer without the consent of the Servicer, at any time prior to the Servicer's removal as Servicer with respect to such Purchased Receivable in accordance with clause (j) of this Section 5 to compromise or settle its claim against the applicable Account Debtor in respect of any such Purchased Receivable. Any amount due and payable pursuant to this clause shall be paid to the Administrative Agent's Account in immediately available funds by no later than the first Settlement Date following demand therefor by the Administrative Agent.

(j) Replacement of Servicers. Following the occurrence of a Servicer Termination Event, the Administrative Agent may, or upon the direction of the Required Buyers, shall, replace any or all Servicers with itself or any agent for the Administrative Agent with respect to any and all Purchased Receivables. Sellers shall be responsible for all reasonable costs and expenses incurred in connection with such replacement and shall promptly reimburse the Administrative Agent with respect to same. Any amount due and payable pursuant to this clause shall be paid to the Administrative Agent's Account in immediately available funds by no later than the first Settlement Date following demand therefor by the Administrative Agent.

(k) The Administrative Agent as Attorney-in-Fact. Sellers hereby appoint the Administrative Agent as the true and lawful attorney-in-fact of Sellers, with full power of substitution, coupled with an interest, and hereby authorizes and empowers the Administrative Agent in the name and on behalf of Sellers at any time following removal of any Seller as Servicer pursuant to clause (j) of this Section 5, to take such actions, and execute and deliver such documents, as the Administrative Agent deems necessary or advisable in connection with any applicable Purchased Receivable (i) to perfect the purchase and sale of such Purchased Receivable, including, without limitation, to send a notice of such purchase and sale to the Account Debtor of the transfers contemplated hereby and the sale of such Purchased Receivable or (ii) to make collection of and otherwise realize the benefits of such Purchased Receivable. At any time that any Seller is no longer serving as Servicer hereunder, the Administrative Agent shall have the right to bring suit, in the Administrative Agent's or any Seller's name, and generally have all other rights of an owner and holder respecting each applicable Purchased Receivable, including without limitation the right to accelerate or extend the time of payment, settle, compromise, release in whole or in part any amounts owing on such Purchased Receivables and issue credits in its own name. At any time following removal of any Seller as Servicer, the Administrative Agent may endorse or sign the Administrative Agent's or any Seller's name on any checks or other instruments with respect to any applicable Purchased Receivables. The Administrative Agent shall not be liable for any actions taken by it in accordance with this Section unless such actions constitute the gross negligence or willful misconduct of the Administrative Agent as determined by a court of competent jurisdiction in a final and non-appealable judgment. This power of attorney, being coupled with an interest, is irrevocable and shall not expire until the Final Collection Date.

(l) Netting of Payments. The parties hereto agree that on each Settlement Date, for administrative convenience, the parties may net the required payments hereunder with respect to (a) the obligation of the Buyers in respect the payment of the applicable Purchase Prices for any Proposed

Receivables that are purchased on such Settlement Date, if any, and (b) any and all obligations of the Sellers and the Servicers to the Administrative Agent and the Buyers (including with respect to the transfer of any applicable Collections and the repurchase of Purchased Receivables in accordance with Section 6(b)). On each such Settlement Date in which such election is made by the parties, to the extent that the obligations of the Sellers and the Servicers to the Administrative Agent and the Buyers described in the foregoing sentence exceed the obligations of the Buyers to the Sellers described in the foregoing sentence, the Sellers or the Servicers shall transfer the net amount to the Administrative Agent in accordance with Section 4(b); to the extent that the obligations of the Buyers to the Sellers described in the foregoing sentence exceed the obligations of the Sellers and the Servicers to the Administrative Agent and the Buyers in the foregoing sentence, the Administrative Agent shall transfer the net amount to the Sellers in accordance with Section 4(g). Such amounts shall be determined by the Administrative Agent and all such determinations shall be conclusive absent manifest error.

6. Deemed Collections; Events of Repurchase; Indemnities and Setoff.

(a) Deemed Collections. If, on any day following the Purchase Date for any Purchased Receivable, the outstanding balance of such Purchased Receivable is reduced (including to zero) or cancelled as a result of any Dilution, the applicable Seller shall be deemed to have received on such day a Collection in respect of such Purchased Receivable in the amount of such Dilution. Any amount deemed to have been received under this Section 6(a) shall constitute a “Deemed Collection”. In the event of any such Deemed Collection, the applicable Seller shall deposit an amount equal to such Deemed Collection into the Administrative Agent’s Account by no later than the first Settlement Date to occur after such Seller or Servicer obtains knowledge or notice thereof.

(b) Events of Repurchase. If any of the following events (each, an “Event of Repurchase”) occurs with respect to a Purchased Receivable:

(i) such Purchased Receivable was not an Eligible Receivable at the time of purchase;

(ii) any other representation or warranty pertaining to such Purchased Receivable deemed to have been made by a Seller pursuant to Section 1(e) in connection with Seller’s delivery or submission of the Purchase Request in which such Purchased Receivable was included shall be inaccurate, incorrect or untrue in any material respect on the date as of which it was made or deemed to be made; or

(iii) an Adverse Claim or a Dispute has arisen with respect to any Purchased Receivable;

then, the applicable Seller shall deliver notice thereof to the Administrative Agent within five (5) days of becoming aware of the Event of Repurchase and, at the time, in the manner and otherwise as hereinafter set forth, repurchase such Purchased Receivable (or, if the Account Debtor related to such Purchased Receivable is subject to an Insolvency Event, then with respect to an Event of Repurchase caused by a Dispute, instead of repurchasing such Purchased Receivable, the applicable Seller shall instead make a Deemed Collection payment in the disputed portion and the Buyers will convey back to the Sellers all of their right, title and interest in such disputed portion) at the Administrative Agent’s option and demand. The repurchase price for a Purchased Receivable shall (provided that the Outstanding Purchase Amount is greater than zero) be the amount equal to the Outstanding Purchase Amount relating to such Purchased Receivable (or, if applicable, a proportionate part thereof) at such time and shall be paid to the Administrative Agent’s Account in immediately available funds on the first Settlement Date following demand therefor by the Administrative Agent; provided, that for purposes of recalculating such repurchase price, any reductions to the Outstanding Purchase Amount pursuant to Section 5(h)(iii) shall be disregarded. Upon the payment in full of the repurchase price with respect to a Purchased Receivable (or portion), such Purchased Receivable (or portion) shall hereby be, and be deemed to be, repurchased by such Seller from the Buyers without recourse to or warranty by the Buyers, whereupon such Purchased

Receivable shall no longer be deemed a Purchased Receivable (or portion) and the Buyers shall have no further right, title or interest in or to such Purchased Receivable (or portion).

(c) Seller Indemnification. Each Seller hereby agrees, jointly and severally with each other Seller, to indemnify each Indemnified Person and hold each Indemnified Person harmless from and against any and all Indemnified Amounts arising out of or resulting from or related to this Agreement or any other Transaction Document or the ownership, maintenance or funding, directly or indirectly, of the Purchased Receivable (or any of them) sold by such Seller or otherwise arising out of or resulting from the actions or inactions of such Seller or any of its Affiliates, as a result of: (i) any representation or warranty made or deemed made by such Seller (or any of its officers) under or in connection with this Agreement or any other Transaction Document which shall have been incorrect when made; (ii) the failure by such Seller to perform any of its covenants or obligations under any Transaction Document; (iii) the failure by such Seller or any Purchased Receivable or Contract generated, signed or accepted by such Seller to comply in all material respects with any Applicable Law; (iv) the use of the Purchase Price proceeds by such Seller; (v) the failure to vest in the Buyers ownership of each Purchased Receivable and all Collections in respect thereof sold by such Seller, free and clear of any Adverse Claim (and any attempt by any Person to void, rescind or set-aside any such transfer); (vi) any Dispute, Dilution or any other claim resulting from the services performed or merchandise furnished in connection with any Purchased Receivable sold by such Seller or the furnishing or failure to furnish such services or merchandise or relating to such Seller's collection activities with respect to any Purchased Receivable, (vii) any products liability claim or personal injury or property damage suit or other similar or related claim or action of whatever sort arising out of or in connection with the services performed or merchandise furnished in connection with any Purchased Receivable sold by such Seller; (viii) the failure to vest in the Administrative Agent a first priority perfected security interest (within the meaning of the UCC) in, each Purchased Receivable and all Collections in respect thereof sold by such Seller, free and clear of any Adverse Claim (and any attempt by any Person to void, rescind or set-aside any such transfer); (ix) the commingling by such Seller of Collections at any time with other funds of such Seller or any other Person or (x) the existence of any liens or security interests described in clauses (iii) or (iv) of the proviso to the definition of Adverse Claim or the exercise of rights by any Person with respect thereto; provided, however, that in all events there shall be excluded from the foregoing indemnification any Indemnified Amounts to the extent resulting solely from (x) the gross negligence or willful misconduct of the applicable Indemnified Person and/or any of its Related Indemnified Persons as determined in a final non-appealable judgment by a court of competent jurisdiction, (y) the failure of an Account Debtor to pay any sum due under its Purchased Receivables by reason of the financial or credit condition of such Account Debtor (including, without limitation, the occurrence of an Insolvency Event with respect to the applicable Account Debtor), or (z) any action taken by the Administrative Agent or any Buyer without the consent of the Servicer, at any time prior to the Servicer's removal as Servicer with respect to such Purchased Receivable in accordance with clause (j) of Section 5 to compromise or settle its claim against the applicable Account Debtor in respect of any such Purchased Receivable. Any amount due and payable pursuant to this section shall be paid to the Administrative Agent's Account in immediately available funds by no later than the fifth (5th) Business Day following demand therefor by the Administrative Agent or the applicable Buyer.

(d) Tax Indemnification. All payments on the Purchased Receivables from the Account Debtors will be made free and clear of any present or future taxes, withholdings or other deductions whatsoever which arise by reason of the sale of the Purchased Receivables to the Buyers ("Sale Transaction Taxes") or relating to the underlying transactions between the applicable Seller and the related Account Debtors that gave rise to such Purchased Receivables ("Prior Transaction Taxes"). Each Seller, jointly and severally with each other Seller, will indemnify the Administrative Agent and each Buyer and hold the Administrative Agent and each Buyer harmless for any Sale Transaction Taxes and Prior Transaction Taxes. Further, each Seller shall pay and indemnify and hold the Administrative Agent and each Buyer harmless from and against, any Sale Transaction Taxes or Prior Transaction Taxes that may at any time be asserted with respect to any Purchased Receivable sold by such Seller (including any sales, occupational, excise, gross receipts, personal property, privilege or license taxes, or withholdings, but not including taxes imposed upon the Administrative Agent or any Buyer with respect to its overall net income including gross receipts, franchise, doing business or similar taxes) and costs, expenses and reasonable attorneys' fees and expenses in defending against the same, whether arising by reason of the acts to be performed by such Seller hereunder or otherwise. Any amount due and payable pursuant to this section shall be paid to the Administrative Agent's Account in immediately available funds by no later

than the fifth (5th) Business Day following demand therefor by the Administrative Agent or the applicable Buyer.

(e) Increased Costs. If a Buyer shall determine in its reasonable discretion that any Regulatory Change regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Buyer's capital or assets or increasing its amount of required liquidity as a consequence of (i) this Agreement or any other Transaction Document, (ii) any of such Buyer's obligations under this Agreement or any other Transaction Document or (iii) such Buyer's purchase or the ownership, maintenance or funding of any Purchased Receivables hereunder, to a level below that which such Buyer would have achieved but for such Regulatory Change (taking into consideration such Buyer's policies with respect to capital adequacy), then, from time to time, and thereafter, the Administrative Agent may deliver to the Sellers, on behalf of such Buyer, a certificate describing such increased costs and indicating the necessary increase in each applicable Account Debtor Discount Rate to compensate for such increased costs. Such increased Account Debtor Discount Rates shall automatically become effective with respect to any sales of Proposed Receivables occurring on Purchase Dates commencing ten (10) Business Days after delivery to the Sellers of such increased cost certificate (it being understood, for the avoidance of doubt, that during such period no Buyer shall be under any obligation whatsoever to make any purchase of any Purchased Receivable). A certificate as to such increased costs submitted the applicable Sellers by or on behalf of the applicable Buyer shall be conclusive and binding for all purposes as to the calculations therein, absent manifest error.

(f) Setoff. Each Seller, Servicer and the Guarantor hereby irrevocably instruct and authorize the Administrative Agent and each Buyer, at any time that a Servicer Termination Event has occurred and is continuing, to setoff, appropriate and apply (without presentment, demand, protest or other notice which are hereby expressly waived) any deposits and any other indebtedness held or owing by the Administrative Agent or such Buyer, as applicable, or any branch, agency or Affiliate thereof, including the payment of the Purchase Price for any Proposed Receivables, to, or for the account of, any Seller, any Servicer or the Guarantor against amounts owing by each Seller, Servicer or the Guarantor hereunder or under any other Transaction Document.

(g) UCC. The rights granted to Administrative Agent hereunder are in addition to all other rights and remedies afforded to the Administrative Agent as a secured party under the UCC.

7. Guaranty.

(a) Unconditional Guaranty. For value received, the Guarantor hereby unconditionally and irrevocably guarantees on demand (after notice thereof by the Administrative Agent in accordance with the terms of this Agreement), as primary obligor and not merely as surety, the complete and timely payment and performance of any obligations of each Additional Seller that joins this Agreement pursuant to Section 15 hereof (each such Additional Seller, in its capacity as a Servicer, an "Additional Servicer") and each Additional Servicer arising under or pursuant to this Agreement and the other Transaction Documents, including, without limitation, the obligations of each Additional Seller and each Additional Servicer to make any payment to the Administrative Agent or any Buyer as set forth in Section 5, Section 6, Section 11 and Section 12 of this Agreement (the "Guaranteed Obligations"); provided, that, for the avoidance of doubt, the Guarantor shall have no obligations hereunder with respect to any non-payment of any Purchased Receivable resulting solely from the failure of an Account Debtor to pay any sum due under such Purchased Receivable because of the financial or credit condition of such Account Debtor (including, without limitation, the occurrence of an Insolvency Event with respect to such Account Debtor).

(b) Guaranty of Payment; Waiver of Defenses. This Section 7 represents an irrevocable, absolute, unconditional, present and continuing guaranty of payment and performance, and is in no way conditional or contingent upon any requirement to bring action against any Additional Seller or any Additional Servicer, or to perfect or enforce any security or upon any other action, occurrence or circumstance whatsoever. The liability of the Guarantor hereunder is independent of and not in consideration of or contingent upon the liability of any other Person under this or any similar instrument

and the release of, or cancellation by, any party to this or a similar instrument shall not act to release or otherwise affect the liability of the Guarantor hereunder. It shall not be necessary for the Administrative Agent or any Buyer (and the Guarantor hereby waives to the extent permitted by Applicable Law any rights that the Guarantor may have to require Buyer), in order to enforce the obligations of the Guarantor hereunder, first to (i) institute suit or exhaust its remedies against any Additional Seller, any Additional Servicer or any other Person, (ii) enforce the Administrative Agent's rights against any collateral that shall ever have been given to secure performance under this Agreement or any other Transaction Document, (iii) exhaust any remedies available to the Administrative Agent against any collateral which shall ever have been given to secure performance under the Receivables Purchase Agreement or any other Transaction Document or (iv) resort to any other means of obtaining payment of the obligations of any Additional Seller, any Additional Servicer or any other Person. The liability of the Guarantor hereunder shall be absolute and unconditional irrespective of (and the Guarantor hereby waives any and all defenses arising out of): (i) any lack of validity or enforceability of any obligation of any Additional Seller or Additional Servicer under this Agreement or any other Transaction Document as against any such Person, (ii) any amendment, modification or waiver of this Agreement or any other Transaction Document, (iii) any challenge to, or lack of validity of, any Additional Seller's ownership interest (immediately prior to each purchase thereof by the Buyers) in the Purchased Receivables, (iv) any other defense it may have as a guarantor or a surety generally or otherwise based upon suretyship or impairment of collateral and (v) any other circumstance that might otherwise constitute a defense, either in equity or at law, available to, or a legal or equitable discharge of the Guarantor (other than the defense of performance and/or payment in full of the Guaranteed Obligations).

(c) Corporate Existence. The Guarantor will comply in all material respects with all Applicable Laws and preserve and maintain its corporate existence, rights, franchises, qualifications and privileges.

(d) Expenses. In addition to any Guaranteed Obligations it may be required to pay pursuant to this Section 7, the Guarantor hereby agrees to reimburse the Administrative Agent and (as appropriate) each Buyer on demand for:

(i) all reasonable and documented costs and expenses (including reasonable attorneys' fees and expenses) the Administrative Agent or any Buyer incurs in connection with the enforcement of this Section 7, or for any breach of this Agreement or any of the other Transaction Documents by the Guarantor (including all such expenses incurred during any work-out or negotiation in respect of the obligations of the Guarantor hereunder); and

(ii) all stamp and other similar taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of this Agreement or the other Transaction Documents.

(e) Further Assurances. The Guarantor will, at its expense, promptly execute and deliver all further instruments and documents that the Administrative Agent may reasonably request to effectuate the terms of this Section 7 and the performance of the Guarantor's obligations hereunder.

(f) Payments. Any payments made by the Guarantor hereunder will be made without setoff, deduction or counterclaim for the amount of any taxes, levies or imposts by any taxing authority thereof or therein (but not including taxes imposed upon the Administrative Agent or any Buyer with respect to its overall net income including gross receipts, franchise, doing business or similar taxes).

(g) Compliance Programs. The Guarantor and its Subsidiaries have conducted and will conduct their businesses in compliance with applicable Anti-Corruption Laws and Sanctions, and have maintained and will maintain policies and procedures designed to promote and achieve compliance with such laws.

