

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549



FORM 10-Q

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

For the quarterly period ended September 30, 2021

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: 1-768

CATERPILLAR INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

510 Lake Cook Road, Suite 100, Deerfield, Illinois 60015

(Address of principal executive offices)

37-0602744

(IRS Employer I.D. No.)

60015

(Zip Code)

Registrant's telephone number, including area code: **(224) 551-4000**

Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report: **N/A**

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 (\$1.00 par value)	CAT	New York Stock Exchange ¹
8% Debentures due February 15, 2023	CAT23	New York Stock Exchange
5.3% Debentures due September 15, 2035	CAT35	New York Stock Exchange

¹ In addition to the New York Stock Exchange, Caterpillar common stock is also listed on stock exchanges in France and Switzerland.

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

At September 30, 2021, 540,941,600 shares of common stock of the registrant were outstanding.

Table of Contents

Part I. Financial Information

Item 1.	Financial Statements	3
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	49
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	79
Item 4.	Controls and Procedures	79

Part II. Other Information

Item 1.	Legal Proceedings	80
Item 1A.	Risk Factors	80
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	80
Item 3.	Defaults Upon Senior Securities	*
Item 4.	Mine Safety Disclosures	*
Item 5.	Other Information	*
Item 6.	Exhibits	81

* Item omitted because no answer is called for or item is not applicable.

Part I. FINANCIAL INFORMATION

Item 1. Financial Statements

Caterpillar Inc.		
Consolidated Statement of Results of Operations		
(Unaudited)		
(Dollars in millions except per share data)		
	Three Months Ended September 30	
	2021	2020
Sales and revenues:		
Sales of Machinery, Energy & Transportation	\$ 11,707	\$ 9,228
Revenues of Financial Products	690	653
Total sales and revenues	12,397	9,881
Operating costs:		
Cost of goods sold	8,617	6,919
Selling, general and administrative expenses	1,340	1,126
Research and development expenses	427	344
Interest expense of Financial Products	111	137
Other operating (income) expenses	238	370
Total operating costs	10,733	8,896
Operating profit	1,664	985
Interest expense excluding Financial Products	114	136
Other income (expense)	225	14
Consolidated profit before taxes	1,775	863
Provision (benefit) for income taxes	368	187
Profit of consolidated companies	1,407	676
Equity in profit (loss) of unconsolidated affiliated companies	21	(5)
Profit of consolidated and affiliated companies	1,428	671
Less: Profit (loss) attributable to noncontrolling interests	2	3
Profit ¹	<u>\$ 1,426</u>	<u>\$ 668</u>
Profit per common share	\$ 2.62	\$ 1.23
Profit per common share – diluted ²	\$ 2.60	\$ 1.22
Weighted-average common shares outstanding (millions)		
– Basic	544.0	542.3
– Diluted ²	547.6	546.4

¹ Profit attributable to common shareholders.

² Diluted by assumed exercise of stock-based compensation awards using the treasury stock method.

See accompanying notes to Consolidated Financial Statements.

Caterpillar Inc.
Consolidated Statement of Comprehensive Income
(Unaudited)
(Dollars in millions)

	Three Months Ended	
	September 30	
	2021	2020
Profit of consolidated and affiliated companies	\$ 1,428	\$ 671
Other comprehensive income (loss), net of tax (Note 13):		
Foreign currency translation:.....	(242)	291
Pension and other postretirement benefits:.....	(8)	(8)
Derivative financial instruments:.....	(31)	76
Available-for-sale securities:.....	(5)	8
Total other comprehensive income (loss), net of tax.....	<u>(286)</u>	<u>367</u>
Comprehensive income.....	1,142	1,038
Less: comprehensive income attributable to the noncontrolling interests.....	<u>2</u>	<u>3</u>
Comprehensive income attributable to shareholders	<u>\$ 1,140</u>	<u>\$ 1,035</u>

See accompanying notes to Consolidated Financial Statements.

Caterpillar Inc.
Consolidated Statement of Results of Operations
(Unaudited)
(Dollars in millions except per share data)

	Nine Months Ended September 30	
	2021	2020
Sales and revenues:		
Sales of Machinery, Energy & Transportation	\$ 35,091	\$ 28,452
Revenues of Financial Products	2,082	2,061
Total sales and revenues	<u>37,173</u>	<u>30,513</u>
Operating costs:		
Cost of goods sold	25,510	21,298
Selling, general and administrative expenses	3,943	3,426
Research and development expenses	1,247	1,041
Interest expense of Financial Products	352	461
Other operating (income) expenses	854	1,114
Total operating costs	<u>31,906</u>	<u>27,340</u>
Operating profit	5,267	3,173
Interest expense excluding Financial Products	376	384
Other income (expense)	751	265
Consolidated profit before taxes	5,642	3,054
Provision (benefit) for income taxes	1,313	839
Profit of consolidated companies	<u>4,329</u>	<u>2,215</u>
Equity in profit (loss) of unconsolidated affiliated companies	44	8
Profit of consolidated and affiliated companies	4,373	2,223
Less: Profit (loss) attributable to noncontrolling interests	4	5
Profit ¹	<u>\$ 4,369</u>	<u>\$ 2,218</u>
Profit per common share	\$ 8.00	\$ 4.08
Profit per common share – diluted ²	\$ 7.94	\$ 4.05
Weighted-average common shares outstanding (millions)		
– Basic	545.8	543.9
– Diluted ²	550.2	547.8

¹ Profit attributable to common shareholders.

² Diluted by assumed exercise of stock-based compensation awards using the treasury stock method.

See accompanying notes to Consolidated Financial Statements.

Caterpillar Inc.
Consolidated Statement of Comprehensive Income
(Unaudited)
(Dollars in millions)

	Nine Months Ended September 30	
	2021	2020
Profit of consolidated and affiliated companies	\$ 4,373	\$ 2,223
Other comprehensive income (loss), net of tax (Note 13):		
Foreign currency translation:.....	(490)	106
Pension and other postretirement benefits:.....	(23)	(20)
Derivative financial instruments:.....	(19)	4
Available-for-sale securities:.....	(20)	29
Total other comprehensive income (loss), net of tax.....	<u>(552)</u>	<u>119</u>
Comprehensive income.....	3,821	2,342
Less: comprehensive income attributable to the noncontrolling interests.....	4	5
Comprehensive income attributable to shareholders	<u><u>\$ 3,817</u></u>	<u><u>\$ 2,337</u></u>

See accompanying notes to Consolidated Financial Statements.

Caterpillar Inc.
Consolidated Statement of Financial Position
(Unaudited)
(Dollars in millions)

	September 30, 2021	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 9,446	\$ 9,352
Receivables – trade and other	7,647	7,317
Receivables – finance	8,919	9,463
Prepaid expenses and other current assets	2,215	1,930
Inventories	13,666	11,402
Total current assets	41,893	39,464
Property, plant and equipment – net	11,904	12,401
Long-term receivables – trade and other	1,273	1,185
Long-term receivables – finance	12,605	12,222
Noncurrent deferred and refundable income taxes	1,744	1,523
Intangible assets	1,121	1,308
Goodwill	6,353	6,394
Other assets	3,891	3,827
Total assets	\$ 80,784	\$ 78,324
Liabilities		
Current liabilities:		
Short-term borrowings:		
Machinery, Energy & Transportation	\$ —	\$ 10
Financial Products	3,247	2,005
Accounts payable	7,218	6,128
Accrued expenses	3,579	3,642
Accrued wages, salaries and employee benefits	2,075	1,096
Customer advances	1,155	1,108
Dividends payable	—	562
Other current liabilities	2,319	2,017
Long-term debt due within one year:		
Machinery, Energy & Transportation	48	1,420
Financial Products	6,335	7,729
Total current liabilities	25,976	25,717
Long-term debt due after one year:		
Machinery, Energy & Transportation	9,759	9,749
Financial Products	17,395	16,250
Liability for postemployment benefits	6,395	6,872
Other liabilities	4,564	4,358
Total liabilities	64,089	62,946
Commitments and contingencies (Notes 11 and 14)		
Shareholders' equity		
Common stock of \$1.00 par value:		
Authorized shares: 2,000,000,000		
Issued shares: (9/30/21 and 12/31/20 – 814,894,624) at paid-in amount	6,352	6,230
Treasury stock (9/30/21 – 273,953,024 shares; 12/31/20 – 269,590,777 shares) at cost	(26,608)	(25,178)
Profit employed in the business	38,361	35,167
Accumulated other comprehensive income (loss)	(1,440)	(888)
Noncontrolling interests	30	47
Total shareholders' equity	16,695	15,378
Total liabilities and shareholders' equity	\$ 80,784	\$ 78,324

See accompanying notes to Consolidated Financial Statements.