8. Administrative Agent.

(a) Appointment and Authorization.

(i) Each Buyer hereby irrevocably designates and appoints MUFG Bank, Ltd., as the “Administrative Agent” hereunder and authorizes the Administrative Agent to take such actions and to exercise such powers as are delegated to the Administrative Agent hereby and to exercise such other powers as are reasonably incidental thereto. The Administrative Agent shall not have any duties other than those expressly set forth herein or any fiduciary relationship with any Buyer, and no implied obligations or liabilities shall be read into this Agreement, or otherwise exist, against the Administrative Agent. The Administrative Agent does not assume, nor shall it be deemed to have assumed, any obligation to, or relationship of trust or agency with, any Buyer, any Seller, any Servicer or the Guarantor. Notwithstanding any provision hereof or any other Transaction Document, in no event shall the Administrative Agent ever be required to take any action that exposes the Administrative Agent to personal liability or that is contrary to the provision of any Transaction Document or Applicable Law.

(ii) Except as otherwise specifically provided in this Agreement, the provisions of this Section 8 are solely for the benefit of the Administrative Agent and the Buyers, and none of any Seller, any Servicer or the Guarantor shall have any rights as a third-party beneficiary or otherwise under any of the provisions of this Section 8 (other than as provided in Section 8(h)), except that this Section 8 shall not affect any obligations that the Administrative Agent or any Buyer may have to any Seller, any Servicer or the Guarantor under the other provisions hereof.

(iii) In performing its functions and duties hereunder, the Administrative Agent shall act solely as the agent of the Buyers and does not assume nor shall be deemed to have assumed any obligation or relationship of trust or agency with or for any Seller, any Servicer or the Guarantor or any of their successors and assigns.

(iv) Each Buyer hereby appoints the Administrative Agent as its representative for purposes of Section 9-502(a) (2) of the UCC in order so that the Administrative Agent may act as secured party of record under any such UCC financing statements to perfect such Buyer’s ownership interest in the Purchased Receivables.

(v) With respect to any information or notice that is provided to the Administrative Agent under this Agreement for distribution to the Buyers, the Administrative Agent shall use commercially reasonable efforts to promptly distribute such information or notice to the Buyers; provided, however, that the failure of the Administrative Agent to promptly distribute such information or notice to the Buyers shall neither constitute a breach of this Agreement nor give rise to any liability on the part of the Administrative Agent.

(b) Delegation of Duties. The Administrative Agent may execute any of its duties through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible to any Buyer for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

(c) Exculpatory Provisions. None of the Administrative Agent or any of its directors, officers, agents or employees shall be liable for any action taken or omitted (a) with the consent or at the direction of the Required Buyers or (b) in the absence of such Person's gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final and non-appealable judgment. The Administrative Agent shall not be responsible to any Buyer or other Person for (i) any recitals, representations, warranties or other statements made by any Seller, any Servicer or the Guarantor or any of their Affiliates, (ii) the value, validity, effectiveness, genuineness, enforceability or sufficiency of any Transaction Document, (iii) any failure of any Seller, any Servicer or the Guarantor or any of their Affiliates to perform any obligation or (iv) the satisfaction of any condition specified in Section 1(d) or (e). The Administrative Agent shall not have any obligation to any Buyer to ascertain or inquire about the observance or performance of any agreement contained in any Transaction Document or to inspect the properties, books or records of any Seller, any Servicer or the Guarantor or any of their Affiliates.

(d) Reliance by the Administrative Agent. The Administrative Agent shall in all cases be entitled to rely, and shall be fully protected in relying, upon any document, other writing or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person and upon advice and statements of legal counsel (including counsel to any Seller, any Servicer or the Guarantor), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent shall in all cases be fully justified in failing or refusing to take any action under any Transaction Document unless it shall first receive such advice or concurrence of the Required Buyers, and assurance of its indemnification, as it deems appropriate.

(e) Actions by Administrative Agent. The Administrative Agent shall take such actions, or refrain from taking such actions, under each of the Transaction Documents with respect to the rights and remedies of Buyers, including with respect to any Purchased Receivable, in each case as may be directed by the Required Buyers; provided, until the Administrative Agent receives such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, as Administrative Agent deems advisable and in the best interests of the Buyers. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement in accordance with a request of the Required Buyers, and such request and any action taken or failure to act pursuant thereto shall be binding upon all Buyers and the Administrative Agent.

(f) Non-Reliance on the Administrative Agent and Other Buyers. Each Buyer expressly acknowledges that none of the Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to such Buyer and that no act by the Administrative Agent hereafter taken, including any review of the affairs of any Seller, any Servicer or the Guarantor, shall be deemed to constitute any representation or warranty by the Administrative Agent. Each Buyer represents and warrants to the Administrative Agent that, independently and without reliance upon the Administrative Agent or any other Buyer and based on such documents and information as it has deemed appropriate, it has made and will continue to make its own appraisal of an investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of any Seller, any Servicer, the Guarantor and the Purchased Receivables and its own decision to enter into this Agreement and to take, or omit, action under any Transaction Document. Except for items specifically required to be delivered hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Buyer with any information concerning any Seller, any Servicer, the Guarantor or any of their Affiliates that comes into the possession of the Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

(g) Administrative Agent and Affiliates. Each of the Buyers and the Administrative Agent and their respective Affiliates may extend credit to, accept deposits from and generally engage in any kind of banking, trust, debt, entity or other business with any Seller, any Servicer, the Guarantor or any of their Affiliates and MUFG Bank may exercise or refrain from exercising its rights and powers as if it were not the Administrative Agent. With respect to the purchase of the Proposed Receivables pursuant to this Agreement, the Administrative Agent, in its capacity as a Buyer, shall have the same rights and powers under this Agreement as any other Buyer and may exercise the same as though it were not such an agent, and the terms “Buyer” and “Buyers” shall include the Administrative Agent in its capacity as a Buyer.

(h) Successor Administrative Agent. The Administrative Agent may, upon at least forty-five (45) days’ notice to the Guarantor, each Seller, each Servicer and each Buyer, resign as Administrative Agent. If the Person serving as Administrative Agent is subject to an Insolvency Event, the Buyers (excluding the Buyer that is also the Administrative Agent at such time, if applicable) may, to the extent permitted by Applicable Law, by notice in writing to the Guarantor and such Person remove such Person as Administrative Agent. Any resignation or removal, as the case may be, shall not become effective until a successor agent is appointed by the Buyers (excluding the Buyer that is also the Administrative Agent at such time, if applicable), but with the consent of the Guarantor (provided, such consent shall not be unreasonably withheld, delayed or conditioned), and has accepted such appointment. Upon such acceptance of its appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall succeed to and become vested with all the rights and duties of the retiring or removed, as applicable, Administrative Agent, and the retiring or removed, as applicable, the Administrative Agent shall be discharged from its duties and obligations as Administrative Agent under the Transaction Documents. After any retiring or removed, as applicable, Administrative Agent’s resignation or removal, as applicable, hereunder, the provisions of Section 18 and this Section 8 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent.

(i) Know Your Customer. Nothing in this Agreement shall require any Buyer (including any Buyer when acting as Administrative Agent) to carry out any “know your customer” or other checks in relation to any Person on behalf of any other Buyer. Each Buyer confirms and acknowledges that it is solely responsible for such checks and verifications it is required to carry out.

(j) Enforcement.

(vii) Notwithstanding anything to the contrary contained herein or in any other Transaction Document and without limiting Section 8(e) (but subject to the rest of this Section 8(j)), the authority to enforce rights and remedies of the Buyers hereunder and under the other Transaction Documents against any Person shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8(a) for the benefit of all the Buyers.

(viii) In the event that (1) any Buyer shall at any time be the sole owner of 100% of any Purchased Receivable and no other Buyer shall have a Pro Rata Share in such Purchased Receivable (each, a “Wholly-Owned Purchased Receivable”; and such Buyer an “Affected Buyer”), and (2) a Non-Payment Event occurs with respect to such Wholly-Owned Purchased Receivable, then:

(A) Each Affected Buyer may elect by written notice to the Administrative Agent, each Seller, each Servicer and each other Buyer (each a “Direct Enforcement”

Election”), to exercise any rights and remedies otherwise available to the Administrative Agent under this Agreement in respect of such Wholly-Owned Purchased Receivable, including, without limitation, those in Section 5(h).

(B) Upon the delivery of such Direct Enforcement Election, (1) neither the Administrative Agent nor any other Buyer shall have the right to exercise such rights and remedies with respect to the Wholly-Owned Purchased Receivables of such Affected Buyer designated in such Direct Enforcement Election and (2) neither the Administrative Agent nor any other Buyer shall have any liability to such Affected Buyer, any Seller, any Servicer, the Guarantor or any other Person for the actions of such Affected Buyer or its respective representatives or agents in respect thereof.

(C) Upon the request of an Affected Buyer, Administrative Agent will, if permitted to do so under Applicable Law, assign to such Affected Buyer, its security interest in the applicable Wholly-Owned Purchased Receivables subject to any Direct Enforcement Election and shall deliver to such Affected Buyer, such UCC filing statements as such Affected Buyer shall reasonably request in form and substance acceptable to Administrative Agent and such Affected Buyer to assign to such Affected Buyer the Administrative Agent’s UCC-1 filing position as secured party of record, but solely with respect to such Wholly-Owned Purchased Receivables. In addition, as to any Wholly-Owned Purchased Receivables originated pursuant to a Contract governed by the laws of Hungary and owed by an Account Debtor located in Hungary with respect to which Wholly-Owned Purchased Receivables the Affected Buyer has made a Direct Enforcement Election, upon the written request of such Affected Buyer, Administrative Agent and Seller will deliver to such Affected Buyer an executed performance instruction substantially in the form attached hereto as Exhibit I (each, a “Hungary Performance Instruction”), signed by the Seller and covering such Wholly-Owned Purchased Receivables. Seller and Administrative Agent shall cooperate with such Affected Buyer in good faith to facilitate the exercise of such Affected Buyer’s rights in such Wholly-Owned Purchased Receivables as to which a Direct Enforcement Election has been made including, without limitation, by maintaining with Administrative Agent a level supply of at least ten Hungary Performance Instructions, executed in blank by Seller, to which Administrative Agent may attach schedules setting out specific invoice and other information as to such Wholly-Owned Purchased Receivables, in order to facilitate delivery of such completed document to an Affected Buyer upon its request pursuant to this Subsection 8(j)(ii)(C).

(D) Each Affected Buyer, the other Buyers and the Administrative Agent shall cooperate with each other in good faith to coordinate the exercise of their rights and remedies under this Agreement and the other Transaction Documents with respect to such Wholly-Owned Purchased Receivables and the Purchased Receivables generally.

(k) Prompt Delivery of Information. Unless specifically required otherwise under the terms of this Agreement, to the extent the Administrative Agent receives information from the Sellers or the Servicers, which by the terms of this Agreement is “for delivery to the Buyers” or other similar terms, the Administrative Agent shall endeavor to promptly deliver such information to the Buyers; provided that the failure to do so in a timely manner shall not give rise to any liability on the part of the Administrative Agent.

(l) Erroneous Payments.

(i) If the Administrative Agent (x) notifies a Buyer or Indemnified Person, or any Person who has received funds on behalf of a Buyer or Indemnified Person (any such Buyer, Indemnified Person or other recipient (and each of their respective successors and assigns), a “Payment Recipient”) that the Administrative Agent has

determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (ii)) that any funds (as set forth in such notice from the Administrative Agent) received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously or mistakenly transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Buyer, Indemnified Person or other Payment Recipient on its behalf) (any such funds, whether transmitted or received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and (y) demands in writing the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent pending its return or repayment as contemplated below in this Section 8(l) and held in trust for the benefit of the Administrative Agent, and such Buyer or Indemnified Person shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter (or such later date as the Administrative Agent may, in its sole discretion, specify in writing), return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon (except to the extent waived in writing by the Administrative Agent) in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this clause (i) shall be conclusive, absent manifest error.

(ii) Without limiting immediately preceding clause (i), each Buyer, Indemnified Person or any Person who has received funds on behalf of a Buyer or Indemnified Person (and each of their respective successors and assigns), agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in this Agreement or in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Buyer or Indemnified Person, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part), then in each such case:

(A) it acknowledges and agrees that (A) in the case of immediately preceding clauses (x) or (y), an error and mistake shall be presumed to have been made (absent written confirmation from the Administrative Agent to the contrary) or (B) an error and mistake has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(B) such Buyer or Indemnified Person shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of the occurrence of any of the circumstances described in immediately preceding clauses (x), (y) and (z)) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 8(l)(ii).

For the avoidance of doubt, the failure to deliver a notice to the Administrative Agent pursuant to this Section 8(l)(ii) shall not have any effect on a Payment Recipient's obligations pursuant to Section 8(l)(ii) or on whether or not an Erroneous Payment has been made.

(iii) Each Buyer or Indemnified Person hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Buyer or Indemnified Person under any Transaction Document, or otherwise payable or distributable by the Administrative Agent to such Buyer or Indemnified Person under any Transaction Document with respect to any payment of principal, interest, fees or other amounts, against any amount that the Administrative Agent has demanded to be returned under immediately preceding clause (i).

(iv) (A) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor in accordance with immediately preceding clause (a), from any Buyer that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "Erroneous Payment Return Deficiency"), upon the Administrative Agent's notice to such Buyer at any time, then effective immediately (with the consideration therefor being acknowledged by the parties hereto), (A) such Buyer shall be deemed to have assigned its Purchased Receivables with respect to which such Erroneous Payment was made (the "Erroneous Payment Impacted Class") in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Purchased Receivables of the Erroneous Payment Impacted Class, the "Erroneous Payment Deficiency Assignment") (on a cashless basis and such amount calculated at the Purchase Price of such Purchased Receivables), and is hereby (together with the Sellers) deemed to execute and deliver an assignment agreement with respect to such Erroneous Payment Deficiency Assignment, (B) the Administrative Agent as the assignee Buyer shall be deemed to have acquired the Erroneous Payment Deficiency Assignment, (C) upon such deemed acquisition, the Administrative Agent as the assignee Buyer shall become a Buyer, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Buyer shall cease to be a Buyer, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement, (D) the Administrative Agent and the Sellers shall each be deemed to have waived any consents required under this Agreement to any such Erroneous Payment Deficiency Assignment, and (E) the Administrative Agent will reflect in its records its ownership interest in the Purchased Receivables subject to the Erroneous Payment Deficiency Assignment.

(B) Subject to Section 18(b) (but excluding, in all events, any assignment consent or approval requirements (whether from the Sellers or otherwise)), the Administrative Agent may, in its discretion, sell any Purchased Receivables acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Buyer shall be reduced by the net proceeds of the sale of such Purchased Receivable (or portion thereof), and the Administrative Agent shall retain all other rights, remedies and claims against such Buyer (and/or against any recipient that receives funds on its respective behalf). In addition, an Erroneous Payment Return Deficiency owing by the applicable Buyer (x) shall be reduced by the proceeds of prepayments or repayments of principal and interest, or other distribution in respect of principal and interest, received by the Administrative Agent on or with respect to any such Purchased Receivables acquired from such Buyer pursuant to an Erroneous Payment Deficiency Assignment (to the extent that any such Purchased Receivables are then owned by the Administrative Agent) and (y) may, in the sole discretion of the Administrative Agent, be reduced by any amount specified by the Administrative Agent in writing to the applicable Buyer from time to time.

(v) The parties hereto agree that (x) irrespective of whether the Administrative Agent may be equitably subrogated, in the event that an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights and interests of such Payment Recipient (and, in

the case of any Payment Recipient who has received funds on behalf of a Buyer or Indemnified Person, to the rights and interests of such Buyer or Indemnified Person, as the case may be) under the Transaction Documents with respect to such amount (the “Erroneous Payment Subrogation Rights”) (provided that the Sellers’ obligations under the Transaction Documents in respect of the Erroneous Payment Subrogation Rights shall not be duplicative of such obligations in respect of Purchased Receivables that have been assigned to the Administrative Agent under an Erroneous Payment Deficiency Assignment) and (y) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any obligations owed by the Sellers; provided that this Section 8(l) shall not be interpreted to increase (or accelerate the due date for), or have the effect of increasing (or accelerating the due date for), the obligations of the Sellers relative to the amount (and/or timing for payment) of the obligations that would have been payable had such Erroneous Payment not been made by the Administrative Agent; provided, further, that for the avoidance of doubt, immediately preceding clauses (x) and (y) shall not apply to the extent any such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Sellers for the purpose of making such Erroneous Payment.

(vi) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including, without limitation, any defense based on “discharge for value” or any similar doctrine.

(vii) Each party’s obligations, agreements and waivers under this Section 8(l) shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Buyer and/or the repayment, satisfaction or discharge of all obligations (or any portion thereof) of the Sellers under any Transaction Document.