Caterpillar Inc.
Consolidated Statement of Changes in Shareholders' Equity
(Unaudited)
(Dollars in millions)

	Common stock	Treasury stock	Profit employed in the business	Accumulated other comprehensive income (loss)	Noncontrolling interests	Total
Three Months Ended September 30, 2020						
Balance at June 30, 2020	\$ 6,120	\$ (25,412)	\$ 34,841	\$ (1,815)	\$ 43	\$ 13,777
Profit of consolidated and affiliated companies	—	—	668	—	3	671
Foreign currency translation, net of tax	—	—	—	291	—	291
Pension and other postretirement benefits, net of tax	—	—	—	(8)	—	(8)
Derivative financial instruments, net of tax	—	—	—	76	—	76
Available-for-sale securities, net of tax	—	—	—	8	—	8
Common shares issued from treasury stock for stock-based compensation: 1,751,708	23	97	—	—	—	120
Stock-based compensation expense	55	—	—	—	—	55
Other	6	—	(1)	—	(1)	4
Balance at September 30, 2020	\$ 6,204	\$ (25,315)	\$ 35,508	\$ (1,448)	\$ 45	\$ 14,994
Three Months Ended September 30, 2021						
Balance at June 30, 2021	\$ 6,293	\$ (25,240)	\$ 36,934	\$ (1,154)	\$ 47	\$ 16,880
Profit of consolidated and affiliated companies	—	—	1,426	—	2	1,428
Foreign currency translation, net of tax	—	—	—	(242)	—	(242)
Pension and other postretirement benefits, net of tax	—	—	—	(8)	—	(8)
Derivative financial instruments, net of tax	—	—	—	(31)	—	(31)
Available-for-sale securities, net of tax	—	—	—	(5)	—	(5)
Change in ownership from noncontrolling interests	—	—	—	—	(16)	(16)
Dividends declared	—	—	1	—	—	1
Distribution to noncontrolling interests	—	—	—	—	(2)	(2)
Common shares issued from treasury stock for stock-based compensation: 80,571	(5)	4	—	—	—	(1)
Stock-based compensation expense	58	—	—	—	—	58
Common shares repurchased: 6,610,438 ¹	—	(1,371)	—	—	—	(1,371)
Other	6	(1)	—	—	(1)	4
Balance at September 30, 2021	\$ 6,352	\$ (26,608)	\$ 38,361	\$ (1,440)	\$ 30	\$ 16,695

¹ See Note 12 for additional information.

See accompanying notes to Consolidated Financial Statements.

Caterpillar Inc.
Consolidated Statement of Changes in Shareholders' Equity
(Unaudited)
(Dollars in millions)

	Common stock	Treasury stock	Profit employed in the business	Accumulated other comprehensive income (loss)	Noncontrolling interests	Total
Nine Months Ended September 30, 2020						
Balance at December 31, 2019	\$ 5,935	\$ (24,217)	\$ 34,437	\$ (1,567)	\$ 41	\$ 14,629
Adjustments to adopt new accounting guidance						
Credit losses.....	—	—	(25)	—	—	(25)
Balance at January 1, 2020	5,935	(24,217)	34,412	(1,567)	41	14,604
Profit of consolidated and affiliated companies.....	—	—	2,218	—	5	2,223
Foreign currency translation, net of tax.....	—	—	—	106	—	106
Pension and other postretirement benefits, net of tax.....	—	—	—	(20)	—	(20)
Derivative financial instruments, net of tax.....	—	—	—	4	—	4
Available-for-sale securities, net of tax.....	—	—	—	29	—	29
Dividends declared ¹	—	—	(1,121)	—	—	(1,121)
Common shares issued from treasury stock for stock-based compensation: 3,271,679.....	(43)	153	—	—	—	110
Stock-based compensation expense.....	169	—	—	—	—	169
Common shares repurchased: 10,096,006 ²	—	(1,250)	—	—	—	(1,250)
Other.....	143	(1)	(1)	—	(1)	140
Balance at September 30, 2020	\$ 6,204	\$ (25,315)	\$ 35,508	\$ (1,448)	\$ 45	\$ 14,994
Nine Months Ended September 30, 2021						
Balance at December 31, 2020	\$ 6,230	\$ (25,178)	\$ 35,167	\$ (888)	\$ 47	\$ 15,378
Profit of consolidated and affiliated companies.....	—	—	4,369	—	4	4,373
Foreign currency translation, net of tax.....	—	—	—	(490)	—	(490)
Pension and other postretirement benefits, net of tax.....	—	—	—	(23)	—	(23)
Derivative financial instruments, net of tax.....	—	—	—	(19)	—	(19)
Available-for-sale securities, net of tax.....	—	—	—	(20)	—	(20)
Change in ownership from noncontrolling interests.....	—	—	—	—	(16)	(16)
Dividends declared ¹	—	—	(1,175)	—	—	(1,175)
Distribution to noncontrolling interests.....	—	—	—	—	(4)	(4)
Common shares issued from treasury stock for stock-based compensation: 3,410,146.....	(70)	192	—	—	—	122
Stock-based compensation expense.....	169	—	—	—	—	169
Common shares repurchased: 7,772,393 ²	—	(1,622)	—	—	—	(1,622)
Other.....	23	—	—	—	(1)	22
Balance at September 30, 2021	\$ 6,352	\$ (26,608)	\$ 38,361	\$ (1,440)	\$ 30	\$ 16,695

¹ Dividends per share of common stock of \$2.14 and \$2.06 were declared in the nine months ended September 30, 2021 and 2020, respectively.

² See Note 12 for additional information.

See accompanying notes to Consolidated Financial Statements.

Caterpillar Inc.
Consolidated Statement of Cash Flow
(Unaudited)
(Millions of dollars)

	Nine Months Ended September 30	
	2021	2020
Cash flow from operating activities:		
Profit of consolidated and affiliated companies	\$ 4,373	\$ 2,223
Adjustments for non-cash items:		
Depreciation and amortization	1,766	1,815
Net gain on remeasurement of pension obligations	—	(55)
Provision (benefit) for deferred income taxes	(321)	(38)
Other	102	919
Changes in assets and liabilities, net of acquisitions and divestitures:		
Receivables – trade and other	(326)	1,473
Inventories	(2,195)	(139)
Accounts payable	1,232	(596)
Accrued expenses	46	(286)
Accrued wages, salaries and employee benefits	934	(547)
Customer advances	39	13
Other assets – net	138	(15)
Other liabilities – net	(2)	(512)
Net cash provided by (used for) operating activities	<u>5,786</u>	<u>4,255</u>
Cash flow from investing activities:		
Capital expenditures – excluding equipment leased to others	(673)	(686)
Expenditures for equipment leased to others	(1,014)	(805)
Proceeds from disposals of leased assets and property, plant and equipment	877	550
Additions to finance receivables	(9,603)	(9,278)
Collections of finance receivables	9,221	9,656
Proceeds from sale of finance receivables	44	37
Investments and acquisitions (net of cash acquired)	(449)	(93)
Proceeds from sale of businesses and investments (net of cash sold)	23	13
Proceeds from sale of securities	424	239
Investments in securities	(934)	(512)
Other – net	(8)	(80)
Net cash provided by (used for) investing activities	<u>(2,092)</u>	<u>(959)</u>
Cash flow from financing activities:		
Dividends paid	(1,733)	(1,683)
Common stock issued, including treasury shares reissued	122	110
Common shares repurchased	(1,622)	(1,130)
Proceeds from debt issued (original maturities greater than three months):		
Machinery, Energy & Transportation	494	1,991
Financial Products	6,437	7,427
Payments on debt (original maturities greater than three months):		
Machinery, Energy & Transportation	(1,910)	(18)
Financial Products	(6,710)	(6,771)
Short-term borrowings – net (original maturities three months or less)	1,324	(2,138)
Other – net	(4)	(1)
Net cash provided by (used for) financing activities	<u>(3,602)</u>	<u>(2,213)</u>
Effect of exchange rate changes on cash	(9)	(56)
Increase (decrease) in cash, cash equivalents and restricted cash	<u>83</u>	<u>1,027</u>
Cash, cash equivalents and restricted cash at beginning of period	9,366	8,292
Cash, cash equivalents and restricted cash at end of period	<u>\$ 9,449</u>	<u>\$ 9,319</u>

Cash equivalents primarily represent short-term, highly liquid investments with original maturities of generally three months or less.

See accompanying notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. A. Nature of operations

Information in our financial statements and related commentary are presented in the following categories:

Machinery, Energy & Transportation (ME&T) – We define ME&T as Caterpillar Inc. and its subsidiaries, excluding Financial Products. ME&T’s information relates to the design, manufacturing and marketing of our products.

Financial Products – We define Financial Products as our finance and insurance subsidiaries, primarily Caterpillar Financial Services Corporation (Cat Financial) and Caterpillar Insurance Holdings Inc. (Insurance Services). Financial Products’ information relates to the financing to customers and dealers for the purchase and lease of Caterpillar and other equipment.

B. Basis of presentation

In the opinion of management, the accompanying unaudited financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of (a) the consolidated results of operations for the three and nine months ended September 30, 2021 and 2020, (b) the consolidated comprehensive income for the three and nine months ended September 30, 2021 and 2020, (c) the consolidated financial position at September 30, 2021 and December 31, 2020, (d) the consolidated changes in shareholders’ equity for the three and nine months ended September 30, 2021 and 2020 and (e) the consolidated cash flow for the nine months ended September 30, 2021 and 2020. The financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP) and pursuant to the rules and regulations of the Securities and Exchange Commission (SEC).