9. Notices. Unless otherwise provided herein, all communications by any party to any other party hereunder or any other Transaction Document shall be in a writing personally delivered or sent by a recognized overnight delivery service, or certified mail, postage prepaid, return receipt requested, or by e-mail to such party, as the case may be, at its address set forth below:

If to Sanmina Corporation,  
as Seller or Servicer: Sanmina Corporation  
2700 North First Street  
San Jose, California 95134  
Attention: David R. Anderson, Executive Vice President and Chief Financial Officer  
Email:

With a copy to the Guarantor:

If to Guarantor: Sanmina Corporation  
2700 North First Street  
San Jose, California 95134  
Attention: David R. Anderson, Executive Vice President and Chief Financial Officer  
Email:

“If to Sanmina Singapore,

as Seller or Servicer: Sanmina-SCI Systems Singapore Pte. Ltd.  
2 Chai Chee Drive  
Singapore  
Singapore 469044  
Attention: Michael Ng, Director  
Email:

With a copy to the Guarantor: Sanmina Corporation  
2700 North First Street  
San Jose, California 95134  
Attention: David R. Anderson, Executive Vice President and Chief Financial Officer  
Email:

If to the Administrative Agent: MUFG Bank, Ltd.  
1251 Avenue of the Americas  
New York, New York 10020-1104  
Attention: Gustavo Rizzo; Jason Wu  
Email:

With a copy to: MUFG Bank, Ltd.  
1251 Avenue of the Americas  
New York, New York 10020-1104  
Attention: Amy Mellon Grandis  
Email:

If to the Buyers:

For MUFG Bank: MUFG Bank, Ltd.  
1251 Avenue of the Americas  
New York, New York 10020-1104  
Attention: Gustavo Rizzo; Gauri Duggal; Jason Wu; Brian McNany  
Email:

For Wells: Wells Fargo Bank, N.A.  
301 South College Street, 5<sup>th</sup> Floor  
Charlotte, NC 28202  
Attention: Vladimir Mashchenko, Director, Supply Chain Finance  
Telephone No. (704) 715-5305  
Email:

For BOW: Bank of the West  
180 Montgomery Street  
San Francisco, California 94104  
Attention: Scott Bruni; Julien Coustel  
Email:

Notwithstanding the foregoing, if sent by e-mail, (i) any notice of default or Servicer Termination Event by the Administrative Agent and (ii) any notice of termination by any party under this Agreement, shall, in each case, also be given by one of the other means provided above. A Purchase Request, and any supporting documentation in connection herewith or therewith, such as copies of invoices not submitted via the PrimeRevenue System, may be sent by any Seller or Servicer by e-mail attachment in portable document format (.pdf).

Each Seller, Servicer and the Guarantor agree that the Administrative Agent and the Buyers may presume the authenticity, genuineness, accuracy, completeness and due execution of any email bearing a facsimile or scanned signature resembling a signature of an authorized Person of such Seller or Servicer without further verification or inquiry by the Administrative Agent or the Buyers. Notwithstanding the foregoing, the Administrative Agent and any Buyer in its sole discretion may elect not to act or rely upon such a communication and shall be entitled (but not obligated) to make inquiries or require further Seller, Servicer or Guarantor action to authenticate any such communication.

A party may change the address at which it is to receive notices hereunder by written notice in the foregoing manner given to the other parties hereto.

10. Survival. All covenants, representations and warranties made herein shall continue in full force and effect until the Final Collection Date. Each Seller's and Servicer's obligations to indemnify the Administrative Agent and each Buyer with respect to the expenses, damages, losses, costs and liabilities shall survive until the later of (x) the Final Collection Date and (y) all applicable statute of limitations periods with respect to actions that may be brought by the Administrative Agent or a Buyer under the Transaction Documents have run.

11. Expenses. Each Seller hereby agrees to reimburse the Administrative Agent and (as appropriate) each Buyer on demand for:

(a) (i) all reasonable and documented out-of-pocket costs and expenses (including reasonable legal expenses) that the Administrative Agent incurs in connection with the preparation, negotiation, documentation and delivery of this Agreement and the other Transaction Documents and any amendment of or consent or waiver under any of the Transaction Documents, up to an amount of \$65,000.00, (ii) all reasonable and documented costs and expenses (including reasonable attorneys' fees and expenses) that the Administrative Agent and each Buyer incur in connection with the enforcement of, or any actual or reasonably claimed breach of, this Agreement or any of the other Transaction Documents, including all such expenses incurred during any work-out or negotiation in respect of the obligations of the Seller or Servicer hereunder; and

(b) all stamp and other similar taxes and fees payable or determined to be payable in connection with the execution, delivery, filing and recording of this Agreement or the other Transaction Documents.

12. Interest on Overdue Amounts. All amounts due for payment by any Seller, Servicer or the Guarantor to the Administrative Agent and each Buyer pursuant to this Agreement shall accrue interest at the Overdue Payment Rate from the date on which payment thereof is due until the date on which payment thereof is made in accordance with the terms of this Agreement.

13. Governing Law. THIS AGREEMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF, EXCEPT TO THE EXTENT THAT THE PERFECTION, THE EFFECT OF PERFECTION OR PRIORITY OF THE INTERESTS OF THE ADMINISTRATIVE AGENT OR THE BUYERS IN THE PURCHASED RECEIVABLES IS GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK).

14. No Non-Direct Damages. To the fullest extent permitted by Applicable Law, each Seller, each Servicer and the Guarantor shall not assert, and each such Person hereby waives, any claim against any Indemnified Person, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Transaction Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby. No Indemnified Person shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Transaction Documents or the transactions contemplated hereby or thereby; provided that the waiver provided for in this sentence shall not apply to damages resulting directly from such Indemnified Person's own gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final and non-appealable judgment.

15. Joinder of Additional Sellers. At any time during the term of this Agreement, with the written consent of the Administrative Agent and the Buyers (such consent to be granted or withheld at the sole and absolute discretion of the Administrative Agent and each Buyer), one or more additional Subsidiaries of the Guarantor (each, an "Additional Seller"), may join this Agreement as a Seller in all respects by delivering a Joinder Agreement to the Administrative Agent and the Buyers along with such other approvals, resolutions, certificates, legal opinions and other documents as the Administrative Agent and the Buyers may reasonably request, in each case, in form and substance reasonably acceptable to the Administrative Agent and the Buyers. Upon receipt of such Joinder Agreement and such other documents, such Additional Seller shall become a Seller hereunder, subject to the rights, duties and obligations of a Seller in all respects.

16. Addition of Account Debtor. From time to time during the term of this Agreement, the Sellers and the Guarantor may request that one or more account debtors be added as an additional Account Debtor under this Agreement. Any such request shall be made by the Sellers and the Guarantor to the Administrative Agent (for distribution to the Buyers) and shall include a proposed Account Debtor Buffer Period and the information required for each Account Debtor on Schedule II. Administrative Agent and the Buyers shall determine whether or not to accept any such request in their sole discretion. Once the Administrative Agent and the Buyers have provided written approval of a proposed Account Debtor, such Person shall immediately become an Account Debtor hereunder, and the Administrative Agent shall provide an updated copy of Schedule II to the Sellers reflecting the then-current Account Debtors.

17. Joint and Several Obligations. The obligations of the Sellers hereunder are joint and several. To the maximum extent permitted by Applicable Law, each Seller hereby agrees to subordinate until the Final Collection Date any claim, right or remedy that such Seller now has or hereafter acquires against any other Seller that arises hereunder including, without limitation, any claim, remedy or right of subrogation, reimbursement, exoneration, contribution, indemnification, or participation in any claim, right or remedy of the Administrative Agent or any Buyer against any Seller or any of its property which the Administrative Agent or any Buyer now has or hereafter acquires, whether or not such claim, right or remedy arises in equity, under contract, by statute, under common law or otherwise. In addition, until the Final Collection Date, each Seller hereby waives any right to proceed against the other Sellers, now or hereafter, for contribution, indemnity, reimbursement, and any other suretyship rights and claims, whether direct or indirect, liquidated or contingent, whether arising under express or implied contract or by operation of law, which any Seller may now have or hereafter have as against the other Seller with respect to the transactions contemplated by this Agreement.

18. General Provisions.

(a) Final Agreement. This Agreement represents the final agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous understandings and agreements with respect to such subject matter.

(b) Assignment.

(i) Each Buyer may only assign or transfer its role as Buyer under this Agreement with the prior written consent (such consent not to be unreasonably withheld, conditioned or delayed) of the Sellers and the Administrative Agent; provided that no consent of the Sellers shall be required for an assignment to an Affiliate of such Buyer or, if a Servicer Termination Event has occurred and is continuing, any other Person; provided further that the Sellers shall be deemed to have consented to any such assignment unless one of them shall object thereto by written notice to such Buyer within ten (10) Business Days after having received notice thereof.

(ii) Notwithstanding clause (i) above, each Buyer may at any time assign, transfer or participate any Purchased Receivables or its rights to receive payments with respect to any Purchased Receivables, including to any provider of credit insurance.

(iii) None of the Sellers, the Servicers or the Guarantor may assign or otherwise transfer its rights, benefits or obligations under the Transaction Documents without the prior written consent of the Administrative Agent and the Buyers.

(iv) Notwithstanding anything herein to the contrary, each Buyer may assign or pledge a security interest in all or any portion of its rights under this Agreement to secure obligations of such Buyer, including any pledge or assignment to secure obligations to a Federal Reserve Bank or any other central bank. No such assignment and/or pledge shall release such Buyer from its obligations hereunder.

(v) Subject to the foregoing clauses (i) through (iv), this Agreement shall be binding on and shall inure to the benefit of each party hereto and its successors and assigns.

(c) Joinder of Additional Buyers. At any time during the term of this Agreement, upon the request of the Sellers and with the written consent of the Administrative Agent and (subject to the proviso below) each existing Buyer (in each case, such consent not to be unreasonably withheld), one

or more additional commercial banks (each, an “Additional Buyer”), may join this Agreement as a Buyer in all respects by entering into a joinder and amendment agreement (each, a “Buyer Joinder”) among the Sellers, the Servicers, the Guarantor, the Administrative Agent and (subject to the proviso below) each existing Buyer (except for any Buyer that is being removed as a Buyer of future Proposed Receivables in accordance with Section 18(f)), which shall, among other things, contain all relevant information applicable to Buyers under this Agreement, including, without limitation, such Additional Buyer’s Facility Share and its Designated Percentages for the Account Debtors; provided, however, that no such consent of, or entry into the applicable Buyer Joinder by, an existing Buyer shall be required in circumstances where the proposed Additional Buyer(s) will have positive Designated Percentages solely with respect to Account Debtors in relation to which such existing Buyer’s Designated Percentage is zero. Upon the effectiveness of such Buyer Joinder such Additional Buyer shall become a Buyer hereunder, subject to the rights, duties and obligations of a Buyer in all respects. For the avoidance of doubt and notwithstanding the addition of any Additional Buyer, no changes whatsoever will be made to the Pro Rata Shares of the existing Buyers in the existing Purchased Receivables absent the consent of the applicable Buyers holding Pro Rata Shares in the applicable Purchased Receivables, which consent may be given at the sole and absolute discretion of each such Buyer.

(d) Severability. Any provisions of this Agreement which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(e) Execution; Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by electronic mail attachment in portable document format (.pdf) shall be effective as delivery of a manually executed counterpart of this Agreement.

(f) Termination. The term of this Agreement shall last from the initial Effective Date hereof until and including March 25, 2019, which date shall be automatically extended for progressive three hundred and sixty-four (364)-day terms unless the Sellers provide written notice to the Administrative Agent or the Administrative Agent provides written notice to the Sellers not less than ten (10) Business Days prior to the expiration of the then-applicable term, that such Person does not intend to extend the term of this Agreement. In addition, (i) the Administrative Agent, the Buyers or the Sellers may terminate this Agreement for convenience at any time by thirty (30) days’ prior written notice to the other parties, and (ii) the Sellers may terminate this Agreement upon three (3) Business Days’ prior written notice to the Administrative Agent at any time following (A) the delivery by or on behalf of any Buyer of any certificate pursuant to Section 6(e) hereof providing for an increase in Account Debtor Discount Rates on account of increased costs or (B) the rejection by the Buyers of at least two (2) duly submitted Purchase Requests as to which all conditions precedent set forth in Section 1(e) would be satisfied but for such rejection within any consecutive sixty (60) day period. In addition, any Buyer may at any time elect to resign its role as a Buyer under this Agreement by providing at least thirty (30) days’ prior written notice of such resignation to the Administrative Agent, the other Buyers, each Seller, each Servicer and the Guarantor, whereupon such resigning Buyer will no longer be offered Purchase Requests following the effectiveness of such notice. Notwithstanding the foregoing, all obligations of the Sellers, the Servicers and the Guarantor under this Agreement, including all covenants, representations,

warranties, repurchase obligations, and indemnities made herein shall continue in full force and effect until the Final Collection Date.

(g) Calculation of Interest. All interest amounts calculated on a per annum basis hereunder are calculated on the basis of a year of three hundred and sixty (360) days.

(h) WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT THAT IT MAY HAVE TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS.

(i) CONSENT TO JURISDICTION. EACH PARTY HERETO HEREBY ACKNOWLEDGES AND AGREES THAT IT IRREVOCABLY (i) SUBMITS TO THE JURISDICTION, FIRST, OF ANY UNITED STATES FEDERAL COURT, AND SECOND, IF FEDERAL JURISDICTION IS NOT AVAILABLE, OF ANY NEW YORK STATE COURT, IN EITHER CASE SITTING IN NEW YORK CITY, NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OTHER TRANSACTION DOCUMENT, (ii) AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED ONLY IN SUCH NEW YORK STATE OR FEDERAL COURT AND NOT IN ANY OTHER COURT, AND (iii) WAIVES, TO THE FULLEST EXTENT IT MAY EFFECTIVELY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING.

(j) WAIVER OF IMMUNITIES. EACH PARTY HERETO HEREBY ACKNOWLEDGES AND AGREES THAT TO THE EXTENT THAT IT HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM THE JURISDICTION OF ANY COURT OR FROM ANY LEGAL PROCESS (WHETHER THROUGH SERVICE OR NOTICE, ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID TO EXECUTION, EXECUTION OR OTHERWISE) WITH RESPECT TO ITSELF OR ITS PROPERTY, IT HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER OR IN CONNECTION WITH THIS AGREEMENT.

(k) Captions and Cross References. The various captions in this Agreement are provided solely for convenience of reference and shall not affect the meaning or interpretation of any provision of this Agreement. Unless otherwise indicated, references in this Agreement to any Section, Schedule or Exhibit are to such Section of or Schedule or Exhibit to this Agreement, as the case may be, and references in any Section, subsection, or clause to any subsection, clause or subclause are to such subsection, clause or subclause of such Section, subsection or clause.

(l) No Party Deemed Drafter. No party hereto shall be deemed to be the drafter of this Agreement.

(m) PATRIOT Act. Each of the Administrative Agent and each Buyer hereby notifies each other party hereto that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Act"), it is required to obtain, verify and record information that identifies each such party, which information includes the name and address of such party and other information that will allow such Person to identify such party in accordance with the Act.

Each party to this Agreement shall, promptly following a request by the Administrative Agent or a Buyer, provide all documentation and other information that the Administrative Agent or such Buyer requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the Act.

(n) Amendments; Waiver.

No failure or delay by the Administrative Agent or any Buyer in exercising any right or power hereunder or under any other Transaction Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent and the Buyers hereunder and under any other Transaction Document are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Transaction Document or consent to any departure by any Seller or the Guarantor therefrom shall in any event be effective unless the same shall be permitted by the next paragraph, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a purchase shall not be construed as a waiver of any default or breach of this Agreement, regardless of whether the Administrative Agent or any Buyer may have had notice or knowledge of such default or breach at the time.

No waiver, alteration, modification or amendment of this Agreement or any other Transaction Document or any of the provisions hereof or thereof shall be binding unless made in writing and duly executed by each Seller, each Servicer, the Guarantor, the Administrative Agent and the Required Buyers, except that no such waiver, alteration, modification or amendment shall, without the consent of all Buyers: (i) extend the term of this Agreement (other than in accordance with Section 18(e)), (ii) increase the Buyer’s Facility Share of any Buyer or change any Buyer’s Designated Percentage with respect to any Account Debtor, (iii) alter the definition of the term Pro Rata Share, (iv) extend the maturity of any Purchased Receivable or reduce any fee payable by any Seller to the Buyers, including pursuant to any Buyer Pricing Letter, (v) alter the definition of the term Required Buyers or alter, amend or modify this Section 18(n), (vi) alter the terms “Purchase Price”, “Discount,” “Purchased Receivables,” “Event of Repurchase” or any of their component parts, (vii) release any Seller, the Guarantor or other Person from its obligations under this Agreement or any other Transaction Document, (viii) release the general security interest granted herein to the Administrative Agent, for the benefit of the Buyers, in the Purchased Receivables (unless such release relates to a sale or other disposition of assets permitted under the terms of this Agreement) or (ix) alter, amend or modify Schedule II, Exhibit E, or Exhibit F, or any of their component parts.

Notwithstanding the foregoing, it is acknowledged by each Seller that the Buyers shall not agree to any amendment to Schedule II hereof unless Sanmina Corporation has complied with its obligations pursuant to clause (r) of Exhibit D hereof both before and after giving effect to any such amendment.

No assignment by the Administrative Agent or any Buyer in accordance with Section 18(a) shall be deemed to be an alteration, modification or amendment of any of the provisions hereof.

Notwithstanding the foregoing, (i) any Agent Fee Letter may be amended or supplemented by the mutual agreement of only the Sellers, the Guarantor and the Administrative Agent and (ii) any Buyer Pricing Letter may be amended or supplemented by the mutual agreement of only the Sellers, the Guarantor and the Buyers party thereto (and the written acknowledgment of the Administrative Agent).

19. Confidentiality; Disclosure Required by Law. Each party to this Agreement acknowledges that each other party may receive or have access to proprietary or confidential information disclosed by a disclosing party (collectively, the “Information”). The receiving party will use the disclosing party’s Information solely to perform its obligations and exercise its rights under or in relation to this Agreement and any other Transaction Document. The receiving party will not disclose the disclosing party’s Information; provided that, the receiving party may disclose the disclosing party’s Information:

(a) to such party’s Affiliates and the respective directors, managers, officers, trustees, employees, agents and advisors of such party (so long as each such Person shall have been instructed to keep the same confidential in accordance with this Section 19);

(b) to the extent necessary to comply with law or any legal process or the requirements of any Governmental Authority (including bank examiners and self-regulatory organizations) or of any securities exchange on which securities of the disclosing party or any Affiliate of the disclosing party are listed or traded (and the disclosing party shall use commercially reasonable efforts to so notify the other party of such disclosure; provided no such notice shall be required if such disclosure is part of a routine regulatory examination or securities law filing (including any required filing disclosing this Agreement) or is not otherwise permitted pursuant to Applicable Law);

(c) as part of normal reporting or review procedures to Governmental Authorities (the disclosing party shall use commercially reasonable efforts to so notify the other party of such disclosure; provided no such notice shall be required if such disclosure is part of a routine regulatory examination or is not otherwise permitted pursuant to Applicable Law);

(d) in order to enforce its rights under this Agreement or any other Transaction Document in a legal proceeding;

(e) to any actual or prospective assignee of, or any actual or prospective participant in, any of its rights under this Agreement or any credit insurance provider (so long as such has agreed in a legally enforceable document to comply with the terms of this Section 19 or any other substantially similar confidentiality restrictions); and

(f) to the service provider with whom the Administrative Agent subcontracts use of the PrimeRevenue System and its contractors and agents provided that such Persons agree to hold such information confidential pursuant to customary commercial terms.

(g) Accounting Treatment; Non-Reliance. Each Seller, each Servicer and the Guarantor agrees and acknowledges that (i) it is a sophisticated party in relation to this Agreement; (ii) it has made its own independent decision to enter into the Agreement, the other Transaction Documents to which it is a party and the transactions contemplated hereby and thereby and, in connection therewith, has obtained such independent accounting, legal, tax, financial and other advice as it deems necessary and appropriate (including, without limitation, as to the appropriate treatment of such transactions for accounting, legal, tax and other purposes) and (iii) it has not relied upon any representation or advice from the Administrative Agent, any Buyer, their Affiliates or any of their respective directors, officers, employees, contractors, counsel, advisors or other representatives in this regard.

[Signatures Commence on the Following Page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

**SANMINA CORPORATION,**  
as Seller and Servicer

By: \_\_\_\_\_  
Name:  
Title:

**SANMINA CORPORATION,**  
as Guarantor

By: \_\_\_\_\_  
Name:  
Title:

**MUFG BANK, LTD.,**  
as the Administrative Agent

By: \_\_\_\_\_  
Name:  
Title:

**MUFG BANK, LTD.,**  
as a Buyer

By: \_\_\_\_\_  
Name:  
Title:

Schedule I  
Form of Purchase Request

[date]

MUFG Bank, Ltd.  
1251 Avenue of the Americas  
New York, New York 10020-1104  
Attention: Gustavo Rizzo; Jason Wu  
Email:

Reference is hereby made to that certain Receivables Purchase Agreement, dated as of March 26, 2018, by and among SANMINA CORPORATION, a Delaware corporation, and any other seller from time to time party thereto (each, in such capacity, a “Seller” and collectively, the “Sellers”), and as servicers (each, in such capacity, a “Servicer” and collectively, the “Servicers”), SANMINA CORPORATION, as guarantor (in such capacity the “Guarantor”), MUFG BANK, LTD. (“MUFG Bank”) and each other buyer from time to time party thereto (each, in such capacity, a “Buyer” and collectively, the “Buyers”), and MUFG Bank as administrative agent (in such capacity, the “Administrative Agent”) (as it may be amended, restated, modified or supplemented from time to time, the “Agreement”; capitalized terms not otherwise defined herein shall have the meanings set forth in, or by reference in, the Agreement).

Pursuant to the terms of the Agreement, the Sellers party hereto hereby request that the Buyers purchase from such Sellers on \_\_\_\_\_, 20\_\_\_\_, the Proposed Receivables listed on the exhibit attached hereto with an aggregate Net Invoice Amount of \$\_\_\_\_\_ (for U.S. dollar Proposed Receivables) and €\_\_\_\_\_ (for Euro Proposed Receivables).

Each Seller party hereto represents and warrants that each of the conditions precedent outlined in Section 1(e) of the Agreement will be satisfied in connection with such proposed purchase.

Upon payment of the aggregate Purchase Price for any Proposed Receivable, the applicable Buyers hereby purchase, and the Sellers party hereto hereby sell all of such Sellers’ right, title and interest (but none of Sellers’ underlying obligations to the applicable Account Debtor) with respect to such Proposed Receivable as of the date hereof, and such Proposed Receivables shall become Purchased Receivables in the manner set forth in the Agreement.

**[SELLER]<sup>1</sup>**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**[SELLER]<sup>2</sup>**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

<sup>1</sup> Insert applicable Seller name and signatures.

<sup>2</sup> Insert applicable Seller name and signatures.

Schedule I

List of Accounts Receivable for Account Debtor(s): [\_\_\_\_\_]
Proposed for Sale as of \_\_\_\_\_, 20\_\_

**CALCULATION OF PURCHASE SUBLIMIT (all amounts in [U.S. dollars] [Euros]) FOR ACCOUNT DEBTOR:**

Net Invoice Amount for Proposed Receivables: [\$ ][€]
Outstanding Purchase Amount with respect to applicable Account Debtor (excluding Proposed Receivables): [\$ ][€]
Funded Amount for Proposed Receivables: [\$ ][€]
**Total Outstanding Purchase Amount for applicable Account Debtor**
(not to exceed applicable Purchase Sublimit for such Account Debtor): [\$][€]

**CALCULATION OF PURCHASE SUBLIMIT (all amounts in [U.S. dollars] [Euros]) FOR ACCOUNT DEBTOR:**

Net Invoice Amount for Proposed Receivables: [\$ ][€]
Outstanding Purchase Amount with respect to applicable Account Debtor (excluding Proposed Receivables): [\$ ][€]
Funded Amount for Proposed Receivables: [\$ ][€]
**Total Outstanding Purchase Amount for applicable Account Debtor**
(not to exceed applicable Purchase Sublimit for such Account Debtor): [\$][€]

Seller	Account Debtor	Invoice Number	Net Invoice Amount	Outstanding Purchase Amount	Funded Amount	Maturity Date	[Default Rate of Interest or Fees (if any)]
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Schedule II

Account Debtors

Seller: Sanmina Corporation

Account Debtor Name	Other Permitted Governing Law	Account Debtor Purchase Sublimit	Account Debtor Buffer Period	Designated Percentages	Buyer
[***]		\$[***]	[***]	[***]	[***]
[***]		\$[***]	[***]	[***]	[***]
[***]		\$ {***}] <sup>3</sup>	[***]	[***]	[***]
[***]					
[***]					
[***]					
[***]		\$[***] <sup>4</sup>	[***]	[***]	[***]
[***]					
[***]		\$[***]	[***]	[***]	[***]
[***]		\$[***]	[***]	[***]	[***]
[***]		\$[***]	[***]	[***]	[***]
[***]		\$[***]	[***]	[***]	[***]
[***]		\$[***]	[***]	[***]	[***]
[***]		\$[***]	[***]	[***]	[***]
[***]	[***]	\$[***] <sup>5</sup>	[***]	[***]	[***]
[***]	[***]				
[***]	[***]				
[***]	[***]				
[***]	[***]				
[***]	[***]				
[***]		\$[***]	[***]	[***]	[***]

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<sup>3</sup> [\*\*\*]

<sup>4</sup> [\*\*\*]

<sup>5</sup> [\*\*\*]

Schedule II

Account Debtors

Seller: Sanmina-SCI Systems Singapore Pte. Ltd.

Account Debtor Name	Other Permitted Governing Law	Account Debtor Purchase Sublimit	Account Debtor Buffer Period	Designated Percentages	Buyer
***		\$***	***	***	***
***		\$***	***	***	***

Schedule III  
UCC Information

- (a) Name: SANMINA CORPORATION
- (b) Chief Executive Office: 2700 North First Street, San Jose, CA 95134
- (c) Jurisdiction of Organization: Delaware
- (d) Organizational Number: 2195845
- (e) FEIN: 77-0228183
- (f) Tradenames: Viking Technology and 42Q
- (g) Changes in Location, Name and Corporate Organization in the last 5 years: None

- (a) Name: SANMINA-SCI SYSTEMS SINGAPORE PTE. LTD.
- (b) Chief Executive Office: 2 Chai Chee Drive, Singapore, Singapore 469044
- (c) Jurisdiction of Organization: Singapore
- (d) Organizational Number: 198305350W
- (e) FEIN: N/A
- (f) Tradenames: None
- (g) Changes in Location, Name and Corporate Organization in the last 5 years: None

Exhibit A  
Certain Defined Terms

**A. Defined Terms.**

As used herein, the following terms shall have the following meanings:

“Account Debtor” means, with respect to each Seller, a Person listed as an account debtor on Schedule II to this Agreement under the name of such Seller, as such Schedule may be modified or supplemented from time to time upon the request of the Sellers, as approved in advance by the Administrative Agent and the Buyers in writing in their sole and absolute discretion in accordance with the terms of this Agreement.

“Account Debtor Buffer Period” means, for each Account Debtor, the number of days set forth under the heading “Account Debtor Buffer Period” for such Account Debtor on Schedule II to this Agreement, as such Schedule may be modified or supplemented from time to time upon the request of the Sellers, as approved in advance by the Administrative Agent and the Buyers in writing in their sole and absolute discretion in accordance with the terms of this Agreement (which request and approval may for purposes of this definition be in the form of e-mail communication).

“Account Debtor Discount Rate” means, with respect to any Account Debtor, (i) for such Account Debtor’s Purchased Receivables denominated in U.S. dollars, LIBOR and (ii) for such Account Debtor’s Purchased Receivables denominated in Euros, either (1) EURIBOR, or (2) the Eurocurrency Rate, as selected by each applicable Buyer and communicated to the Administrative Agent and the applicable Sellers, in each case, *plus* the “Account Debtor Discount Margin” per annum specified for such Account Debtor in the applicable Buyer Pricing Letter, as such Buyer Pricing Letter may be modified or supplemented from time to time (a) upon the request of the Sellers, as approved in advance by the Administrative Agent and each applicable Buyer in writing in their sole and absolute discretion in accordance with the terms of this Agreement, or (b) as otherwise provided in this Agreement.

“Act” has the meaning set forth in Section 18(m) hereof.

“Additional Buyer” has the meaning set forth in Section 18(c) hereof.

“Additional Seller” has the meaning set forth in Section 15 hereof.

“Additional Servicer” has the meaning set forth in Section 7(a) hereof.

“Administrative Agent” has the meaning set forth in the preamble hereto.

“Administrative Agent’s Account” means, with respect to an amount denominated in a particular currency, the deposit account related to such currency specified as such in Exhibit G hereto, or such other deposit account identified in writing by the Administrative Agent to the Sellers from time to time.

“Adverse Claim” means any ownership interest or claim, mortgage, deed of trust, pledge, lien, security interest, hypothecation, charge or other encumbrance or security arrangement of any nature whatsoever, whether voluntarily or involuntarily given, including, but not limited to, any conditional sale or title retention arrangement, and any assignment, deposit arrangement or lease intended as, or having the effect of, security; provided, however, that none of the foregoing shall constitute an Adverse Claim (i) to the extent granted favor of, or assigned to, the Administrative Agent, (ii) to the extent granted or created by the Administrative Agent or any Buyer in favor of any third party, arising out of any claim asserted by any creditor of the Administrative Agent or any such Buyer, or otherwise resulting solely from actions or omissions of the Administrative Agent or any Buyer (iii) to the extent consisting of liens or security interests arising under the Credit Agreement or the Indenture which are automatically released with respect to the applicable Purchased Receivable hereunder upon its sale to the Buyers hereunder, or (iv) to the extent consisting of liens or security interests granted pursuant to the Credit Agreement or the

Indenture over deposit accounts into which Collections in respect of any Purchased Receivables are received or held prior to being transferred to the Administrative Agent.

“Affected Buyer” has the meaning set forth in Section 8(j)(ii) hereof.

“Affiliate” when used with respect to a Person means any other current or future Person controlling, controlled by, or under common control with, such Person. For the purposes of this definition, “control” of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of its management and policies, whether through the ownership of voting securities, by contract or otherwise.

“Agent Fee Letter” means any fee letter agreement entered into subsequent to the date hereof by and between Sellers and the Administrative Agent with respect to any administrative, processing or other similar fees payable to the Administrative Agent.

“Agreement” has the meaning set forth in the preamble hereto.

“Anti-Corruption Laws” means the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

“Anti-Terrorism Laws” means each of: (a) the Executive Order; (b) the PATRIOT Act; (c) the Money Laundering Control Act of 1986, 18 U.S.C. Sect. 1956 and any successor statute thereto; (d) the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada); (e) the Bank Secrecy Act, and the rules and regulations promulgated thereunder; and (f) any other Applicable Law of the United States, Canada or any member state of the European Union now or hereafter enacted to monitor, deter or otherwise prevent: (i) terrorism or (ii) the funding or support of terrorism or (iii) money laundering.

“Applicable Law” means any law (including common law), constitution, statute, treaty, regulation, rule, ordinance, order, injunction, writ, decree, judgment, award or similar item of or by a Governmental Authority or any interpretation, implementation or application thereof.

“Auto Rejected Receivable” has the meaning set forth in Section 1(g) hereof.

“Beneficial Ownership Rule” means 31 C.F.R. § 1010.230.

“BOW” means Bank of the West.

“Business Day” means any day that is not a Saturday, Sunday or other day on which banks in New York City are required or permitted to close; provided that, (i) when used in connection with determining LIBOR or the Eurocurrency Rate, the term “Business Day” shall also exclude any day on which banks are not open for dealings in U.S. dollar deposits in the London interbank market and (ii) when used in connection with determining EURIBOR, such day is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

“Buyer” has the meaning set forth in the preamble hereto.

“Buyer’s Facility Share” shall mean, with respect to any Buyer, (i) if appearing below, the amount set forth opposite such Buyer’s name below, or as such amount is modified from time to time, and (ii) with respect to any other Buyer, in the applicable Buyer Joinder under which it becomes a Buyer hereunder, as such amount is modified from time to time.

MUFG Bank, Ltd.	\$270,000,000
Bank of the West	\$150,000,000
Wells Fargo Bank, N.A.	\$135,000,000
Wells Fargo Bank, N.A	€25,000,000

“Buyer Joinder” has the meaning set forth in Section 18(c) hereof.

“Buyer Pricing Letter” means one or more letter agreements by and among the Sellers, the Guarantor and one or more Buyers with respect to the relevant Account Debtor Discount Margins applicable to the Account Debtors hereunder and any other amounts payable to the Buyers hereunder.

“Certification of Beneficial Owner(s)” means a certificate in form and substance satisfactory to the Administrative Agent regarding beneficial ownership of each Seller, each Servicer and the Guarantor as required by the Beneficial Ownership Rule.

“Collections” means, with respect to any Receivable: (a) all funds that are received by any Seller, Servicer or any other Person on their behalf in payment of any amounts owed in respect of such Receivable (including purchase price, finance charges, interest and all other charges), or applied to amounts owed in respect of such Receivable (including insurance payments and net proceeds of the sale or other disposition of repossessed goods or other collateral or property of the related Account Debtor or any other Person directly or indirectly liable for the payment of such Receivable and available to be applied thereon), (b) all Deemed Collections, (c) all proceeds of all Related Security with respect to such Receivable and (d) all other proceeds of such Receivable.

“Contract” means, with respect to any Receivable, the applicable contract or purchase order with respect to such Receivable between a Seller and the applicable Account Debtor, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof.

“Credit Agreement” means the Third Amended and Restated Credit Agreement dated as of February 1, 2018 among Sanmina Corporation as the borrower, Bank of America, N.A. as the administrative agent, swing line lender and issuing lender, and the other lenders from time to time party thereto, as amended, restated, supplemented or otherwise modified from time to time.

“Deemed Collection” has the meaning set forth in Section 6(a) hereof.

“Designated Percentage” means, for each Buyer, with respect to each Account Debtor, the percentage set forth under the heading “Designated Percentage” for such Buyer on Schedule II to this Agreement, as such Schedule may be modified or supplemented from time to time upon the request of the Sellers, as approved in advance by the Administrative Agent and the Buyers in writing in their sole and absolute discretion in accordance with the terms of this Agreement.

“Dilution” means, on any date, an amount equal to the sum, without duplication, of the aggregate reduction effected on such date in the outstanding balance of any Purchased Receivable attributable to any discount, adjustment, deduction, or reduction that would have the effect of reducing the amount of part or all of such Purchased Receivable (except, in each case, to the extent arising solely as the result of the applicable Account Debtor’s financial or credit condition or ability to pay).

“Discount” means, with respect to each Purchased Receivable purchased on a Purchase Date related to a specific Account Debtor, the discount cost applied by the Buyers to such Purchased Receivable as of such Purchase Date, which shall be equal to the product of (a) the applicable Account Debtor Discount Rate per annum, determined as of two (2) Business Days prior to the Purchase Date for

such Purchased Receivables, *multiplied by* (b) the result of (i) the applicable Discount Period *divided by* (ii) 360 and *multiplied by* (c) the Net Invoice Amount.

“Discount Period” means, with respect to each Purchased Receivable, the sum of the number of days from and including (i) the Purchase Date for such Purchased Receivable and to, but not including, (ii) the first weekly Settlement Date occurring after the date that corresponds to the Maturity Date with respect to such Purchased Receivable plus the Account Debtor Buffer Period for such Account Debtor.