Interim results are not necessarily indicative of results for a full year. The information included in this Form 10-Q should be read in conjunction with the audited financial statements and notes thereto included in our company’s annual report on Form 10-K for the year ended December 31, 2020 (2020 Form 10-K).

The December 31, 2020 financial position data included herein is derived from the audited consolidated financial statements included in the 2020 Form 10-K but does not include all disclosures required by U.S. GAAP. Certain amounts for prior periods have been reclassified to conform to the current period financial statement presentation.

Cat Financial has end-user customers that are variable interest entities (VIEs) of which we are not the primary beneficiary. Although we have provided financial support to these entities and therefore have a variable interest, we do not have the power to direct the activities that most significantly impact their economic performance. Our maximum exposure to loss from our involvement with these VIEs is limited to the credit risk inherently present in the financial support that we have provided. These risks were evaluated and reflected in our financial statements as part of our overall portfolio of finance receivables and related allowance for credit losses. See Note 11 for further discussions on a consolidated VIE.

2. New accounting guidance

A. Adoption of new accounting standards

Reference rate reform (Accounting Standards Update (ASU) 2020-04) – In March 2020, the Financial Accounting Standards Board (FASB) issued accounting guidance to ease the potential burden in accounting for reference rate reform related activities that impact debt, leases, derivatives and other contracts. The guidance is optional and may be elected over time as reference rate reform activities occur between March 12, 2020 through December 31, 2022. In January 2021, we elected to adopt optional expedients impacting our derivative instruments. In addition, in October 2021, we elected to adopt optional expedients for contract modifications. The adoption of the optional expedients will not have a material impact on our financial statements.

We adopted the following ASUs effective January 1, 2021, none of which had a material impact on our financial statements:

<u>ASU</u>	<u>Description</u>
2020-01	Investments - Equity securities, equity method and joint ventures and derivatives and hedging
2020-08	Codification improvements – Receivables - Nonrefundable fees and other costs
2021-01	Reference rate reform - Scope

B. Accounting standards issued but not yet adopted

We consider the applicability and impact of all ASUs. We assessed the ASUs and determined that they either were not applicable or were not expected to have a material impact on our financial statements.

3. Sales and revenue contract information

Trade receivables represent amounts due from dealers and end users for the sale of our products. In addition, Cat Financial provides wholesale inventory financing for a dealer's purchase of inventory. We include wholesale inventory receivables in Receivables – trade and other and Long-term receivables – trade and other in the Consolidated Statement of Financial Position. Short-term trade receivables from dealers and end users were \$6,476 million, \$6,310 million and \$7,648 million as of September 30, 2021, December 31, 2020 and December 31, 2019, respectively. We recognize short-term trade receivables from dealers and end users in Receivables – trade and other in the Consolidated Statement of Financial Position. Long-term trade receivables from dealers and end users were \$667 million, \$657 million and \$693 million as of September 30, 2021, December 31, 2020 and December 31, 2019, respectively. We recognize long-term trade receivables from dealers and end users in Long-term receivables – trade and other in the Consolidated Statement of Financial Position.

We invoice in advance of recognizing the sale of certain products. We recognize advanced customer payments as a contract liability in Customer advances and Other liabilities in the Consolidated Statement of Financial Position. Contract liabilities were \$1,577 million, \$1,526 million and \$1,654 million as of September 30, 2021, December 31, 2020 and December 31, 2019, respectively. We reduce the contract liability when revenue is recognized. During the three and nine months ended September 30, 2021, we recognized \$121 million and \$795 million, respectively, of revenue that was recorded as a contract liability at the beginning of 2021. During the three and nine months ended September 30, 2020, we recognized \$144 million and \$843 million, respectively, of revenue that was recorded as a contract liability at the beginning of 2020.

As of September 30, 2021, we have entered into contracts with dealers and end users for which sales have not been recognized as we have not satisfied our performance obligations and transferred control of the products. The dollar amount of unsatisfied performance obligations for contracts with an original duration greater than one year is \$5.8 billion, with about one-third of the amount expected to be completed and revenue recognized in the twelve months following September 30, 2021. We have elected the practical expedient not to disclose unsatisfied performance obligations with an original contract duration of one year or less. Contracts with an original duration of one year or less are primarily sales to dealers for machinery, engines and replacement parts.

See Note 16 for further disaggregated sales and revenues information.

4. Stock-based compensation

Accounting for stock-based compensation requires that the cost resulting from all stock-based payments be recognized in the financial statements based on the grant date fair value of the award. Our stock-based compensation primarily consists of stock options, restricted stock units (RSUs) and performance-based restricted stock units (PRSUs).

We recognized pretax stock-based compensation expense of \$58 million and \$169 million for the three and nine months ended September 30, 2021, respectively, and \$55 million and \$169 million for the three and nine months ended September 30, 2020, respectively.

The following table illustrates the type and fair value of the stock-based compensation awards granted during the nine months ended September 30, 2021 and 2020, respectively:

	Nine Months Ended September 30, 2021			Nine Months Ended September 30, 2020		
	Shares Granted	Weighted-Average Fair Value Per Share	Weighted-Average Grant Date Stock Price	Shares Granted	Weighted-Average Fair Value Per Share	Weighted-Average Grant Date Stock Price
Stock options.....	1,084,821	\$ 56.30	\$ 219.76	1,913,888	\$ 25.98	\$ 127.60
RSUs.....	448,311	\$ 219.76	\$ 219.76	705,287	\$ 127.60	\$ 127.60
PRSUs.....	266,894	\$ 219.76	\$ 219.76	371,641	\$ 127.60	\$ 127.60

The following table provides the assumptions used in determining the fair value of the stock-based awards for the nine months ended September 30, 2021 and 2020, respectively:

	Grant Year	
	2021	2020
Weighted-average dividend yield.....	2.60%	2.47%
Weighted-average volatility.....	32.9%	25.7%
Range of volatilities.....	29.2% - 45.8%	24.5% - 29.7%
Range of risk-free interest rates.....	0.06% - 1.41%	1.21% - 1.39%
Weighted-average expected lives.....	8 years	8 years

As of September 30, 2021, the total remaining unrecognized compensation expense related to nonvested stock-based compensation awards was \$175 million, which will be amortized over the weighted-average remaining requisite service periods of approximately 1.9 years.

5. Derivative financial instruments and risk management

Our earnings and cash flow are subject to fluctuations due to changes in foreign currency exchange rates, interest rates and commodity prices. Our Risk Management Policy (policy) allows for the use of derivative financial instruments to prudently manage foreign currency exchange rate, interest rate and commodity price exposures. Our policy specifies that derivatives are not to be used for speculative purposes. Derivatives that we use are primarily foreign currency forward, option and cross currency contracts, interest rate contracts and commodity forward and option contracts. Our derivative activities are subject to the management, direction and control of our senior financial officers. We present at least annually to the Audit Committee of the Board of Directors on our risk management practices, including our use of financial derivative instruments.

We recognize all derivatives at their fair value on the Consolidated Statement of Financial Position. On the date the derivative contract is entered into, we designate the derivative as (1) a hedge of the fair value of a recognized asset or liability (fair value hedge), (2) a hedge of a forecasted transaction or the variability of cash flow (cash flow hedge) or (3) an undesignated instrument. We record in current earnings changes in the fair value of a derivative that is qualified, designated and highly effective as a fair value hedge, along with the gain or loss on the hedged recognized asset or liability that is attributable to the hedged risk. We record in Accumulated other comprehensive income (loss) (AOCI) changes in the fair value of a derivative that is qualified, designated and highly effective as a cash flow hedge, to the extent effective, on the Consolidated Statement of Financial Position until we reclassify them to earnings in the same period or periods during which the hedged transaction affects earnings. We report changes in the fair value of undesignated derivative instruments in current earnings. We classify cash flows from designated derivative financial instruments within the same category as the item being hedged on the Consolidated Statement of Cash Flow. We include cash flows from undesignated derivative financial instruments in the investing category on the Consolidated Statement of Cash Flow.

We formally document all relationships between hedging instruments and hedged items, as well as the risk-management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives that are designated as fair value hedges to specific assets and liabilities on the Consolidated Statement of Financial Position and linking cash flow hedges to specific forecasted transactions or variability of cash flow.

We also formally assess, both at the hedge's inception and on an ongoing basis, whether the designated derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flow of hedged items. When a derivative is determined not to be highly effective as a hedge or the underlying hedged transaction is no longer probable, we discontinue hedge accounting prospectively, in accordance with the derecognition criteria for hedge accounting.

Foreign Currency Exchange Rate Risk

Foreign currency exchange rate movements create a degree of risk by affecting the U.S. dollar value of sales made and costs incurred in foreign currencies. Movements in foreign currency rates also affect our competitive position as these changes may affect business practices and/or pricing strategies of non-U.S.-based competitors. Additionally, we have balance sheet positions denominated in foreign currencies, thereby creating exposure to movements in exchange rates.