“Dispute” means any dispute, discount, deduction, claim, offset, defense, or counterclaim or similar position asserted of any kind relating to one or more Receivables (x) arising on account of the goods relating to such Receivables having been lost or damaged prior to receipt thereof by the related Account Debtor or otherwise not delivered to such Account Debtor in accordance with the Contract related thereto; (y) arising on account of the return of goods by an Account Debtor to any Seller, Servicer, any of their respective Affiliates or successors or assigns (including any Buyer) relating to its obligation to pay an amount due with respect to a Purchased Receivable, or (z) otherwise asserted by the related Account Debtor as being a basis for non-payment in full of the Receivable (except, in each case, to the extent arising solely as the result of (A) the applicable Account Debtor’s financial or credit condition or ability to pay or (B) the actions or omissions of the Administrative Agent or any Buyer (including, for the avoidance of doubt, any dispute, offset, counterclaim or defense asserted by an Account Debtor on account of (1) amounts owed or alleged to be owed by the Administrative Agent or any such Buyer to such Account Debtor or its Affiliates in respect of debtors or obligations unrelated to this Agreement or the Purchased Receivables or (2) resulting actions or omissions of the Administrative Agent or any such Buyer related to the Purchased Receivables of such Account Debtor taken after such time as an applicable Seller has been removed as Servicer under clause (j) of Section 5); regardless of whether the same (i) is in an amount greater than, equal to or less than the applicable Purchased Receivable concerned or (ii) arises by reason of an act of God, civil strife, war, currency restrictions, foreign political restrictions or regulations, or any other circumstance or event beyond the control of such Seller or the applicable Account Debtor; provided that, for the avoidance of doubt, Dilutions do not constitute Disputes.

“Effective Date” means March 26, 2018.

“Eligible Receivable” means a Receivable with respect to which each of the Eligibility Criteria set forth in Exhibit E is satisfied.

**“Erroneous Payment” has the meaning set forth in Section 8(l)(i) hereof.**

**“Erroneous Payment Deficiency Assignment” has the meaning set forth in Section 8(l)(iv) hereof.**

**“Erroneous Payment Impacted Class” has the meaning set forth in Section 8(l)(iv) hereof.**

**“Erroneous Payment Return Deficiency” has the meaning set forth in Section 8(l)(iv) hereof.**

**“Erroneous Payment Subordination Rights” has the meaning set forth in Section 8(l)(v) hereof.**

“EURIBOR”: means, for any Purchased Receivable, (a) the interest rate per annum determined by the Banking Federation of the European Union (or any other Person that takes over the administration of that rate) for deposits in Euros as of 11:00 a.m. (London time) on the second Business Day preceding the Purchase Date for such Purchased Receivable, having a term approximately equal to the Discount Period for such Purchased Receivable as it appears on the relevant display page on the Bloomberg Professional Service (or any successor or substitute page or service providing quotations of interest rates applicable to Euro deposits in the London interbank market comparable to those currently provided on such page that is mutually acceptable to the Administrative Agent and the Seller) or (b) if a rate cannot be determined under clause (a), the interest rate per annum equal to the average (rounded upwards if necessary to the nearest 1/100th of 1%) of the rates per annum at which deposits in Euros having a term approximately equal to such Discount Period are offered to the principal London office of the Administrative Agent by

three (3) prime banks in the London interbank market, selected by the Administrative Agent in good faith, at about 11:00 a.m. (London time) on the second Business Day preceding the first day of such Discount Period; provided, however, that, in the event the applicable interest rate is not available for the term in question, the interest rate for such term will be determined by linear interpolation of the rates available for maturities next higher and next shorter than the relevant term. Notwithstanding the foregoing, if, on any day, “EURIBOR” would be less than 0%, for purposes of this Agreement, “EURIBOR” shall mean 0%.

“Eurocurrency Rate” means, Purchased Receivable, the interest rate per annum determined on the basis of the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other Person that takes over the administration of that rate) for deposits in Euros as of 11:00 a.m. (London time) on the second Business Day preceding the Purchase Date for such Purchased Receivable, having a term approximately equal to the Discount Period for such Purchased Receivable as it appears on the relevant display page on the Bloomberg Professional Service (or any successor or substitute page or service providing quotations of interest rates applicable to Euro deposits in the London interbank market comparable to those currently provided on such page that is mutually acceptable to the Administrative Agent and the Seller) or (b) if a rate cannot be determined under clause (a), the interest rate per annum equal to the average (rounded upwards if necessary to the nearest 1/100th of 1%) of the rates per annum at which deposits in Euros having a term approximately equal to such Discount Period are offered to the principal London office of the Administrative Agent by three (3) prime banks in the London interbank market, selected by the Administrative Agent in good faith, at about 11:00 a.m. (London time) on the second Business Day preceding the first day of such Discount Period; provided, however, that, in the event the applicable interest rate is not available for the term in question, the interest rate for such term will be determined by linear interpolation of the rates available for maturities next higher and next shorter than the relevant term. Notwithstanding the foregoing, if, on any day, “Eurocurrency Rate” would be less than 0%, for purposes of this Agreement, “Eurocurrency Rate” shall mean 0%.

“Euros”: the currency introduced on January 1, 1999 pursuant to the Treaty establishing the European Union.

“Events of Repurchase” has the meaning set forth in Section 6(b) hereof.

“Existing Credit Facility Default” means the occurrence of (i) an event of default or any other similar concept shall occur under the Credit Agreement or (ii) an event of default shall occur under Section 8.01(f) (Cross Default) of the Credit Agreement, in each case, as in effect on the date of this Agreement and without giving effect to an amendment, restatement, waiver or supplement thereto, or any termination or expiration thereof, unless otherwise agreed to in writing by the Administrative Agent and the Buyers in their sole discretion, in each case, which occurrence and continuation gives the lenders under the Credit Agreement the immediate right (disregarding any waiver or forbearance that may have been granted by such lenders with respect thereto) to accelerate the maturity of the outstanding debt under the Credit Agreement.

**“Federal Funds Rate” means, for any day, the greater of (a) the rate calculated by the Federal Reserve Bank of New York based on such day’s Federal funds transactions by depositary institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the Federal funds effective rate and (b) 0%.**

“Fee Letter” means, collectively, the Buyer Pricing Letter and the Agent Fee Letter.

“Final Collection Date” means the date following the termination of this Agreement on which the Administrative Agent has received (i) all Collections owing on the Purchased Receivables and (ii) all payments, if any, required to be paid by any Seller or Servicer under this Agreement or any other Transaction Document, including with respect to Events of Repurchase and Indemnified Amounts to the extent any claim therefor has been asserted as of such date.

“Funded Amount” has the meaning set forth in Section 1(f) hereof.

“GAAP” means generally accepted accounting principles in the United States of America, applied on a consistent basis as set forth in Opinions of the Accounting Principles Board of the American Institute of Certified Public Accountants and/or in statements of the Financial Accounting Standards Board or the rules and regulations of the United States Securities and Exchange Commission and/or their respective successors and which are applied in the circumstances as of the date in question.

“Governmental Authority” means any government or political subdivision or any agency, authority, bureau, regulatory body, central bank, commission, department or instrumentality of any such government or political subdivision, or any other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government or any court, tribunal, grand jury or arbitrator, or any accounting board or authority (whether or not part of a government) which is responsible for the establishment or interpretation of national or international accounting principles, in each case whether foreign or domestic.

“Guaranteed Obligations” has the meaning set forth in Section 7(a) hereof.

“Guarantor” has the meaning set forth in the preamble hereto.

“Indemnified Amounts” has the meaning set forth in Section 5(i) hereof.

“Indemnified Person” has the meaning set forth in Section 5(i) hereof.

“Indenture” means that certain Indenture, dated as of June 4, 2014, by and among Sanmina Corporation, as issuer, the guarantors from time to time party thereto, and U.S. Bank National Association, as trustee and notes collateral agent, as supplemented by the First Supplemental Indenture, dated as of July 29, 2015, among Sanmina Corporation, certain subsidiaries of Sanmina Corporation as guarantors and U.S. Bank National Association, as trustee, and as further amended, supplemented or otherwise modified from time to time.

“Information” has the meaning set forth in Section 19 hereof.

“Insolvency Event” shall mean (i) with respect to an Account Debtor, the inability of such Account Debtor to pay any amount owed when due in respect of a Purchased Receivable as a result of the bankruptcy, insolvency or other financial inability of such Account Debtor to make such payment and (ii) with respect to any Person (including an Account Debtor), such Person shall fail to pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against such Person seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any Applicable Law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of thirty (30) days, or any of the actions sought in such proceeding (including the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or such Person shall take any action to authorize any of the actions set forth above in this clause (ii).

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended, reformed or otherwise modified from time to time.

“Joinder Agreement” means a joinder agreement in substantially the form of Exhibit H hereto.

“LIBOR” means, for any Purchased Receivable, (a) the interest rate per annum determined on the basis of the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other Person that takes over the administration of that rate) for deposits in U.S. dollars as of 11:00 a.m. (London time) on the second Business Day preceding the Purchase Date for such Purchased Receivable, having a term approximately equal to the Discount Period for such Purchased Receivable as it

appears on the relevant display page on the Bloomberg Professional Service (or any successor or substitute page or service providing quotations of interest rates applicable to U.S. dollar deposits in the London interbank market comparable to those currently provided on such page that is mutually acceptable to the Administrative Agent and the Seller) or (b) if a rate cannot be determined under clause (a), the interest rate per annum equal to the average (rounded upwards if necessary to the nearest 1/100th of 1%) of the rates per annum at which deposits in U.S. dollars having a term approximately equal to such Discount Period are offered to the principal London office of the Administrative Agent by three (3) prime banks in the London interbank market, selected by the Administrative Agent in good faith, at about 11:00 a.m. (London time) on the second Business Day preceding the first day of such Discount Period; provided, however, that, in the event the applicable interest rate is not available for the term in question, the interest rate for such term will be determined by linear interpolation of the rates available for maturities next higher and next shorter than the relevant term. Notwithstanding the foregoing, if, on any day, "LIBOR" would be less than 0%, for purposes of this Agreement, "LIBOR" shall mean 0%.

"Maturity Date" means, with respect to any Purchased Receivable, the date the related Contract provides for timely payment in full of the amounts owing thereunder.

"Modified Designated Percentage" has the meaning set forth in Section 1(g) hereof.

"Modified Designated Percentage Buyer" has the meaning set forth in Section 1(g) hereof.

"MUFG Bank" has the meaning set forth in the preamble hereto.

"Net Invoice Amount" means the amount of the applicable Purchased Receivable shown on the invoice for such Purchased Receivable as the total amount payable by the related Account Debtor (net of any discounts, credits or other allowances shown on such invoice and agreed prior to the Purchase Date).

"Non-Funding Buyer" has the meaning set forth in Section 1(g) hereto.

"Non-Payment Event" has the meaning set forth in Section 5(h).

"Non-Payment Report" has the meaning set forth in Section 5(h).

"OFAC" means the United States Department of the Treasury's Office of Foreign Assets Control (or any successor thereto).

"Outstanding Purchase Amount" means, as of any time of determination and with respect to any portion of the Purchased Receivables, (x) the Net Invoice Amount for such Purchased Receivables, *minus* (y) the aggregate amount of all Collections with respect to such Purchased Receivables that has been deposited into the Administrative Agent's Account as of such time. When such term is used without reference to any specific Purchased Receivables, it shall constitute a reference to all Purchased Receivables.

"Overdue Payment Rate" means the Prime Rate + 2% per annum.

"Overdue Receivable" has the meaning set forth in Section 5(h) hereof.

"Person" means an individual, partnership, sole proprietorship, corporation (including a business trust), limited liability company, limited partnership, joint stock company, trust, unincorporated association, joint venture or other entity, or a government or any political subdivision or agency thereof.

"Primary Indemnified Person" means each of the Administrative Agent and each Buyer.

"Prime Rate" means, for any day, the rate of interest in effect for such day as publicly announced from time to time by the Administrative Agent as its "reference rate" or "prime rate", as applicable. Such "reference rate" or "prime rate" is set by the Administrative Agent based on various factors, including the

Administrative Agent's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above or below such announced rate, and is not necessarily the lowest rate charged to any customer.

"PrimeRevenue System" means the Administrative Agent's communication tool accessible via the internet to enable clients to offer various Proposed Receivables for sale to the Administrative Agent and for the loading approval and monitoring of such Proposed Receivables on a platform, the terms of use of which are set out in Annex I and are hereby incorporated herein.

"Pro Rata Share" shall mean, with respect to any Buyer,

(i) subject to clause (ii) immediately below, with respect to each Proposed Receivable, an amount (expressed as a percentage) equal to such Buyer's Designated Percentage applicable to the Account Debtor owing on such Proposed Receivable,

(ii) with respect to each Auto Rejected Receivable that is resubmitted for sale by a Seller in accordance with Section 1(g), an amount (expressed as a percentage) equal to such Buyer's Modified Designated Percentage applicable to the Account Debtor owing on such Proposed Receivable,

(iii) with respect to any Purchased Receivable, an amount (expressed as a percentage) equal to (x) that portion of the Purchase Price of such Purchased Receivable paid by such Buyer, *divided by* (y) the Purchase Price of such Purchased Receivable paid by all of the Buyers, and

(iv) for all other purposes under this Agreement, an amount (expressed as a percentage) equal to (x) the aggregate Purchase Prices of all Purchased Receivables paid by such Buyer, *divided by* (y) the aggregate Purchase Prices of all Purchased Receivables paid by all of the Buyers.

"Proposed Receivable" means, with respect to any Purchase Date, each Receivable proposed by Seller to the Buyers for purchase hereunder and described in a Purchase Request to be purchased on such Purchase Date, together with any Related Security with respect to such Receivable, and all Collections and proceeds with respect to the foregoing.

"Purchase Date" means, with respect to any Purchased Receivable, the date on which the applicable Buyers purchase such Purchased Receivable.

"Purchase Price" has the meaning set forth in Section 1(f) hereof.

"Purchase Request" has the meaning set forth in Section 1(a) hereof.

"Purchase Sublimit" means, with respect to each Account Debtor, the U.S. dollar or the Euros amount, as applicable, set forth on Schedule II to this Agreement as the Purchase Sublimit, as such Schedule may be modified or supplemented from time to time upon request of the Sellers, as approved in advance by the Administrative Agent and the Buyers in writing in their sole and absolute discretion in accordance with the terms of this Agreement (which request and approval may for purposes of this definition be in the form of e-mail communication).

"Purchased Receivables" has the meaning set forth in Section 1(b) hereof.

"Receivable" means any right to payment of a monetary obligation, whether or not earned by performance, owed to any Seller or Buyer (as assignee of Seller) by an Account Debtor, whether constituting an account, instrument, document, contract right, general intangible, chattel paper or payment intangible, in each instance arising in connection with the sale of goods that have been or are to be sold or for services rendered or to be rendered, including, without limitation, the obligation to pay any finance charges, fees and other charges with respect thereto. Any such right to payment arising from any one transaction, including any such right to payment represented by an individual invoice or agreement, shall constitute a Receivable separate from a Receivable consisting of any such right to payment arising from any other transaction.

“Reconciliation Report” has the meaning set forth in Section 5(g).

“Regulatory Change” means, relative to any Person:

(a) any change subsequent to the date of this Agreement in (or the adoption, implementation, administration, change in phase-in or interpretation or commencement of effectiveness of) any:

(i) Applicable Law applicable to such Person;

(ii) regulation, interpretation, directive, requirement or request (whether or not having the force of law) applicable to such Person of (A) any Governmental Authority charged with the interpretation or administration of any Applicable Law referred to in clause (a)(i) or (B) any fiscal, monetary or other authority having jurisdiction over such Person;

(iii) GAAP or regulatory accounting principles applicable to such Person and affecting the application to such Person of any Applicable Law, regulation, interpretation, directive, requirement or request referred to in clause (a)(i) or (a)(ii) above; or

(iv) notwithstanding the foregoing, (A) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder, issued in connection therewith or in implementation thereof, and (B) all requests, rules, guidelines and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign governmental or regulatory authorities, shall in each case be deemed to be a “Regulatory Change” occurring and implemented after the date hereof, regardless of the date enacted, adopted, issued or implemented; or

(b) any change in the application to such Person of any existing Applicable Law, regulation, interpretation, directive, requirement, request or accounting principles referred to in clause (a)(i), (a)(ii), (a)(iii) or (a)(iv) above.

“Related Indemnified Person” means (i) with respect any Primary Indemnified Person, each of such Primary Indemnified Person’s officers, directors, agents, representatives, shareholders, counsel, employees, Affiliates, successors and assigns and (ii) with respect to any Person that is a Related Indemnified Person of a Primary Indemnified Person, each of (x) such Primary Indemnified Person and (y) each other Related Indemnified Person of such Primary Indemnified Person.

“Related Security” means, with respect to any Receivable:

(i) all rights to enforce payment of such Receivable under the related Contract;

(ii) all instruments and chattel paper that may evidence such Receivable;

(iii) all payment rights under guaranties, insurance and other agreements or arrangements of whatever character from time to time supporting or securing payment of such Receivable whether pursuant to the Contract related to such Receivable or otherwise;

(iv) all security interests or liens and property subject thereto from time to time purporting to secure payment of such Receivable, whether pursuant to the Contract related to such Receivable or otherwise, together with all financing statements describing any collateral securing such Receivable; and

(v) all books, records and other information (including computer programs, tapes, discs, punch cards, data processing software and related property and rights) relating to such Receivable and the related Account Debtor.

“Required Buyers” shall mean, (i) at such time as there are two or fewer Buyers, all Buyers, (ii) at such time as there are three Buyers, at least two Buyers and (iii) at all other times, the Buyers the Pro Rata Shares in excess of 50%.

“Sanctioned Country” means, at any time, a country or territory which is the subject or target of any Sanctions.

“Sanctioned Person” means, at any time, (a) any Person currently the subject or the target of any Sanctions, including any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of OFAC or the United States Department of State, available at: <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>, or as otherwise published from time to time; (b) that is operating, organized or resident in a Sanctioned Country; (c) with whom engaging in trade, business or other activities is otherwise prohibited or restricted by Sanctions; or (d) (i) an agency of the government of a Sanctioned Country, (ii) an organization controlled by a Sanctioned Country, or (iii) a Person resident in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC.

“Sanctions” means any sanction administered or enforced by the United States Government (including without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty’s Treasury or other relevant sanctions authority.

“Seller” has the meaning set forth in the preamble hereto.

“Sellers’ Account” means the account specified as such in Exhibit G hereto, or such other bank account identified in writing by the Sellers to the Administrative Agent from time to time.

“Servicer” has the meaning set forth in Section 5(a) hereof.

“Servicer Termination Event” means an event specified in Exhibit F hereto.

“Settlement Date” means each Tuesday of each calendar week (unless any such day is not a Business Day, in which case, the next Business Day thereafter shall be a Settlement Date).

“Solvent” means, with respect to any Person and as of any particular date, (i) the present fair market value (or present fair saleable value) of the assets of such Person is not less than the total amount required to pay the probable liabilities of such Person on its total existing debts and liabilities (including contingent liabilities) as they become absolute and matured, (ii) such Person is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and commitments as they mature and become due in the normal course of business, (iii) such Person is not incurring debts or liabilities beyond its ability to pay such debts and liabilities as they mature and (iv) such Person is not engaged in any business or transaction, and is not about to engage in any business or transaction, for which its property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged.

“Subsidiary” means, with respect to any Person, any corporation, partnership, limited liability company, association, joint venture or other business entity of which more than 50% of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; provided, in determining the percentage of ownership interests of any Person controlled by another Person, no ownership interest in the nature of a “qualifying share” of the former Person shall be deemed to be outstanding.

“Transaction Documents” means this Agreement, the Buyer Pricing Letter, each Fee Letter, each Joinder Agreement, each Buyer Joinder and all other documents and agreements to be executed and delivered by any Seller, any Servicer or the Guarantor in connection with any of the foregoing (including, without limitation, any Purchase Request, any Non-Payment Report or any Reconciliation Report), in each case, as amended, supplemented or otherwise modified from time to time.

“UCC” means the Uniform Commercial Code in effect in the State of New York from time to time; provided, if by reason of mandatory provisions of Applicable Law, the perfection, the effect of perfection or non-perfection or the priority of the security interests of the Administrative Agent or any Buyer is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, the term “UCC” shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

“UCC Information” means the information set forth on Schedule III, as such information may be updated from time to time in writing in accordance with clause (c) of Exhibit D.

“U.S. dollars” means United States dollars, the lawful currency of the United States of America.

“Wells” means Wells Fargo Bank, N.A.

## **B. Other Interpretive Matters.**

All accounting terms defined directly or by incorporation in this Agreement shall have the defined meanings when used in any certificate or other document delivered pursuant thereto unless otherwise defined therein. For purposes of this Agreement and all such certificates and other documents, unless the context otherwise requires: (a) terms defined in Article 9 of the UCC and not otherwise defined in such agreement are used as defined in such Article; (b) references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day; (c) the words “hereof,” “herein” and “hereunder” and words of similar import refer to such agreement (or the certificate or other document in which they are used) as a whole and not to any particular provision of such agreement (or such certificate or document); (d) references to any Annex, Section, Schedule or Exhibit are references to Annexes, Sections, Schedules and Exhibits in or to such agreement (or the certificate or other document in which the reference is made), and references to any paragraph, subsection, clause or other subdivision within any Section or definition refer to such paragraph, subsection, clause or other subdivision of such Section or definition; (e) the term “including” means “including without limitation”; (f) references to any Applicable Law refer to that Applicable Law as amended from time to time and include any successor Applicable Law; (g) references to any agreement refer to that agreement as from time to time amended, restated, extended or supplemented or as the terms of such agreement are waived or modified in accordance with its terms; (h) references to any Person include that Person’s permitted successors and assigns; (i) headings are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof; (j) unless otherwise provided, in the calculation of time from a specified date to a later specified date, the term “from” means “from and including”, and the terms “to” and “until” each means “to but excluding”; (k) terms in one gender include the parallel terms in the neuter and opposite gender; (l) the term “or” is not exclusive; and (m) unless otherwise provided, all references to specific times shall be references to such time in New York City, New York.

Exhibit B  
Conditions Precedent for Effectiveness

Each of the following is in form and substance satisfactory to the Administrative Agent and each Buyer:

- (a) A fully executed counterpart of this Agreement.
- (b) A fully executed counterpart of the Buyer Pricing Letter.
- (c) Certificates (long form, if available) issued by the Secretary of State of the applicable jurisdiction as to the legal existence and good standing of each Seller, Servicer and the Guarantor.
- (d) A certificate of the Secretary or Assistant Secretary of each Seller, Servicer and the Guarantor certifying attached copies of the certified organizational documents of such Person and all documents evidencing necessary corporate action to be taken by and governmental approvals, if any, to be obtained by such Person with respect to this Agreement and the other Transaction Documents to which it is a party and the names and true signatures of the incumbent officers of such Person authorized to sign this Agreement and any other Transaction Documents to be delivered by it hereunder (including each Purchase Request) or thereunder or in connection herewith or therewith.
- (e) UCC, tax and judgment lien searches, bankruptcy and pending lawsuit searches or equivalent reports or searches, each of a recent date, listing all effective financing statements, lien notices or comparable documents that name any Seller as debtor and that are filed in those state and county jurisdictions in which such Seller is organized or maintains its principal place of business or chief executive office and such other searches that the Administrative Agent deems necessary or appropriate.
- (f) Acknowledgment copies of proper termination statements (Form UCC-3) and any other relevant filings necessary to evidence the release of all security interests, ownership and other rights of any Person previously granted by any Seller in the Purchased Receivables.
- (g) Properly completed forms of UCC-1 financing statements (showing each Seller as “debtor/seller” and Administrative Agent as “secured party/buyer”) which have been submitted for filing the in the Uniform Commercial Code filing office in the jurisdiction of organization of each Seller.
- (h) A lien release and acknowledgment letter from Bank of America, N.A., as Administrative Agent under the Credit Agreement.
- (i) Favorable legal opinions from outside legal counsel to the Guarantor and each Seller in form and substance satisfactory to the Administrative Agent and the Buyers, including opinions with respect to due organization and good standing of each such Person, due authorization, execution and delivery of this Agreement by each such Person, validity and enforceability of this Agreement with respect to each such Person, non-contravention of organizational documents, material agreements and law, no consents, creation and perfection of security interests, and true sale and such other matters as the Administrative Agent and the Buyers may reasonably request.

Exhibit C  
Representations and Warranties

Each Seller and each Servicer hereby makes the following representations and warranties for the benefit of the Administrative Agent and each Buyer as of the date of this Agreement and on each Purchase Date:

(a) Such Person is (i) duly organized, validly existing, and, to the extent applicable under the laws of its jurisdiction of organization, in good standing under the laws of its jurisdiction of organization and has all organizational powers and all material governmental licenses, authorizations, consents, and approvals required to carry on its business as now conducted and (ii) is qualified to do business in every jurisdiction where the nature of its business requires it to be so qualified, except, with respect to clause (ii), to the extent that failure to so qualify would not reasonably be expected to adversely affect its ability to perform its obligations hereunder or under the other Transaction Documents and would not have an adverse effect on the collectability of any Purchased Receivable or on the interests of the Administrative Agent or any Buyer under the Transaction Documents.

(b) Such Person has the requisite power and authority to enter into and deliver this Agreement and the other Transaction Documents, and it has taken all necessary corporate or other action required to authorize the execution, delivery and performance by such Person of this Agreement and the other Transaction Documents. This Agreement and the other Transaction Documents to which such Person is a party have been duly executed and delivered by such Person.

(c) Such Seller has the requisite power and authority to sell the Proposed Receivables being sold by it on the applicable Purchase Date in the manner herein contemplated, and it has taken all necessary corporate or other action required to authorize the assignment and sale of such Proposed Receivables.

(d) This Agreement and the other Transaction Documents to which it is a party constitutes the legal, valid and binding obligations of such Person, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the rights and remedies of creditors and general principles of equity, regardless of whether enforcement is sought in proceedings in equity or at law.

(e) This Agreement, together with the sale and assignments contemplated hereby, are effective to transfer to the Buyers legal and equitable title to, with right to sell and encumber, each Purchased Receivable, whether now existing or hereafter arising. Upon the filing of a UCC-1 financing statement in the state of organization of such Seller set forth in the UCC Information, listing such Seller, as debtor/seller, and the Administrative Agent (for the benefit of the Buyers), as secured party/buyer, and covering Purchased Receivables from time to time purchased hereunder, the ownership interests of the Buyers in each such Purchased Receivable shall be perfected.

(f) The UCC Information is true and correct in all respects. All other data, materials and information provided by such Person to each Buyer and the Administrative Agent in connection herewith and with the Contract, each Purchased Receivable being sold by it hereunder, each Account Debtor, the relationship between it and each Account Debtor, and each Account Debtor's payment history (including timeliness of payments), is true and correct in all material respects.

(g) Neither the execution nor the delivery by such Person of this Agreement, the other Transaction Documents to which it is a party or any of the other documents related hereto or thereto, nor the performance of or compliance with the terms and provisions hereof or thereof by such Person will conflict with or result in a breach of or give rise to a default under (i) any Applicable Laws, (ii) any indenture, loan agreement, security agreement or other material agreement binding upon such Person or any of its properties, or (iii) any provision of such Person's organizational documents.

(h) No authorization, consent or approval or other action by, and no notice to or filing (other than the UCC financing statements required to be filed hereunder) with, any Governmental

Authority is required to be obtained or made by such Person for the due execution, delivery and performance by it of this Agreement or any other Transaction Document.

(i) Such Person is Solvent.

(j) There is no pending or, to its knowledge, threatened action, proceeding, investigation or injunction, writ or restraining order binding on or against such Person or any of its Affiliates before any court, governmental entity or arbitrator, which could reasonably be expected to have an adverse effect on the enforceability of this Agreement (including, without limitation, the enforceability of any Buyer's ownership interest in the Purchased Receivables) or the ability of such Person to perform its obligations hereunder.

(k) No Seller has pledged or granted any security interest in any Purchased Receivable to any Person except (i) pursuant to this Agreement, (ii) security interests granted pursuant to the Credit Agreement or the Indenture which, in each case, are automatically released with respect to such Purchased Receivable upon its sale to the Buyers hereunder, or (iii) security interests granted pursuant to the Credit Agreement or the Indenture over deposit accounts into which Collections in respect of any Purchased Receivables are received or held prior to being transferred to the Administrative Agent.

(l) Such Person is in compliance with all covenants and other agreements contained in this Agreement.

(m) Policies and procedures have been implemented and maintained by or on behalf of each Person that are designed to achieve compliance by such Person, its respective Subsidiaries, directors, officers, employees and agents with Anti-Corruption Laws, Anti-Terrorism Laws and applicable Sanctions, giving due regard to the nature of such Person's business and activities, and such Person, its Subsidiaries and its officers and employees and, to the knowledge of such Person, its officers, employees, directors and agents acting in any capacity in connection with or directly benefitting from the facility established hereby, are in compliance with Anti-Corruption Laws, Anti-Terrorism Laws and applicable Sanctions.

(n) (i) None of such Person, its Subsidiaries or, to the knowledge of such Person, any of its directors, officers, employees, or agents acting in any capacity in connection with or directly benefitting from the facility established hereby, is an individual or entity that is, or is directly or indirectly owned or controlled by, a Sanctioned Person, (ii) none of such Person and its Subsidiaries is located, organized or resident in a Sanctioned Country or is the subject or target of any Sanctions, and (iii) such Person is not in violation of any applicable Anti-Corruption Laws, Anti-Terrorism Laws or Sanctions.

(o) No proceeds of Purchased Receivables will be used by such Person in any manner that will violate Anti-Corruption Laws, Anti-Terrorism Laws or applicable Sanctions.

(p) The information included in the Certification of Beneficial Owner is true and correct in all respects.

The Guarantor hereby makes the following representations and warranties for the benefit of each Buyer and the Administrative Agent as of the date of this Agreement and on each Purchase Date:

(a) The Guarantor is (i) duly organized, validly existing, and, to the extent applicable under the laws of its jurisdiction of organization, in good standing under the laws of its jurisdiction of organization and has all organizational powers and all material governmental licenses, authorizations, consents, and approvals required to carry on its business as now conducted and (ii) is qualified to do business in every jurisdiction where the nature of its business requires it to be so qualified, except, with respect to clause (ii), to the extent that failure to so qualify would not reasonably be expected to adversely affect its ability to perform its obligations hereunder and would not have an adverse effect on the interests of the Buyer under the Transaction Documents.

(b) The Guarantor has the requisite power and authority to enter into and deliver this Agreement, and it has taken all necessary corporate or other action required to authorize the execution,

delivery and performance by the Guarantor of this Agreement. This Agreement has been duly executed and delivered by the Guarantor.

(c) This Agreement constitutes the legal, valid and binding obligations of the Guarantor, enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the rights and remedies of creditors and general principles of equity, regardless of whether enforcement is sought in proceedings in equity or at law.

(d) Neither the execution nor the delivery of this Agreement by the Guarantor, nor the Guarantor's performance of or compliance with the terms and provisions hereof will conflict with or result in a breach of or give rise to a default under (i) any laws, (ii) any indenture, loan agreement, security agreement, or other material agreement binding upon the Guarantor or any of its properties, or (iii) any provision of the Guarantor's organizational documents.

(e) No authorization, consent or approval or other action by, and no notice to or filing with, any Governmental Authority is required to be obtained or made by the Guarantor for the due execution, delivery and performance by it of this Agreement.

(f) The Guarantor is Solvent.

(g) There is no pending or, to its knowledge, threatened action, proceeding, investigation or injunction, writ or restraining order binding on or against the Guarantor or any of its Affiliates before any court, governmental entity or arbitrator, which could reasonably be expected to have an adverse effect on the enforceability of this Agreement (including, without limitation, the enforceability of any Buyer's ownership interest in the Purchased Receivables) or the ability of the Guarantor to perform its obligations hereunder.

(h) Policies and procedures have been implemented and maintained by or on behalf the Guarantor that are designed to achieve compliance by the Guarantor and its respective Subsidiaries, directors, officers, employees and agents with Anti-Corruption Laws, Anti-Terrorism Laws and applicable Sanctions, giving due regard to the nature of such Person's business and activities, and the Guarantor, its respective Subsidiaries and their respective officers and employees and, to the knowledge of each of the Guarantor, its respective officers, employees, directors and agents acting in any capacity in connection with or directly benefitting from the facility established hereby, are in compliance with Anti-Corruption Laws, Anti-Terrorism Laws and applicable Sanctions.

(i) (i) None of the Guarantor or any of its respective Subsidiaries or, to the knowledge of the Guarantor, as applicable, any of its respective directors, officers, employees, or agents that will act in any capacity in connection with or directly benefit from the facility established hereby, is an individual or entity that is, or is directly or indirectly owned or controlled by, a Sanctioned Person, (ii) none of the Guarantor or any of its respective Subsidiaries is located, organized or resident in a Sanctioned Country or is the subject or target of any Sanctions, and (iii) the Guarantor is not in violation of any applicable Anti-Corruption Laws, Anti-Terrorism Laws or Sanctions.

(j) The information included in the Certification of Beneficial Owner is true and correct in all respects.

Exhibit D  
Covenants

Each Seller, each Servicer and the Guarantor hereby agree, at all times prior to the Final Collection Date:

- (a) To take all necessary steps and actions to preserve its corporate (or other organization) existence and comply in all material respects with all laws applicable to such Person in the operation of its business.
- (b) To duly perform and comply in all material respects with all terms, provisions, and obligations under each Contract and refrain from taking any action or omitting to take any action which could reasonably be expected to prejudice or limit the applicable Buyer's rights to payment with respect to the Purchased Receivables or result in any Adverse Claim.
- (c) To promptly notify the Administrative Agent in writing of any change to the UCC Information on or before the date of such change.
- (d) To not modify the terms of any Contract in any manner which would adversely affect the collectability of any Purchased Receivable or any rights of the Buyers as the owners of the Purchased Receivables or would otherwise reduce the amount due thereunder or delay the Maturity Date thereof.
- (e) To make all disclosures required by any Applicable Law with respect to the sale of the Purchased Receivables hereunder to the Buyers, and account for such sale in accordance with GAAP.
- (f) To maintain its books and records, including but not limited to any computer files and master data processing records, so that such records that refer to Purchased Receivables sold hereunder shall indicate clearly that the applicable Seller's right, title and interest in such Purchased Receivables have been sold to the Buyers.
- (g) To not create or permit to exist any Adverse Claim over all or any of such Seller's or the Buyer's rights, title and interest in and to the Purchased Receivables.
- (h) To not sell, assign or otherwise transfer the Purchased Receivables except as specifically provided for herein.
- (i) To provide the Administrative Agent and the Buyers with such other reports, information, documents, books and records related to the Purchased Receivables as the Administrative Agent on behalf of any Buyer may reasonably request or any other information that the Administrative Agent or any Buyer may require for capital or regulatory purposes and which may be lawfully disclosed or provided to such Persons, including, without limitation, promptly after request by the Administrative Agent on behalf of any Buyer (i) a copy of the purchase order or sales order and invoices relating to each Purchased Receivable; (ii) a copy of the bill of lading and any other shipping document relating to each Purchased Receivable; and (iii) all billings, statements, correspondence and memoranda directed to the Account Debtor in relation to each Purchased Receivable.
- (j) To (i) at a time reasonably convenient to the applicable Seller or Servicer during regular business hours and upon reasonable prior notice (but so long as no Servicer Termination Event has occurred and is continuing, no more than once per calendar year), permit the Administrative Agent or any of its agents or representatives, to examine and make copies of and abstracts from such Seller's or Servicer's sales records and the invoices in respect of Purchased Receivables at any time and permit the Administrative Agent to take such copies and extracts from such sales records and to provide the Administrative Agent with copies or originals (at Seller's option) of the invoices relating to Purchased Receivables as it may require and generally allow the Administrative Agent (at the applicable Seller's expense) to review, check and audit each Seller's and each Servicer's credit control procedures; and to visit the offices and properties of each Seller or Servicer for the purpose of examining such records and to discuss matters relating to Purchased Receivables and each Seller's and each Servicer's performance

hereunder with any of the officers or employees of each Seller or Servicer having knowledge of such matters' and (ii) without limiting the provisions of clause (i), upon reasonable prior notice (but so long as no Servicer Termination Event has occurred and is continuing, no more than once per calendar year) and subject to such Seller or such Servicer receiving acceptable confidentiality undertakings thereof, permit certified public accountants or other auditors acceptable to the Administrative Agent to conduct, at the applicable Seller's expense, a review of each Seller's and each Servicer's books and records to the extent related to the Purchased Receivables; provided that so long as no Servicer Termination Event has occurred and is continuing, the aggregate expense payable by the Sellers and the Servicers pursuant to this clause (j) shall not exceed \$10,000 in any calendar year.