Our ME&T operations purchase, manufacture and sell products in many locations around the world. As we have a diversified revenue and cost base, we manage our future foreign currency cash flow exposure on a net basis. We use foreign currency forward and option contracts to manage unmatched foreign currency cash inflow and outflow. Our objective is to minimize the risk of exchange rate movements that would reduce the U.S. dollar value of our foreign currency cash flow. Our policy allows for managing anticipated foreign currency cash flow for up to approximately five years. As of September 30, 2021, the maximum term of these outstanding contracts was approximately 60 months.

We generally designate as cash flow hedges at inception of the contract any Australian dollar, Brazilian real, British pound, Canadian dollar, Chinese yuan, Indian rupee, Japanese yen, Mexican peso, Norwegian Krona, Singapore dollar or Thailand baht forward or option contracts that meet the requirements for hedge accounting and the maturity extends beyond the current quarter-end. We perform designation on a specific exposure basis to support hedge accounting. The remainder of ME&T foreign currency contracts are undesignated.

In managing foreign currency risk for our Financial Products operations, our objective is to minimize earnings volatility resulting from conversion and the remeasurement of net foreign currency balance sheet positions and future transactions denominated in foreign currencies. Our policy allows the use of foreign currency forward, option and cross currency contracts to offset the risk of currency mismatch between our assets and liabilities and exchange rate risk associated with future transactions denominated in foreign currencies. Our foreign currency forward and option contracts are primarily undesignated. We designate fixed-to-fixed cross currency contracts as cash flow hedges to protect against movements in exchange rates on foreign currency fixed-rate assets and liabilities.

Interest Rate Risk

Interest rate movements create a degree of risk by affecting the amount of our interest payments and the value of our fixed-rate debt. Our practice is to use interest rate contracts to manage our exposure to interest rate changes.

Our ME&T operations generally use fixed-rate debt as a source of funding. Our objective is to minimize the cost of borrowed funds. Our policy allows us to enter into fixed-to-floating interest rate contracts and forward rate agreements to meet that objective. We designate fixed-to-floating interest rate contracts as fair value hedges at inception of the contract, and we designate certain forward rate agreements as cash flow hedges at inception of the contract.

Financial Products operations has a match-funding policy that addresses interest rate risk by aligning the interest rate profile (fixed or floating rate and duration) of Cat Financial's debt portfolio with the interest rate profile of our receivables portfolio within predetermined ranges on an ongoing basis. In connection with that policy, we use interest rate derivative instruments to modify the debt structure to match assets within the receivables portfolio. This matched funding reduces the volatility of margins between interest-bearing assets and interest-bearing liabilities, regardless of which direction interest rates move.

Our policy allows us to use fixed-to-floating, floating-to-fixed and floating-to-floating interest rate contracts to meet the match-funding objective. We designate fixed-to-floating interest rate contracts as fair value hedges to protect debt against changes in fair value due to changes in the benchmark interest rate. We designate most floating-to-fixed interest rate contracts as cash flow hedges to protect against the variability of cash flows due to changes in the benchmark interest rate.

We have, at certain times, liquidated fixed-to-floating and floating-to-fixed interest rate contracts at both ME&T and Financial Products. We amortize the gains or losses associated with these contracts at the time of liquidation into earnings over the original term of the previously designated hedged item.

Commodity Price Risk

Commodity price movements create a degree of risk by affecting the price we must pay for certain raw materials. Our policy is to use commodity forward and option contracts to manage the commodity risk and reduce the cost of purchased materials.

Our ME&T operations purchase base and precious metals embedded in the components we purchase from suppliers. Our suppliers pass on to us price changes in the commodity portion of the component cost. In addition, we are subject to price changes on energy products such as natural gas and diesel fuel purchased for operational use.

Our objective is to minimize volatility in the price of these commodities. Our policy allows us to enter into commodity forward and option contracts to lock in the purchase price of a portion of these commodities within a five-year horizon. All such commodity forward and option contracts are undesignated.

The location and fair value of derivative instruments reported in the Consolidated Statement of Financial Position were as follows:

(Millions of dollars)	Consolidated Statement of Financial Position Location	Asset (Liability) Fair Value	
		September 30, 2021	December 31, 2020
Designated derivatives			
Foreign exchange contracts			
Machinery, Energy & Transportation	Receivables – trade and other	\$ 44	\$ 74
Machinery, Energy & Transportation	Long-term receivables – trade and other	33	71
Machinery, Energy & Transportation	Accrued expenses	(23)	(36)
Machinery, Energy & Transportation	Other liabilities	(7)	(1)
Financial Products	Receivables – trade and other	—	1
Financial Products	Long-term receivables – trade and other	115	1
Financial Products	Accrued expenses	(21)	(148)
Interest rate contracts			
Machinery, Energy & Transportation	Long-term receivables – trade and other	—	4
Financial Products	Receivables – trade and other	8	2
Financial Products	Long-term receivables – trade and other	27	57
Financial Products	Accrued expenses	(8)	(5)
		<u>\$ 168</u>	<u>\$ 20</u>
Undesignated derivatives			
Foreign exchange contracts			
Machinery, Energy & Transportation	Receivables – trade and other	\$ 13	\$ 10
Machinery, Energy & Transportation	Long-term receivables – trade and other	1	—
Machinery, Energy & Transportation	Accrued expenses	(10)	(1)
Financial Products	Receivables – trade and other	54	17
Financial Products	Long-term receivables – trade and other	6	7
Financial Products	Accrued expenses	(12)	(107)
Commodity contracts			
Machinery, Energy & Transportation	Receivables – trade and other	29	35
Machinery, Energy & Transportation	Long-term receivables – trade and other	2	2
Machinery, Energy & Transportation	Accrued expenses	(23)	—
Machinery, Energy & Transportation	Other liabilities	(1)	—
		<u>\$ 59</u>	<u>\$ (37)</u>

The total notional amounts of the derivative instruments were as follows:

(Millions of dollars)	September 30, 2021	December 31, 2020
Machinery, Energy & Transportation	\$ 4,742	\$ 3,553
Financial Products	\$ 11,069	\$ 11,260

The notional amounts of the derivative financial instruments do not represent amounts exchanged by the parties. We calculate the amounts exchanged by the parties by referencing the notional amounts and by other terms of the derivatives, such as foreign currency exchange rates, interest rates or commodity prices.

The effect of derivatives designated as hedging instruments on the Consolidated Statement of Results of Operations was as follows:

Cash Flow Hedges				
Three Months Ended September 30, 2021				
(Millions of dollars)	Amount of Gains (Losses) Recognized in AOCI	Recognized in Earnings		
		Classification of Gains (Losses)	Amount of Gains (Losses) Reclassified from AOCI	Amount of the line items in the Consolidated Statement of Results of Operations
Foreign exchange contracts				
Machinery, Energy & Transportation	\$ (47)	Sales of Machinery, Energy & Transportation	\$ 2	\$ 11,707
		Cost of goods sold	4	8,617
Financial Products	89	Interest expense of Financial Products	(3)	111
		Other income (expense)	87	225
Interest rate contracts				
Financial Products	3	Interest expense of Financial Products	(5)	111
	<u>\$ 45</u>		<u>\$ 85</u>	
Three Months Ended September 30, 2020				
(Millions of dollars)	Amount of Gains (Losses) Recognized in AOCI	Recognized in Earnings		
		Classification of Gains (Losses)	Amount of Gains (Losses) Reclassified from AOCI	Amount of the line items in the Consolidated Statement of Results of Operations
Foreign exchange contracts				
Machinery, Energy & Transportation	\$ 66	Sales of Machinery, Energy & Transportation	\$ (6)	\$ 9,228
		Cost of goods sold	(15)	6,919
Financial Products	(64)	Interest expense of Financial Products	8	137
		Other income (expense)	(63)	14
Interest rate contracts				
Machinery, Energy & Transportation	2	Interest expense excluding Financial Products	(1)	136
Financial Products	1	Interest expense of Financial Products	(16)	137
	<u>\$ 5</u>		<u>\$ (93)</u>	

Cash Flow Hedges				
Nine Months Ended September 30, 2021				
(Millions of dollars)	Amount of Gains (Losses) Recognized in AOCI	Recognized in Earnings		Amount of the line items in the Consolidated Statement of Results of Operations
		Classification of Gains (Losses)	Amount of Gains (Losses) Reclassified from AOCI	
Foreign exchange contracts				
Machinery, Energy & Transportation ...	\$ (40)	Sales of Machinery, Energy & Transportation	\$ (21)	\$ 35,091
		Cost of goods sold	42	25,510
Financial Products	170	Interest expense of Financial Products ...	(1)	352
		Other income (expense)	167	751
Interest rate contracts				
Machinery, Energy & Transportation ...	7	Interest expense excluding Financial Products	(2)	376
Financial Products	4	Interest expense of Financial Products ...	(21)	352
	<u>\$ 141</u>		<u>\$ 164</u>	
Nine Months Ended September 30, 2020				
	Amount of Gains (Losses) Recognized in AOCI	Recognized in Earnings		Amount of the line items in the Consolidated Statement of Results of Operations
		Classification of Gains (Losses)	Amount of Gains (Losses) Reclassified from AOCI	
Foreign exchange contracts				
Machinery, Energy & Transportation ...	\$ (58)	Sales of Machinery, Energy & Transportation	\$ 10	\$ 28,452
		Cost of goods sold	(58)	21,298
Financial Products	2	Interest expense of Financial Products ...	28	461
		Other income (expense)	(35)	265
Interest rate contracts				
Machinery, Energy & Transportation ...	(14)	Interest expense excluding Financial Products	(3)	384
Financial Products	(23)	Interest expense of Financial Products ...	(40)	461
	<u>\$ (93)</u>		<u>\$ (98)</u>	

The effect of derivatives not designated as hedging instruments on the Consolidated Statement of Results of Operations was as follows:

(Millions of dollars)	<u>Classification of Gains (Losses)</u>	<u>Three Months Ended September 30, 2021</u>	<u>Three Months Ended September 30, 2020</u>
Foreign exchange contracts			
Machinery, Energy & Transportation	Other income (expense)	\$ 2	\$ 8
Financial Products	Other income (expense)	44	(73)
Commodity contracts			
Machinery, Energy & Transportation	Other income (expense)	(30)	6
		<u>\$ 16</u>	<u>\$ (59)</u>
		<u>\$ 16</u>	<u>\$ (59)</u>
(Millions of dollars)	<u>Classification of Gains (Losses)</u>	<u>Nine Months Ended September 30, 2021</u>	<u>Nine Months Ended September 30, 2020</u>
Foreign exchange contracts			
Machinery, Energy & Transportation	Other income (expense)	\$ 5	\$ 21
Financial Products	Other income (expense)	72	12
Commodity contracts			
Machinery, Energy & Transportation	Other income (expense)	35	(25)
		<u>\$ 112</u>	<u>\$ 8</u>
		<u>\$ 112</u>	<u>\$ 8</u>

We enter into International Swaps and Derivatives Association (ISDA) master netting agreements within ME&T and Financial Products that permit the net settlement of amounts owed under their respective derivative contracts. Under these master netting agreements, net settlement generally permits the company or the counterparty to determine the net amount payable for contracts due on the same date and in the same currency for similar types of derivative transactions. The master netting agreements generally also provide for net settlement of all outstanding contracts with a counterparty in the case of an event of default or a termination event.

Collateral is generally not required of the counterparties or of our company under the master netting agreements. As of September 30, 2021 and December 31, 2020, no cash collateral was received or pledged under the master netting agreements.

The effect of the net settlement provisions of the master netting agreements on our derivative balances upon an event of default or termination event was as follows:

				<u>Gross Amounts Not Offset in the Statement of Financial Position</u>		
September 30, 2021						
(Millions of dollars)	Gross Amount of Recognized Assets	Gross Amounts Offset in the Statement of Financial Position	Net Amount of Assets Presented in the Statement of Financial Position	Financial Instruments	Cash Collateral Received	Net Amount of Assets
Derivatives						
Machinery, Energy & Transportation	\$ 122	\$ —	\$ 122	\$ (53)	\$ —	\$ 69
Financial Products	210	—	210	(39)	—	171
Total	<u>\$ 332</u>	<u>\$ —</u>	<u>\$ 332</u>	<u>\$ (92)</u>	<u>\$ —</u>	<u>\$ 240</u>
				<u>Gross Amounts Not Offset in the Statement of Financial Position</u>		
September 30, 2021						
(Millions of dollars)	Gross Amount of Recognized Liabilities	Gross Amounts Offset in the Statement of Financial Position	Net Amount of Liabilities Presented in the Statement of Financial Position	Financial Instruments	Cash Collateral Pledged	Net Amount of Liabilities
Derivatives						
Machinery, Energy & Transportation	\$ (64)	\$ —	\$ (64)	\$ 53	\$ —	\$ (11)
Financial Products	(41)	—	(41)	39	—	(2)
Total	<u>\$ (105)</u>	<u>\$ —</u>	<u>\$ (105)</u>	<u>\$ 92</u>	<u>\$ —</u>	<u>\$ (13)</u>
				<u>Gross Amounts Not Offset in the Statement of Financial Position</u>		
December 31, 2020						
(Millions of dollars)	Gross Amount of Recognized Assets	Gross Amounts Offset in the Statement of Financial Position	Net Amount of Assets Presented in the Statement of Financial Position	Financial Instruments	Cash Collateral Received	Net Amount of Assets
Derivatives						
Machinery, Energy & Transportation	\$ 196	\$ —	\$ 196	\$ (38)	\$ —	\$ 158
Financial Products	85	—	85	(57)	—	28
Total	<u>\$ 281</u>	<u>\$ —</u>	<u>\$ 281</u>	<u>\$ (95)</u>	<u>\$ —</u>	<u>\$ 186</u>
				<u>Gross Amounts Not Offset in the Statement of Financial Position</u>		
December 31, 2020						
(Millions of dollars)	Gross Amount of Recognized Liabilities	Gross Amounts Offset in the Statement of Financial Position	Net Amount of Liabilities Presented in the Statement of Financial Position	Financial Instruments	Cash Collateral Pledged	Net Amount of Liabilities
Derivatives						
Machinery, Energy & Transportation	\$ (38)	\$ —	\$ (38)	\$ 38	\$ —	\$ —
Financial Products	(260)	—	(260)	57	—	(203)
Total	<u>\$ (298)</u>	<u>\$ —</u>	<u>\$ (298)</u>	<u>\$ 95</u>	<u>\$ —</u>	<u>\$ (203)</u>

6. Inventories

Inventories (principally using the last-in, first-out (LIFO) method) were comprised of the following:

(Millions of dollars)	September 30, 2021	December 31, 2020
Raw materials	\$ 5,144	\$ 4,021
Work-in-process	1,522	1,052
Finished goods	6,707	6,054
Supplies	293	275
Total inventories	<u>\$ 13,666</u>	<u>\$ 11,402</u>

7. Intangible assets and goodwill

A. Intangible assets

Intangible assets were comprised of the following:

(Millions of dollars)	Weighted Amortizable Life (Years)	September 30, 2021		
		Gross Carrying Amount	Accumulated Amortization	Net
Customer relationships	15	\$ 2,436	\$ (1,682)	\$ 754
Intellectual property	12	1,473	(1,160)	313
Other	15	157	(103)	54
Total finite-lived intangible assets	14	<u>\$ 4,066</u>	<u>\$ (2,945)</u>	<u>\$ 1,121</u>

(Millions of dollars)	Weighted Amortizable Life (Years)	December 31, 2020		
		Gross Carrying Amount	Accumulated Amortization	Net
Customer relationships	15	\$ 2,493	\$ (1,600)	\$ 893
Intellectual property	12	1,439	(1,073)	366
Other	14	164	(115)	49
Total finite-lived intangible assets	14	<u>\$ 4,096</u>	<u>\$ (2,788)</u>	<u>\$ 1,308</u>

Amortization expense for the three and nine months ended September 30, 2021 was \$75 million and \$228 million, respectively. Amortization expense for the three and nine months ended September 30, 2020 was \$78 million and \$236 million, respectively. Amortization expense related to intangible assets is expected to be:

(Millions of dollars)					
Remaining Three Months of 2021	2022	2023	2024	2025	Thereafter
\$74	\$287	\$228	\$170	\$160	\$202

B. Goodwill

No goodwill was impaired during the nine months ended September 30, 2021 or 2020.

The changes in carrying amount of goodwill by reportable segment for the nine months ended September 30, 2021 were as follows:

(Millions of dollars)	December 31, 2020	Acquisitions ¹	Other Adjustments ²	September 30, 2021
Construction Industries				
Goodwill.....	\$ 320	\$ 4	\$ (17)	\$ 307
Impairments.....	(22)	—	—	(22)
Net goodwill.....	298	4	(17)	285
Resource Industries				
Goodwill.....	4,253	22	(62)	4,213
Impairments.....	(1,175)	—	—	(1,175)
Net goodwill.....	3,078	22	(62)	3,038
Energy & Transportation				
Goodwill.....	2,959	51	(35)	2,975
All Other ³				
Goodwill.....	59	—	(4)	55
Consolidated total				
Goodwill.....	7,591	77	(118)	7,550
Impairments.....	(1,197)	—	—	(1,197)
Net goodwill.....	<u>\$ 6,394</u>	<u>\$ 77</u>	<u>\$ (118)</u>	<u>\$ 6,353</u>

¹ See Note 21 for additional details.

² Other adjustments are comprised primarily of foreign currency translation.

³ Includes All Other operating segment (See Note 16).

8. Investments in debt and equity securities

We have investments in certain debt and equity securities, primarily at Insurance Services, which we record at fair value and primarily include in Other assets in the Consolidated Statement of Financial Position.