(k) To maintain and enforce policies and procedures by or on behalf of each Seller, each Servicer and the Guarantor designed to promote and achieve compliance, by each Seller, each Servicer, and the Guarantor and each of their Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws, Anti-Terrorism Laws and applicable Sanctions.

(l) To not use, and to procure that its Subsidiaries and its or their respective directors, officers, employees and agents not use, directly or indirectly, the proceeds of any Purchased Receivables (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws or Anti-Terrorism Laws, (ii) for the purpose of funding or financing any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, in each case to the extent doing so would violate any Sanctions, or (iii) in any other manner that would result in liability to any party hereto under any applicable Sanctions or result in the violation of any Anti-Corruption Laws, Anti-Terrorism Laws or Sanctions.

(m) To promptly execute and deliver, at its expense, all further instruments and documents, and take all further action that the Administrative Agent and the Buyers may reasonably request, from time to time, in order to perfect, protect or more fully evidence the full and complete ownership and security interest in the Purchased Receivables, or to enable the Administrative Agent and the Buyers to exercise or enforce the rights of the Administrative Agent and the Buyers hereunder or under or in connection with the Purchased Receivables.

(n) Within thirty days of the date hereof, an acknowledgment copy of Form UCC-3 with respect to that certain UCC Financing Statement listing the Sanmina Corporation, as debtor, and Cameron Technology Investors II, LLP, as secured party, recorded and filed with the Delaware Secretary of State on May 16, 2014 as File No. 20141999325.

(o) If any Seller sells, pledges or otherwise transfers (other than pursuant to the Credit Agreement or the Indenture) any Receivables owed by any of the Account Debtors to any Person other than a Buyer under this Agreement, to deliver to the Administrative Agent (for distribution to the Buyers) promptly following such transfer, a detailed summary of any such Receivables, including a description of the individual invoices numbers, due dates and amounts of such other Receivables.

(p) To promptly, following any change in the information included in the Certification of Beneficial Owner(s) that would result in a change to the list of beneficial owners or control party identified in such certification, or a change in the address of any beneficial owners or control party, execute and deliver to the Administrative Agent an updated Certification of Beneficial Owner(s).

(q) To promptly, following any request therefor, deliver to the Administrative Agent such information and documentation in its possession (or which it is able to obtain or generate through commercially reasonable efforts) as may be reasonably requested by the Administrative Agent for purposes of compliance with applicable "know your customer" requirements under the Act, the Beneficial Ownership Rule or other applicable anti-money laundering laws, in each case, in relation to the transactions contemplated by this Agreement.

(r) To deliver to the Buyers and the Administrative Agent, from time to time but in any event at least every forty-five (45) calendar days, evidence that Sanmina Corporation has delivered a

certificate executed by it and acknowledged by the Trustee under and as defined in the Indenture in accordance with Section 1013(a)(3) of the Indenture.

Exhibit E  
Eligibility Criteria

(a) Prior to giving effect to the sale of such Purchased Receivable, the applicable Seller has a valid ownership interest therein, free and clear of any Adverse Claim. Such Purchased Receivable is a valid, current and freely assignable trade account receivable and the assignment of such Purchased Receivable is not subject to a consent requirement by any third party to the sale or other transfer of such Purchased Receivable or the grant of a security interest or other lien in such Purchased Receivable other than (i) consents previously obtained in writing by such Seller and that remain in effect as of the Purchase Date and (ii) any such requirements which are not enforceable under Applicable Law (including, if applicable, Sections 9-406 and 9-408 of the UCC).

(b) Upon purchase by the Buyers pursuant to this Agreement, such Purchased Receivable will have been validly and absolutely assigned, transferred and sold to the Buyers and the Buyers shall acquire a legally valid ownership interest in such Purchased Receivable, free and clear of any Adverse Claim without any need on the part of such Seller or the Buyers to (i) notify the applicable Account Debtor or (ii) other than the UCC financing statements required to be filed hereunder, file, register or record any Transaction Document or the sale of such Purchased Receivable under the Applicable Laws applicable to such Seller. All of such Seller's right, title and interest in and to such Purchased Receivable will have been validly sold and absolutely assigned and transferred to the Buyers, and the Buyers will have the legal and beneficial right to be paid the face amount of such Purchased Receivable free of any Adverse Claim. Such Purchased Receivable is sold hereunder by such Seller in good faith and without actual intent to hinder, delay or defraud the creditors of such Seller.

(c) Such Purchased Receivable and the applicable Contract constitutes a bona fide, existing and enforceable legal, valid and binding obligation of the applicable Account Debtor (except (x) as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity, and (y) as would not reasonably be expected to have a material adverse effect on the legality, validity and binding effect, enforceability or collectability of such Receivable against the applicable Account Debtor), arising out of an arm's-length sale by such Seller of goods and the provision of any related services, in each case, in the ordinary course of its and such Account Debtor's businesses. Such Purchased Receivable and the related Contract under which it arises comply with, and the goods with respect thereto have been manufactured in compliance with, and any related services have been provided in compliance with, the requirements of all applicable laws, rules, regulations or orders of any Governmental Authority and do not contravene any agreement binding upon such Seller.

(d) The goods deliverable to and any services provided to the applicable Account Debtor in connection with such Purchased Receivable were delivered to (or, in the case of goods deliverable under a Contract or other agreement pursuant to which the applicable Account Debtor bears the risk of loss upon shipment, shipped to) such Account Debtor (or, in the case of services, fully performed) not later than the applicable Purchase Date.

(e) As of the applicable Purchase Date, the applicable Account Debtor is unconditionally and irrevocably obliged to pay the Net Invoice Amount of such Purchased Receivable as set forth in the applicable Purchase Request (except to the extent of reductions, discounts and similar Deemed Collections arising in the ordinary course of business and resulting in Dilution in respect of which the applicable Seller promptly pays the amount thereof pursuant to Section 6(a)).

(f) The applicable Related Security and rights thereunder included with the purchase of such Purchased Receivable comprise all the rights necessary to claim, collect or otherwise enforce the obligations of such Purchased Receivable.

(g) Such Purchased Receivable is not evidenced by and does not constitute an "instrument" or "chattel paper" as such terms are defined in the UCC.

(h) The applicable Account Debtor is not an Affiliate or Subsidiary of any Seller and is not a Sanctioned Person.

(i) Such Purchased Receivable has not been sold or assigned to any Person other than the Buyers.

(j) Neither such Seller, nor, to the best of such Seller's knowledge, the applicable Account Debtor, is in default of the applicable Contract or is in breach of its terms, except (i) as would not reasonably be expected to have a material adverse effect on the legality, validity, enforceability or collectability of such Receivable against the applicable Account Debtor and (ii) with respect to any contractual restrictions on the assignment of the applicable Purchased Receivables under such Contract, any such restrictions which are not enforceable under Applicable Law (including, if applicable, Sections 9-406 and 9-408 of the UCC).

(k) Neither such Seller nor the applicable Account Debtor has asserted any Dispute with respect to such Purchased Receivable.

(l) Such Purchased Receivable (x) is denominated in U.S. dollars (unless the Purchase Sublimit for the Account Debtor owing on such Purchased Receivable is designated on Schedule II in Euros, in which case such Purchased Receivable shall be denominated in Euros), (y) is payable (i) if such Purchased Receivable was sold by Sanmina-SCI Systems Singapore Pte. Ltd., in Singapore or (ii) otherwise, in the United States, and (z) was originated pursuant to a Contract governed by the laws of (i) the United States, any State thereof or the District of Columbia, (ii) any other jurisdiction identified opposite the name of the applicable Account Debtor on Schedule II hereto, or (iii) any other jurisdiction as may be mutually agreed by the Sellers, the Administrative Agent and the applicable Buyers.

(m) Such Purchased Receivable does not represent a progress billing or a sale on a bill-and-hold, guaranteed sale, sale-and-return, sale on approval, consignment, cash-on-delivery or any other repurchase or return basis, does not relate to payments of interest and has not been invoiced more than once.

(n) The Maturity Date for such Purchased Receivable is the lesser of (i) one hundred and fifty (150) days after the Purchase Date therefor or (ii) the shortest number of days specified in any Buyer Pricing Letter for any Buyer holding a Pro Rata Share with respect to the applicable Account Debtor.

(o) No Insolvency Event with respect to the applicable Account Debtor has occurred and is continuing.

(p) There are no actions, claims or proceedings now pending between such Seller and the applicable Account Debtor which would reasonably be expected to have a material adverse effect on the legality, validity, enforceability or collectability of such Purchased Receivable against the applicable Account Debtor.

(q) If an Account Debtor is located in or organized under the laws of France, then the Maturity Date for any related Purchased Receivable shall not be more than sixty days following the invoice date thereof.

Exhibit F  
Servicer Termination Events

Each of the following shall constitute a “Servicer Termination Event” for purposes of this Agreement:

- (b) Any Seller, any Servicer or the Guarantor fails to pay any amount due under this Agreement or any other Transaction Document on its due date and such failure continues for two (2) Business Days.
- (b) Any Seller, the Servicer or the Guarantor shall fail to perform or observe in any material respect any term, covenant or agreement under this Agreement or any other Transaction Document and, if curable, such failure is not cured within ten (10) Business Days after the earlier of (i) any Seller, the Servicer or the Guarantor have knowledge of such failure or (ii) any Seller, the Servicer or the Guarantor receive written notice thereof from the Administrative Agent or any Buyer.
- (c) Any representation or warranty made by a Seller, the Servicer or the Guarantor shall be inaccurate, incorrect or untrue in any material respect on any date as of which it is made or deemed to be made (except with respect to breaches giving rise to Events of Repurchase, but only if the Seller repurchases the affected Purchased Receivable in accordance with the requirements of Section 6(b)).
- (d) An Existing Credit Facility Default has occurred.
- (e) An Insolvency Event shall have occurred with respect to any Seller, Servicer or the Guarantor.
- (f) An event, condition, change or effect shall occur which has a material adverse effect on (i) the validity or collectability of the Purchased Receivables, or (ii) the validity or enforceability of this Agreement or any other Transaction Document as against any Seller, any Servicer or the Guarantor or the rights and remedies of the Administrative Agent or any Buyer hereunder or thereunder; provided, that, for the avoidance of doubt, that no Servicer Termination Event under this clause (f) shall be deemed to arise solely as the result of an Insolvency Event with respect to any Account Debtor.

Exhibit G  
Accounts

Administrative Agent's Account

Bank:  
Bank Swift Address:  
ABA#:  
Account #:  
Account Name:  
Reference:

For Purchased Receivables denominated in Euros:

Bank:  
Bank Swift Address:  
Account #:  
Account Name:  
Attention:  
Reference:

Sellers' Accounts

For Purchased Receivables denominated in U.S. dollars:

Sanmina Corporation

Bank:  
Bank Swift Address:  
ABA#:  
Account #:  
Account Name:

For Purchased Receivables denominated in Euros

Sanmina Corporation

Bank:  
Bank Swift Address:  
Account:  
IBAN:

For Purchased Receivables denominated in U.S. dollars

Sanmina-SCI Systems Singapore Pte. Ltd.

Bank:  
Bank Swift Address:  
Intermediary Bank for UDS payment:  
Intermediary Bank Swift Code:  
Account #:  
Account Name:

Exhibit H  
Form of Joinder

This JOINDER dated as of [●] (this “Agreement”), is by and among [●] (the “New Seller”), each Buyer (as defined below) and MUFG BANK, LTD., as the Administrative Agent (as defined below). Capitalized terms used and not defined herein have the meanings given to them in the RPA (as defined below).

**WITNESSETH THAT:**

WHEREAS, SANMINA CORPORATION, a Delaware corporation (the “Existing Seller”)<sup>6</sup>, and any other seller from time to time party thereto (each, in such capacity, a “Seller” and collectively, the “Sellers”), the Buyers described therein, and MUFG BANK, LTD., as administrative agent for the Buyers (the “Administrative Agent”), have entered into the Receivables Purchase Agreement, dated March 26, 2018 (as amended, supplemented or otherwise modified from time to time, the “RPA”); and

WHEREAS, the New Seller desires to be joined as a Seller and Servicer under the RPA;

NOW, THEREFORE, FOR VALUE RECEIVED, and in consideration of accommodations given or to be given, to the Sellers by the Buyers from time to time, the New Seller hereby agrees as follows:

1. The New Seller is a “Seller” and a “Servicer” under the RPA, effective upon the date of that it executes this Agreement. All references in the RPA to the term “Seller”, “Sellers”, “Servicer” or “Servicers” shall be deemed to include the New Seller in those respective capacities. Without limiting the generality of the foregoing, the New Seller hereby repeats and reaffirms all covenants, agreements, representations and warranties made or given by a Seller or a Servicer contained in the RPA, and appoints the Administrative Agent as its agent, attorney-in-fact and representative in accordance with Section 5(k) of the RPA.

2. For purposes of the RPA, the “Seller’s Account” with respect to the New Seller will be (i) the account of the New Seller located at [●] with account number [●] or (ii) such other account as notified to the Administrative Agent from time to time by the New Seller in writing.

3. For purposes of the RPA, the New Seller’s UCC Information shall be as follows:

- |   |     |
|---|-----|
| (a) Name:   | [●] |
| (b) Chief Executive Office:   | [●] |
| (c) Jurisdiction of Organization:   | [●] |
| (d) Organizational Number:  | [●] |
| (e) FEIN:   | [●] |
| (f) Tradenames:   | [●] |
| (g) Changes in Location, Name and Corporate Organization in the last 5 years: | [●] |

4. The New Seller shall, at its expense, promptly execute and deliver all further instruments and documents, and take all further action, that the Administrative Agent and the Buyers may reasonably request, from time to time, in order to perfect, protect or more fully evidence the transactions contemplated hereby and by the RPA. Without limiting the foregoing, the New Seller hereby authorizes the Administrative Agent to file UCC financing statements with respect to the transactions contemplated hereby and by the RPA, together with any amendments relating hereto or thereto.

5. This Agreement is a Transaction Document for purposes of the RPA.

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<sup>6</sup> Form to be revised to accommodate additional Buyers if applicable.

6. THIS AGREEMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF).

[Remainder of Page Intentionally Left Blank]

**In witness whereof**, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

**NEW SELLER:**

[●], as a Seller

By: \_\_\_\_\_  
Name:  
Title:

**BUYER(S):**

**MUFG BANK, LTD.,**  
as a Buyer

By: \_\_\_\_\_  
Name:  
Title:

*[Other Buyers to be included if applicable]*

**ADMINISTRATIVE AGENT:**

**MUFG BANK, LTD.,**  
as Administrative Agent

By: \_\_\_\_\_  
Name:  
Title:

**EXISTING SELLER(S):**

**SANMINA CORPORATION,** as a Seller

By: \_\_\_\_\_  
Name:  
Title:

*[Other Sellers to be included if applicable]*

Exhibit I

Form of Hungary Performance Instruction

TELJESÍTÉSI UTASÍTÁS

[MINTA]

Címzett:

[Az engedményezett követelés kötelezettjének neve]

[A kötelezett címe]

Tárgy: Teljesítési Utasítás

Tisztelt Hölgyem / Uram!

Hivatkozunk a *többek között* a [Affected Buyer] (székhely: [REGISTERED OFFICE IN US]; cégjegyzékszám: [COMPANY REGISTRATION NUMBER IN US]) mint követelés-vevő (a továbbiakban: “9HYE”) és a Sanmina Corporation (székhely: [REGISTERED OFFICE OF THE ASSIGNOR IN US]; cégjegyzékszám: [COMPANY REGISTRATION NUMBER OF THE ASSIGNOR IN US]) mint követelés-eladó (a továbbiakban: “Követelés-eladó”) között 2018. március 26. napján megkötött [DATE OF RPA] napján módosított Receivables Purchase Agreement-re (a továbbiakban: “RPA”).

Az RPA alapján a Követelés-eladó az Önökkel szemben a [...]. sz. *mellékletben* található Szamlak alapján fennálló vagy a későbbiekben keletkező követeléseket (a továbbiakban: “Követelések”) rank mint Vevőre engedményezte.

Értesítjük Önöket, hogy a RPA-ban foglaltak alapján a Vevő a Követeléseket megszerezte, ezért Önöknek a jelen Teljesítési Utasítás kézhezvételét követően a Követeléseket a következő bankszámlára kell fizetniük:

[BANKSZÁMLA ADATAI]

A jelen Teljesítési Utasítás a magyar Polgári Törvénykönyvről szóló 2013. évi V. törvény 6:198. §-a szerinti teljesítési utasításnak minősül.