We classify debt securities primarily as available-for-sale. We include the unrealized gains and losses arising from the revaluation of available-for-sale debt securities, net of applicable deferred income taxes, in equity (AOCI in the Consolidated Statement of Financial Position). We include the unrealized gains and losses arising from the revaluation of the equity securities in Other income (expense) in the Consolidated Statement of Results of Operations. We generally determine realized gains and losses on sales of investments using the specific identification method for available-for-sale debt and equity securities and include them in Other income (expense) in the Consolidated Statement of Results of Operations.

The cost basis and fair value of available-for-sale debt securities with unrealized gains and losses included in equity (AOCI in the Consolidated Statement of Financial Position) were as follows:

Available-for-sale debt securities (Millions of dollars)	September 30, 2021			December 31, 2020		
	Cost Basis	Unrealized Pretax Net Gains (Losses)	Fair Value	Cost Basis	Unrealized Pretax Net Gains (Losses)	Fair Value
Government debt						
U.S. treasury bonds	\$ 10	\$ —	\$ 10	\$ 10	\$ —	\$ 10
Other U.S. and non-U.S. government bonds	57	—	57	58	1	59
Corporate bonds						
Corporate bonds	1,004	31	1,035	962	50	1,012
Asset-backed securities	146	2	148	156	3	159
Mortgage-backed debt securities						
U.S. governmental agency	340	9	349	362	12	374
Residential	4	—	4	5	—	5
Commercial	97	3	100	60	4	64
Total available-for-sale debt securities	\$ 1,658	\$ 45	\$ 1,703	\$ 1,613	\$ 70	\$ 1,683

Available-for-sale debt securities in an unrealized loss position:

(Millions of dollars)	September 30, 2021					
	Less than 12 months ¹		12 months or more ¹		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Corporate bonds						
Corporate bonds	\$ 215	\$ 2	\$ 6	\$ —	\$ 221	\$ 2
Total	\$ 215	\$ 2	\$ 6	\$ —	\$ 221	\$ 2

(Millions of dollars)	December 31, 2020					
	Less than 12 months ¹		12 months or more ¹		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Corporate bonds						
Corporate bonds	\$ 13	\$ —	\$ 4	\$ —	\$ 17	\$ —
Total	\$ 13	\$ —	\$ 4	\$ —	\$ 17	\$ —

¹ Indicates the length of time that individual securities have been in a continuous unrealized loss position.

Corporate Bonds The unrealized losses on our investments in corporate bonds relate to changes in interest rates and credit-related yield spreads since time of purchase. We do not intend to sell the investments, and it is not likely that we will be required to sell the investments before recovery of their amortized cost basis. In addition, we did not expect credit-related losses on these investments as of September 30, 2021.

The cost basis and fair value of available-for-sale debt securities at September 30, 2021, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to prepay and creditors may have the right to call obligations.

(Millions of dollars)	September 30, 2021	
	Cost Basis	Fair Value
Due in one year or less	\$ 154	\$ 156
Due after one year through five years	730	753
Due after five years through ten years	271	278
Due after ten years	62	63
U.S. governmental agency mortgage-backed securities	340	349
Residential mortgage-backed securities	4	4
Commercial mortgage-backed securities	97	100
Total debt securities – available-for-sale	<u>\$ 1,658</u>	<u>\$ 1,703</u>

Sales of available-for-sale debt securities:

(Millions of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Proceeds from the sale of available-for-sale securities	\$ 97	\$ 74	\$ 322	\$ 197
Gross gains from the sale of available-for-sale securities	1	—	3	1
Gross losses from the sale of available-for-sale securities	—	—	—	1

In addition, we had \$543 million of investments in time deposits classified as held-to-maturity debt securities as of September 30, 2021. All these investments mature within one year and we include them in Prepaid expenses and other current assets in the Consolidated Statement of Financial Position. We did not have any investments classified as held-to-maturity debt securities as of December 31, 2020. We record held-to-maturity debt securities at amortized cost, which approximates fair value. We did not have any unrealized gains or losses on these securities as of September 30, 2021 and December 31, 2020.

For the three months ended September 30, 2021 and 2020, the net unrealized gains (losses) for equity securities held at September 30, 2021 and 2020 were \$46 million and \$9 million, respectively. For the nine months ended September 30, 2021 and 2020, the net unrealized gains (losses) for equity securities held at September 30, 2021 and 2020 were \$65 million and \$(1) million, respectively.

9. Postretirement benefits

A. Pension and postretirement benefit costs

(Millions of dollars)	U.S. Pension Benefits		Non-U.S. Pension Benefits		Other Postretirement Benefits	
	September 30		September 30		September 30	
	2021	2020	2021	2020	2021	2020
For the three months ended:						
Components of net periodic benefit cost:						
Service cost	\$ —	\$ —	\$ 15	\$ 13	\$ 25	\$ 24
Interest cost	82	120	16	17	16	26
Expected return on plan assets	(180)	(197)	(33)	(34)	(1)	(4)
Amortization of prior service cost (credit)	—	—	—	—	(11)	(9)
(Gain) loss on remeasurement of pension obligations ¹	—	(2)	—	79	—	—
Curtailements, settlements and termination benefits ¹	—	—	—	4	—	—
Net periodic benefit cost (benefit) ²	<u>\$ (98)</u>	<u>\$ (79)</u>	<u>\$ (2)</u>	<u>\$ 79</u>	<u>\$ 29</u>	<u>\$ 37</u>
For the nine months ended:						
Components of net periodic benefit cost:						
Service cost	\$ —	\$ —	\$ 44	\$ 41	\$ 75	\$ 71
Interest cost	247	362	43	57	48	79
Expected return on plan assets	(538)	(593)	(98)	(107)	(4)	(10)
Amortization of prior service cost (credit)	—	—	—	—	(31)	(28)
(Gain) loss on remeasurement of pension obligations ¹	—	—	—	(55)	—	—
Curtailements, settlements and termination benefits ¹	—	—	—	25	—	—
Net periodic benefit cost (benefit) ²	<u>\$ (291)</u>	<u>\$ (231)</u>	<u>\$ (11)</u>	<u>\$ (39)</u>	<u>\$ 88</u>	<u>\$ 112</u>

¹ Total lump-sum transfers out of certain pension plans exceeded the service and interest cost for 2020, which required us to follow settlement accounting and remeasure the plans' obligations as of March 31, 2020, June 30, 2020 and September 30, 2020.

² The service cost component is included in Operating costs in the Consolidated Statement of Results of Operations. All other components are included in Other income (expense) in the Consolidated Statement of Results of Operations.

We made \$69 million and \$229 million of contributions to our pension and other postretirement plans during the three and nine months ended September 30, 2021, respectively. We currently anticipate full-year 2021 contributions of approximately \$310 million.

B. Defined contribution benefit costs

Total company costs related to our defined contribution plans, which are included in Operating Costs in the Consolidated Statement of Results of Operations, were as follows:

(Millions of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
	U.S. Plans	\$ 81	\$ 103	\$ 321
Non-U.S. Plans	29	22	83	65
	<u>\$ 110</u>	<u>\$ 125</u>	<u>\$ 404</u>	<u>\$ 313</u>

The increase in the U.S. defined contribution benefit costs for the nine months ended September 30, 2021 was primarily due to the fair value adjustments related to our non-qualified deferred compensation plans.

10. Leases

Revenues from finance and operating leases, primarily included in Revenues of Financial Products on the Consolidated Statement of Results of Operations, were as follows:

(Millions of dollars)	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2021	2020	2021	2020
Finance lease revenue.....	\$ 120	\$ 125	\$ 369	\$ 369
Operating lease revenue.....	275	249	850	837
Total.....	\$ 395	\$ 374	\$ 1,219	\$ 1,206

We present revenues net of sales and other related taxes.

11. Guarantees and product warranty

Caterpillar dealer performance guarantees

We have provided an indemnity to a third-party insurance company for potential losses related to performance bonds issued on behalf of Caterpillar dealers. The bonds have varying terms and are issued to insure governmental agencies against nonperformance by certain dealers. We also provided guarantees to third-parties related to the performance of contractual obligations by certain Caterpillar dealers. These guarantees have varying terms and cover potential financial losses incurred by the third parties resulting from the dealers' nonperformance.

In 2016, we provided a guarantee to an end user related to the performance of contractual obligations by a Caterpillar dealer. Under the guarantee, which expires in 2025, non-performance by the Caterpillar dealer could require Caterpillar to satisfy the contractual obligations by providing goods, services or financial compensation to the end user up to an annual designated cap.

Supplier consortium performance guarantee

We have provided a guarantee to a customer in Europe related to the performance of contractual obligations by a supplier consortium to which one of our Caterpillar subsidiaries is a member. The guarantee covers potential damages incurred by the customer resulting from the supplier consortium's non-performance. The damages are capped except for failure of the consortium to meet certain obligations outlined in the contract in the normal course of business. The guarantee will expire when the supplier consortium performs all of its contractual obligations, which is expected to be completed in 2022.

We have dealer performance guarantees and third-party performance guarantees that do not limit potential payment to end users related to indemnities and other commercial contractual obligations. In addition, we have entered into contracts involving industry standard indemnifications that do not limit potential payment. For these unlimited guarantees, we are unable to estimate a maximum potential amount of future payments that could result from claims made.

No significant loss has been experienced or is anticipated under any of these guarantees. At both September 30, 2021 and December 31, 2020, the related recorded liability was \$5 million. The maximum potential amount of future payments (undiscounted and without reduction for any amounts that may possibly be recovered under recourse or collateralized provisions) we could be required to make under the guarantees was as follows:

(Millions of dollars)	September 30, 2021	December 31, 2020
Caterpillar dealer performance guarantees.....	\$ 908	\$ 993
Supplier consortium performance guarantee.....	247	258
Other guarantees.....	248	234
Total guarantees.....	\$ 1,403	\$ 1,485

Cat Financial provides guarantees to purchase certain loans of Caterpillar dealers from a special-purpose corporation (SPC) that qualifies as a variable interest entity. The purpose of the SPC is to provide short-term working capital loans to Caterpillar dealers. This SPC issues commercial paper and uses the proceeds to fund its loan program. Cat Financial receives a fee for providing this guarantee. Cat Financial is the primary beneficiary of the SPC as its guarantees result in Cat Financial having both the power to direct the activities that most significantly impact the SPC's economic performance and the obligation to absorb losses, and therefore Cat Financial has consolidated the financial statements of the SPC. As of September 30, 2021 and December 31, 2020, the SPC's assets of \$899 million and \$1,026 million, respectively, were primarily comprised of loans to dealers, and the SPC's liabilities of \$899 million and \$1,025 million, respectively, were primarily comprised of commercial paper. The assets of the SPC are not available to pay Cat Financial's creditors. Cat Financial may be obligated to perform under the guarantee if the SPC experiences losses. No loss has been experienced or is anticipated under this loan purchase agreement.

We determine our product warranty liability by applying historical claim rate experience to the current field population and dealer inventory. Generally, we base historical claim rates on actual warranty experience for each product by machine model/engine size by customer or dealer location (inside or outside North America). We develop specific rates for each product shipment month and update them monthly based on actual warranty claim experience.

(Millions of dollars)	First Nine Months	
	2021	2020
Warranty liability, beginning of period	\$ 1,612	\$ 1,541
Reduction in liability (payments)	(638)	(652)
Increase in liability (new warranties)	716	678
Warranty liability, end of period	\$ 1,690	\$ 1,567

12. Profit per share

Computations of profit per share:	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
(Dollars in millions except per share data)				
Profit for the period (A) ¹	\$ 1,426	\$ 668	\$ 4,369	\$ 2,218
Determination of shares (in millions):				
Weighted-average number of common shares outstanding (B)	544.0	542.3	545.8	543.9
Shares issuable on exercise of stock awards, net of shares assumed to be purchased out of proceeds at average market price	3.6	4.1	4.4	3.9
Average common shares outstanding for fully diluted computation (C) ² ..	547.6	546.4	550.2	547.8
Profit per share of common stock:				
Assuming no dilution (A/B)	\$ 2.62	\$ 1.23	\$ 8.00	\$ 4.08
Assuming full dilution (A/C) ²	\$ 2.60	\$ 1.22	\$ 7.94	\$ 4.05
Shares outstanding as of September 30 (in millions)			540.9	543.3

¹ Profit attributable to common shareholders.

² Diluted by assumed exercise of stock-based compensation awards using the treasury stock method.

For the three and nine months ended September 30, 2021 and 2020, we excluded 1.1 million and 4.8 million of outstanding stock options, respectively, from the computation of diluted earnings per share because the effect would have been antidilutive.

In July 2018, the Board approved a share repurchase authorization (the 2018 Authorization) of up to \$10.0 billion of Caterpillar common stock effective January 1, 2019, with no expiration. As of September 30, 2021, approximately \$3.1 billion remained available under the 2018 Authorization.

For the three and nine months ended September 30, 2021, we repurchased 6.6 million and 7.8 million shares of Caterpillar common stock, at an aggregate cost of \$1.4 billion and \$1.6 billion, respectively. For the three months ended September 30, 2020, we did not repurchase any shares of Caterpillar common stock. For the nine months ended September 30, 2020, we repurchased 10.1 million shares of Caterpillar common stock at an aggregate cost of \$1.3 billion. We made these purchases through a combination of accelerated stock repurchase agreements with third-party financial institutions and open market transactions.

13. Accumulated other comprehensive income (loss)

We present comprehensive income and its components in the Consolidated Statement of Comprehensive Income. Changes in the balances for each component of AOCI were as follows:

(Millions of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Foreign currency translation:				
Beginning balance	\$ (1,158)	\$ (1,672)	\$ (910)	\$ (1,487)
Gains (losses) on foreign currency translation	(230)	270	(461)	64
Less: Tax provision /(benefit)	12	(21)	29	(20)
Net gains (losses) on foreign currency translation	(242)	291	(490)	84
(Gains) losses reclassified to earnings	—	—	—	22
Less: Tax provision /(benefit)	—	—	—	—
Net (gains) losses reclassified to earnings	—	—	—	22
Other comprehensive income (loss), net of tax	(242)	291	(490)	106
Ending balance	\$ (1,400)	\$ (1,381)	\$ (1,400)	\$ (1,381)
Pension and other postretirement benefits				
Beginning balance	\$ (47)	\$ (15)	\$ (32)	\$ (3)
Current year prior service credit (cost)	—	(2)	—	—
Less: Tax provision /(benefit)	—	(1)	—	(1)
Net current year prior service credit (cost)	—	(1)	—	1
Amortization of prior service (credit) cost	(11)	(9)	(31)	(28)
Less: Tax provision /(benefit)	(3)	(2)	(8)	(7)
Net amortization of prior service (credit) cost	(8)	(7)	(23)	(21)
Other comprehensive income (loss), net of tax	(8)	(8)	(23)	(20)
Ending balance	\$ (55)	\$ (23)	\$ (55)	\$ (23)
Derivative financial instruments				
Beginning balance	\$ 12	\$ (169)	\$ —	\$ (97)
Gains (losses) deferred	45	5	141	(93)
Less: Tax provision /(benefit)	3	2	22	(21)
Net gains (losses) deferred	42	3	119	(72)
(Gains) losses reclassified to earnings	(85)	93	(164)	98
Less: Tax provision /(benefit)	(12)	20	(26)	22
Net (gains) losses reclassified to earnings	(73)	73	(138)	76
Other comprehensive income (loss), net of tax	(31)	76	(19)	4
Ending balance	\$ (19)	\$ (93)	\$ (19)	\$ (93)
Available-for-sale securities				
Beginning balance	\$ 39	\$ 41	\$ 54	\$ 20
Gains (losses) deferred	(4)	8	(22)	38
Less: Tax provision /(benefit)	—	—	(4)	9
Net gains (losses) deferred	(4)	8	(18)	29
(Gains) losses reclassified to earnings	(1)	—	(3)	—
Less: Tax provision /(benefit)	—	—	(1)	—
Net (gains) losses reclassified to earnings	(1)	—	(2)	—
Other comprehensive income (loss), net of tax	(5)	8	(20)	29
Ending balance	\$ 34	\$ 49	\$ 34	\$ 49
Total AOCI Ending Balance at September 30	\$ (1,440)	\$ (1,448)	\$ (1,440)	\$ (1,448)

14. Environmental and legal matters

The Company is regulated by federal, state and international environmental laws governing its use, transport and disposal of substances and control of emissions. In addition to governing our manufacturing and other operations, these laws often impact the development of our products, including, but not limited to, required compliance with air emissions standards applicable to internal combustion engines. We have made, and will continue to make, significant research and development and capital expenditures to comply with these emissions standards.

We are engaged in remedial activities at a number of locations, often with other companies, pursuant to federal and state laws. When it is probable we will pay remedial costs at a site, and those costs can be reasonably estimated, we accrue the investigation, remediation, and operating and maintenance costs against our earnings. We accrue costs based on consideration of currently available data and information with respect to each individual site, including available technologies, current applicable laws and regulations, and prior remediation experience. Where no amount within a range of estimates is more likely, we accrue the minimum. Where multiple potentially responsible parties are involved, we consider our proportionate share of the probable costs. In formulating the estimate of probable costs, we do not consider amounts expected to be recovered from insurance companies or others. We reassess these accrued amounts on a quarterly basis. The amount recorded for environmental remediation is not material and is included in Accrued expenses in the Consolidated Statement of Financial Position. We believe there is no more than a remote chance that a material amount for remedial activities at any individual site, or at all the sites in the aggregate, will be required.

On January 7, 2015, the Company received a grand jury subpoena from the U.S. District Court for the Central District of Illinois. The subpoena requested documents and information from the Company relating to, among other things, financial information concerning U.S. and non-U.S. Caterpillar subsidiaries (including undistributed profits of non-U.S. subsidiaries and the movement of cash among U.S. and non-U.S. subsidiaries). The Company has received additional subpoenas relating to this investigation requesting additional documents and information relating to, among other things, the purchase and resale of replacement parts by Caterpillar Inc. and non-U.S. Caterpillar subsidiaries, dividend distributions of certain non-U.S. Caterpillar subsidiaries, and Caterpillar SARL (CSARL) and related structures. On March 2-3, 2017, agents with the Department of Commerce, the Federal Deposit Insurance Corporation and the Internal Revenue Service executed search and seizure warrants at three facilities of the Company in the Peoria, Illinois area, including its former corporate headquarters. The warrants identify, and agents seized, documents and information related to, among other things, the export of products from the United States, the movement of products between the United States and Switzerland, the relationship between Caterpillar Inc. and CSARL, and sales outside the United States. It is the Company's understanding that the warrants, which concern both tax and export activities, are related to the ongoing grand jury investigation. The Company is continuing to cooperate with this investigation. The Company is unable to predict the outcome or reasonably estimate any potential loss; however, we currently believe that this matter will not have a material adverse effect on the Company's consolidated results of operations, financial position or liquidity.

In addition, we are involved in other unresolved legal actions that arise in the normal course of business. The most prevalent of these unresolved actions involve disputes related to product design, manufacture and performance liability (including claimed asbestos exposure), contracts, employment issues, environmental matters, intellectual property rights, taxes (other than income taxes) and securities laws. The aggregate range of reasonably possible losses in excess of accrued liabilities, if any, associated with these unresolved legal actions is not material. In some cases, we cannot reasonably estimate a range of loss because there is insufficient information regarding the matter. However, we believe there is no more than a remote chance that any liability arising from these matters would be material. Although it is not possible to predict with certainty the outcome of these unresolved legal actions, we believe that these actions will not individually or in the aggregate have a material adverse effect on our consolidated results of operations, financial position or liquidity.

15. Income taxes

The provision for income taxes for the nine months ended September 30, 2021 reflected an estimated annual tax rate of 25 percent, compared with 31 percent for the nine months ended September 30, 2020, excluding the discrete items discussed in the following paragraph. The comparative tax rate for full-year 2020 was approximately 28 percent. The decrease in the estimated annual tax rate from full-year 2020 was primarily related to changes in the expected geographic mix of profits from a tax perspective for 2021.

In addition, we recorded a discrete tax benefit of \$61 million for the nine months ended September 30, 2021, compared with \$21 million for the nine months ended September 30, 2020, for the settlement of stock-based compensation awards with associated tax deductions in excess of cumulative U.S. GAAP compensation expense. The company also recorded a discrete tax benefit of \$36 million to reflect changes in estimates related to prior year U.S. taxes for the nine months ended September 30, 2021 compared to \$80 million for the nine months ended September 30, 2020. Finally, we recorded a \$10 million tax charge related to the \$55 million of remeasurement net gain resulting from the settlements of pension obligations for the nine months ended September 30, 2020.

On January 31, 2018, we received a Revenue Agent's Report from the Internal Revenue Service (IRS) indicating the end of the field examination of our U.S. income tax returns for 2010 to 2012. In the audits of 2007 to 2012 including the impact of a loss carryback to 2005, the IRS has proposed to tax in the United States profits earned from certain parts transactions by Caterpillar SARL (CSARL), based on the IRS examination team's application of the "substance-over-form" or "assignment-of-income" judicial doctrines. We are vigorously contesting the proposed increases to tax and penalties for these years of approximately \$2.3 billion. We believe that the relevant transactions complied with applicable tax laws and did not violate judicial doctrines. We have filed U.S. income tax returns on this same basis for years after 2012. Based on the information currently available, we do not anticipate a significant change to our unrecognized tax benefits for this position within the next 12 months. We currently believe the ultimate disposition of this matter will not have a material adverse effect on our consolidated financial position, liquidity or results of operations.

16. Segment information

A. Basis for segment information

Our Executive Office is comprised of a Chief Executive Officer (CEO), four Group Presidents, a Chief Financial Officer (CFO), a Chief Legal Officer and General Counsel and a Chief Human Resources Officer. The Group Presidents and CFO are accountable for a related set of end-to-end businesses that they manage. The Chief Legal Officer and General Counsel leads the Law, Security and Public Policy Division. The Chief Human Resources Officer leads the Human Resources Organization. The CEO allocates resources and manages performance at the Group President/CFO level. As such, the CEO serves as our Chief Operating Decision Maker, and operating segments are primarily based on the Group President/CFO reporting structure.

Three of our operating segments, Construction Industries, Resource Industries and Energy & Transportation are led by Group Presidents. One operating segment, Financial Products, is led by the CFO who also has responsibility for Corporate Services. Corporate Services is a cost center primarily responsible for the performance of certain support functions globally and to provide centralized services; it does not meet the definition of an operating segment. One Group President leads one smaller operating segment that is included in the All Other operating segment. The Law, Security and Public Policy Division and the Human Resources Organization are cost centers and do not meet the definition of an operating segment.

B. Description of segments

We have five operating segments, of which four are reportable segments. Following is a brief description of our reportable segments and the business activities included in the All Other operating segment:

Construction Industries: A segment primarily responsible for supporting customers using machinery in infrastructure and building construction applications. Responsibilities include business strategy, product design, product management and development, manufacturing, marketing and sales and product support. The product portfolio includes asphalt pavers; backhoe loaders; compactors; cold planers; compact track and multi-terrain loaders; mini, small, medium and large track excavators; motor graders; pipelayers; road reclaimers; skid steer loaders; telehandlers; small and medium track-type tractors; track-type loaders; utility vehicles; wheel excavators; compact, small and medium wheel loaders; and related parts and work tools. Inter-segment sales are a source of revenue for this segment.

Resource Industries: A segment primarily responsible for supporting customers using machinery in mining, heavy construction and quarry and aggregates. Responsibilities include business strategy, product design, product management and development, manufacturing, marketing and sales and product support. The product portfolio includes large track-type tractors; large mining trucks; hard rock vehicles; longwall miners; electric rope shovels; draglines; hydraulic shovels; rotary drills; large wheel loaders; off-highway trucks; articulated trucks; wheel tractor scrapers; wheel dozers; landfill compactors; soil compactors; select work tools; machinery components; electronics and control systems and related parts. In addition to equipment, Resource Industries also develops and sells technology products and services to provide customers fleet management, equipment management analytics, autonomous machine capabilities, safety services and mining performance solutions. Resource Industries also manages areas that provide services to other parts of the company, including integrated manufacturing, research and development for drivetrains, hydraulic systems, electronics and software for Cat machines and engines. Inter-segment sales are a source of revenue for this segment.

Energy & Transportation: A segment primarily responsible for supporting customers using reciprocating engines, turbines, diesel-electric locomotives and related services across industries serving Oil and Gas, Power Generation, Industrial and Transportation applications, including marine- and rail-related businesses. Responsibilities include business strategy, product design, product management and development, manufacturing, marketing and sales and product support. The product and services portfolio includes turbines, centrifugal gas compressors, and turbine-related services; reciprocating engine-powered generator sets; integrated systems used in the electric power generation industry; reciprocating engines and integrated systems and solutions for the marine and oil and gas industries; reciprocating engines supplied to the industrial industry as well as Cat machinery; and diesel-electric locomotives and components and other rail-related products and services, including remanufacturing and leasing. Responsibilities also include the remanufacturing of Caterpillar reciprocating engines and components and remanufacturing services for other companies; and product support of on-highway vocational trucks for North America. Inter-segment sales are a source of revenue for this segment.

Financial Products Segment: Provides financing alternatives to customers and dealers around the world for Caterpillar products, as well as financing for vehicles, power generation facilities and marine vessels that, in most cases, incorporate Caterpillar products. Financing plans include operating and finance leases, installment sale contracts, repair/rebuild financing, working capital loans and wholesale financing plans. The segment also provides insurance and risk management products and services that help customers and dealers manage their business risk. Insurance and risk management products offered include physical damage insurance, inventory protection plans, extended service coverage and maintenance plans for machines and engines, and dealer property and casualty insurance. The various forms of financing, insurance and risk management products offered to customers and dealers help support the purchase and lease of Caterpillar equipment. The segment also earns revenues from ME&T, but the related costs are not allocated to operating segments. Financial Products' segment profit is determined on a pretax basis and includes other income/expense items.

All Other operating segment: Primarily includes activities such as: business strategy; product management and development; manufacturing and sourcing of filters and fluids, undercarriage, ground-engaging tools, fluid transfer products, precision seals, rubber sealing and connecting components primarily for Cat® products; parts distribution; integrated logistics solutions; distribution services responsible for dealer development and administration, including a wholly owned dealer in Japan; dealer portfolio management and ensuring the most efficient and effective distribution of machines, engines and parts; brand management and marketing strategy; and digital investments for new customer and dealer solutions that integrate data analytics with state-of-the-art digital technologies while transforming the buying experience. Results for the All Other operating segment are included as a reconciling item between reportable segments and consolidated external reporting.

C. Segment measurement and reconciliations

There are several methodology differences between our segment reporting and our external reporting. The following is a list of the more significant methodology differences:

- ME&T segment net assets generally include inventories, receivables, property, plant and equipment, goodwill, intangibles, accounts payable and customer advances. We generally manage at the corporate level liabilities other than accounts payable and customer advances, and we do not include these in segment operations. Financial Products Segment assets generally include all categories of assets.