PERFORMANCE INSTRUCTION

[SAMPLE]

To:

[Name of the Debtor of the assigned receivables]

[Address of the Debtor]

Subject: Performance Instruction

Dear Madam/Sir,

We refer to the Receivables Purchase Agreement between *among others* [Affected Buyer] (registered office: [REGISTERED OFFICE IN US]; company registration number: [COMPANY REGISTRATION NUMBER IN US]) as Buyer of receivables (hereinafter: “Buyer”) and Sanmina Corporation (registered office: [REGISTERED OFFICE OF SANMINA IN US]; company registration number: [COMPANY REGISTRATION NUMBER OF SANMINA IN US]) as Seller of receivables (hereinafter: “Seller”), entered into on March 26, 2018, as amended [DATE OF RPA] (hereinafter: “RPA”).

On the basis of the RPA, the Seller has assigned to us as Buyer its receivables (hereinafter: “Receivables”) existing or arising in the future on the basis of the Invoices *in Schedule No. [...]*.

We inform you that the Buyer has acquired the Receivables on the basis of the RPA, therefore You are obliged to pay the Receivables to the following bank account after receiving this Performance Instruction:

[BANK ACCOUNT DETAILS]

This Performance Instruction shall be considered a performance instruction according to Section 6:198 of Act No. V of 2013 on the Hungarian Civil Code.

A Számlák alapján a Követeléseket a Vevő érvényesíti, de a Számlákhoz kapcsolódó szerződés(ek)ből eredő kötelezettségek teljesítéséért továbbra is a Követelés-eladó felel.

Felhívjuk szíves figyelmüket, hogy amennyiben a jelen Teljesítési Utasításban foglaltaknak nem tesznek eleget és továbbra is a Követelés-eladónak teljesítenek, ezt saját kockázatukra teszik, és a Vevő az összeg kifizetését jogszertien követelheti Önöktől tekintet nélkül arra, hogy fizetést teljesítettek a Követelés-eladó részére.

[PLACE], 2020

Tisztelettel:

\_\_\_\_\_  
[Affected Buyer]

Vevő / Buyer

képviseli / represented by:

\_\_\_\_\_  
és/und \_\_\_\_\_

ügyvezetők / managing directors [Can be any officer who can lawfully represent Wells]

The Receivables from the Invoices are collected by the Buyer, but the Seller is still liable for the fulfillment of the obligations under the contract(s) in connection with the Invoices.

We would like to draw your attention to the fact that if you do not follow this Performance Instruction and continue to pay to the Seller, it is at your own risk and the Buyer can lawfully demand the payment of this amount from You, regardless of whether you have performed a payment to the Seller.

Best regards,

\_\_\_\_\_  
Sanmina Corporation

Követelés-eladó / Seller

képviseli / represented by:

\_\_\_\_\_  
és/und \_\_\_\_\_

ügyvezetők / managing directors [Can be any officer who can lawfully represent Sanmina]

## Schedules

Nr. 1: Invoices

Kérjük, hogy a Teljesítési Utasítás tudomásulvételének jeléül, a Teljesítési Utasítás cégszerfien aláírt másolatát az alábbi címre levél vagy telefax útján visszaküldeni szíveskedjenek:

Please send a signed copy of this Performance Instruction to the following address by post or fax as a way of acknowledgement:

[Affected Buyer]

[Affected Buyer's US address]

Telefax: + \_\_\_\_\_

A fentieket tudomásul vettük:

We acknowledge the above:

[PLACE], 2020

[cégszerű aláírás / official company signature]  
[AZ ENGEDMÉNYEZETT KÖVETELÉS KÖTELEZETTJÉNEK NEVE /  
NAME OF THE DEBTOR OF THE ASSIGNED RECEIVABLES]

Annex I  
Electronic Services Schedule

This Electronic Services Schedule (the “Schedule”) is attached and made a part of the Agreement (as defined herein). In the event of any conflict between the terms and conditions of the Agreement and the terms and conditions of this Schedule, the terms and conditions of this Schedule shall control. Capitalized terms used herein not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

**Section 1.** As used herein:

“Agreement” means the Receivables Purchase Agreement, dated as of March 26, 2018, by and among SANMINA CORPORATION, a Delaware corporation, and any other seller from time to time party hereto (each, in such capacity, a “Seller” and collectively, the “Sellers”), and as servicers (each, in such capacity, a “Servicer” and collectively, the “Servicers”), SANMINA CORPORATION, as guarantor (in such capacity the “Guarantor”), MUFG BANK, LTD. (“MUFG Bank”) and each other buyer from time to time party hereto (each, in such capacity, a “Buyer” and collectively, the “Buyers”), and MUFG Bank as administrative agent (in such capacity, the “Administrative Agent”), including this Annex, as such agreement may be amended, restated, supplemented or otherwise modified from time to time in accordance with its terms.

“Message” means all messages or other information sent or received by any Seller in connection with the Agreement using the Program web portal.

“PrimeRevenue” means PrimeRevenue, Inc., which is a Service Provider hereunder.

“Program web portal” means the system interface of the Service Provider to be used by Administrative Agent and the Sellers so as to operate the Agreement or any updated or replacement system from time to time.

“Service Provider” means any person with whom an agreement has been entered into by Administrative Agent and to whom the performance of certain obligations or exercise of certain rights in respect of the giving and receiving of Messages, and not in respect of any purchase of Receivables, is from time to time sub-contracted by Administrative Agent.

**Section 2.** Service Provider

- 2.1 The parties to the Agreement agree that the Service Provider is and will be the service provider solely for Administrative Agent and not the sub-contractor or agent of any Seller. Each Seller consents to Administrative Agent outsourcing to the Service Provider the management of certain administrative functions under the Agreement, it being understood that only the rights and obligations issuing from this Schedule shall be outsourced.<sup>7</sup>

**Section 3.** Service Provider’s Systems and Platform

- 3.1 To operate the Agreement, each Seller and Administrative Agent shall use the Program web portal, subject to Section 4.9 below.
- 3.2 Program related data will be updated and available for view access by Sellers and Administrative Agent on a day to day basis in the Program web portal.
- 3.3 Each Seller will upload and download information pertaining to Purchase Requests from the Program web portal.

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<sup>7</sup> Services with respect to Messages are only being offered as an accommodation and not as a requirement for any Seller’s use of the facility. As such, in the event the service provider cannot or does not perform, Administrative Agent’s liability is limited to Administrative Agent performing under Administrative Agent’s obligations stated in the Agreement.

- 3.4 As of the date of this Schedule, the Service Provider means PrimeRevenue. Administrative Agent may replace the Service Provider at any time or terminate this Schedule, and will give written notice thereof to the Sellers.

#### **Section 4. Use of Service Provider's Systems and Platform**

- 4.1 Each Seller shall have the right to use the content of the Program web portal to print and use reports downloaded from the Program web portal, and to save reasonable copies to its hard drive, in each case solely for the purposes contemplated by the Agreement. Any copying, distribution, or commercial use of any of the content of the Program web portal not in furtherance of or related to the commercial purposes of the Agreement is strictly forbidden. Notwithstanding the foregoing, each Seller is entitled to share any such content with (a) its Affiliates and any officers, directors, members, managers, employees or outside accountants, auditors or attorneys of such Seller or its Affiliates' attorneys, accounts, and tax-advisors, or any Governmental Authority (b) credit support providers if they agree to hold it confidential pursuant to customary commercial terms and (c) Governmental Authorities with appropriate jurisdiction (including filings required under securities laws). Notwithstanding the above stated obligations, no Seller will be liable for disclosure or use of such information which: (i) was required by Applicable Law, including pursuant to a valid subpoena or other legal process, (ii) is disclosed or used in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Schedule or any other Transaction Document or the enforcement of rights hereunder or thereunder, (iii) was in such Person's possession or known to such Person prior to receipt or (iv) is or becomes known to the public through disclosure in a printed publication (without breach of any of such Person's obligations hereunder).
- 4.2 Service Provider retains all right, title, and interest in and to its Program web portal, including all software and other intellectual property underlying the Program web portal and associated therewith, all derivative works thereof, and in all media, but specifically excluding any materials, intellectual property or information provided by the Sellers or Administrative Agent (collectively, "Member Content"), all of which shall remain the property of the contributing party. Other than a royalty-free license to use the Program web portal during the term of this Schedule, nothing contained herein shall be construed as the grant of a license or other right by Service Provider to the Sellers of the Program web portal or any intellectual property underlying or associated with the Program web portal. Each Seller grants to Service Provider for the term of this Schedule a royalty free, non-exclusive license to use, reproduce, display and modify such Seller's Member Content for the purpose of allowing Service Provider to render the contracted-for services to Administrative Agent.
- 4.3 All of the design, text, graphics and the selection and arrangement thereof included in the Program web portal are protected by the copyright laws of the United States and foreign countries. The Program web portal and all associated intellectual property rights are owned by Service Provider and its licensors. All rights not expressly granted to the Sellers are reserved to Service Provider and its licensors. Each Seller acknowledges that (a) the Program web portal incorporates confidential and proprietary information developed or acquired by Service Provider, including the software underlying the Program web portal; (b) it shall use such information solely for the purposes set forth herein; and (c) it shall not disclose any such information to third parties except to its Affiliates, and its and their employees, officers, legal counsel, financial advisors and auditors, so long as such parties are bound by written or fiduciary obligations no less stringent than those set forth herein, and such Seller remains primarily responsible for any unauthorized use or disclosure of the information by such third parties. This Section 4.3 shall survive the termination of this Schedule for a period of one year.
- 4.4 Service Provider may access and use the non-public financial, transactional and other information that is processed under the Agreement or otherwise acquired by Service Provider in connection with the Program web portal ("Seller Data") for the purposes of providing and operating the Program web portal. In addition, Service Provider may access and use Seller Data on an aggregate basis for the purpose of preparing statistical analyses, reports, and benchmarking statistics for Service Provider's own use and for general marketing purposes related to trends and

overall use of the Program web portal and related services; provided, however, that any public marketing uses shall not individually identify any Seller or Seller Data. Each Seller represents that it has the right to permit Service Provider to use Seller Data as described in the Agreement and that such use will not violate any third person's rights.

- 4.5 Each Seller acknowledges that Service Provider may transfer Seller Data to a third person, in connection with: (a) any assignment arising from the acquisition of all or substantially all of its assets or equity interests; or (b) a delegation of hosting or other duties, provided that such third party service provider agrees to abide by appropriate confidentiality obligations. Any such transferee shall only be permitted to use the data as contemplated by this Schedule.
- 4.6 The parties may disclose Seller Data if required by applicable law to any government body, or duly authorized representatives thereof, upon an audit or other inspection by any of the same of the records or facilities of Service Provider. The applicable Seller will be notified promptly upon receipt of any order (to the extent allowed by the terms of such order or applicable law) and upon the implementation of any change in laws which requires disclosure of Seller Data.
- 4.7 Each Seller hereby acknowledges that Service Provider reserves the right to: (a) terminate such Seller's access to and use of the Program web portal if such Seller permits any unauthorized third person or entity to access and use the Program web portal; and (b) interrupt or disable access to and use of all or any part of the Program web portal if necessary to prevent or protect against fraud, hacking, or illegal conduct or otherwise protect Service Provider's personnel or the Program web portal, in Service Provider's sole discretion and without notice.
- 4.8 EACH SELLER ACKNOWLEDGES THAT NO WARRANTIES OR CONDITIONS, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE MADE BY SERVICE PROVIDER WITH RESPECT TO THE PROGRAM WEB PORTAL, THE UNDERLYING SOFTWARE, OR ANY SERVICES PROVIDED BY SERVICE PROVIDER, AND SUCH PROGRAM WEB PORTAL, SOFTWARE, AND SERVICES ARE PROVIDED ON AN "AS IS, WHERE IS, AND AS AVAILABLE" BASIS. SERVICE PROVIDER EXPRESSLY DISCLAIMS LIABILITY AND SPECIFICALLY DENIES ANY RESPONSIBILITY FOR (A) THE COMPLETENESS, ACCURACY OR QUALITY OF INFORMATION OR ANY MEMBER CONTENT OBTAINED THROUGH THE PROGRAM WEB PORTAL, AND (B) SUCH SELLER'S USE OF OR INABILITY TO USE THE PROGRAM WEB PORTAL. THE USE OF THE PROGRAM WEB PORTAL, AND ANY MEMBER CONTENT OR INFORMATION OBTAINED VIA THE PROGRAM WEB PORTAL, IS AT EACH SELLER'S OWN RISK. SERVICE PROVIDER SHALL NOT BE LIABLE TO ANY SELLER FOR ANY INDIRECT LOSS, INCLUDING LOSS OF TIME, MONEY OR GOODWILL, INCIDENTAL, SPECIAL, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND UNDER ANY LEGAL THEORY OR CAUSE OF ACTION IN EACH CASE BASED ON SELLER'S, USE, INABILITY TO USE, OPERATE OR MODIFY THE PROGRAM WEB PORTAL. FOR THE AVOIDANCE OF DOUBT, INDIRECT LOSS INCLUDES LOSS OF USE, LOST BUSINESS, LOST REVENUE, LOST PROFITS, LOST DATA, OR LOST GOODWILL EVEN IF THE PARTY KNEW OR SHOULD HAVE KNOWN OF SUCH DAMAGE. EXCEPT FOR SERVICE PROVIDER'S INTENTIONAL TORTIOUS ACTS, FRAUD, OR GROSS NEGLIGENCE, SERVICE PROVIDER'S TOTAL LIABILITY FOR PROVEN DIRECT DAMAGES RESULTING FROM ANY CAUSE OF ACTION ARISING OUT OF SELLER'S USE OF THE PROGRAM WEB PORTAL SHALL NOT EXCEED TEN THOUSAND DOLLARS (USD\$10,000.00).
- 4.9 Administrative Agent has the obligation to view the Messages sent in accordance with this Schedule and to act upon them under the terms of the Agreement, and, during any unavailability of the Program web portal for the purposes hereof, or following the change of Service Provider, accept or receive Purchase Requests and other notices as otherwise provided in the Agreement.

**Section 5.     Security.** Each Seller agrees that:

- 5.1 such Seller's authorized employees may access the Program web portal using a unique user ID and password issued by Service Provider to Seller's administrative user or any user ID and password maintained by a Seller user. Such Seller and each authorized employee shall not allow any other individual to use such employee's unique user ID and password to access the Program web portal. Such Seller and each authorized employee shall remain responsible for maintaining the strict confidentiality of the user IDs and passwords created for such Seller's authorized employees;
- 5.2 it will not intentionally or knowingly interfere with, defeat, disrupt, circumvent or tamper with or attempt to gain unauthorized access to the Program web portal or other information or instruction that is, by the terms of the Agreement to be transmitted through the Program web portal, or with the restrictions on use of functionality or access to information on any portion of the Program web portal, or attempt to do so; and
- 5.3 it will not intentionally or knowingly introduce into any portion of the Program web portal any device, software or routine, including but not limited to viruses, Trojan horses, worms, time bombs and cancelbots or other data or code that harms, or may adversely affect, the operation of the Program web portal.

**Section 6.     Representations, Warranties and Covenants of the Sellers.** Each Seller hereby represents, warrants and covenants to and with Administrative Agent as follows:

- 6.1 Such Seller's use of the Program web portal is solely to settle genuine and lawful commercial trade transactions, arising in the ordinary course of business, for the purchase or sale of goods (including Receivables as defined under the Agreement) and/or services by or to a Seller from or to Administrative Agent or other third parties. Such Seller shall not use the Program web portal for investment or arbitrage functions or purposes, or for any money laundering purpose, or in contravention of any law or regulation, and any activity undertaken via the Program web portal shall not be used in furtherance of any of the foregoing.
- 6.2 Information provided by such Seller to Administrative Agent or Service Provider from time to time in connection with this Schedule is and shall be true and accurate in all material respects at the time given.

**Section 7.     No Implied Duties.** Without limiting the liabilities of Administrative Agent under the Agreement, Administrative Agent shall be obliged to perform such duties and only such duties as are specifically set forth herein, and no implied duties or responsibilities shall be read or implied into this Schedule against Administrative Agent. Administrative Agent shall have no duties or obligations under this Schedule to any person or entity other than the Sellers and, without limiting the foregoing, does not assume any obligation or relationship of agency or trust under this Schedule for, or with any other person or entity.

**Section 8.     Third Party Beneficiary Rights.** Each Seller and Administrative Agent agree that Service Provider is an intended third party beneficiary of, and entitled to rely on Sections 2, 4, 5, 6 and 8 of this Schedule and Section 19 of the Agreement.

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECTION 302(A) OF  
THE SARBANES - OXLEY ACT OF 2002

I, Jure Sola, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Sanmina Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: February 2, 2022

/s/ JURE SOLA

Jure Sola

Chief Executive Officer (Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 302(A) OF  
THE SARBANES - OXLEY ACT OF 2002

I, Kurt Adzema, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Sanmina Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: February 2, 2022

/s/ KURT ADZEMA

Kurt Adzema

Chief Financial Officer (Principal Financial Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER  
PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Section 1350 of Chapter 63 of Title 18 of the United States of America Code (18 U.S.C. §1350), Jure Sola, Chief Executive Officer of Sanmina Corporation (the “Company”), hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended January 1, 2022, to which this Certification is attached as Exhibit 32.1 (the “Periodic Report”), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

**IN WITNESS WHEREOF**, the undersigned has set his hand hereto as of February 2, 2022.

/s/ JURE SOLA

Jure Sola

Chief Executive Officer (Principal Executive Officer)

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Sanmina Corporation under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing).

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER  
PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Section 1350 of Chapter 63 of Title 18 of the United States of America Code (18 U.S.C. §1350), Kurt Adzema, Chief Financial Officer of Sanmina Corporation (the “Company”), hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended January 1, 2022, to which this Certification is attached as Exhibit 32.2 (the “Periodic Report”), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

**IN WITNESS WHEREOF**, the undersigned has set his hand hereto as of February 2, 2022.

/s/ Kurt Adzema

Kurt Adzema

Chief Financial Officer (Principal Financial Officer)

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Sanmina Corporation under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing).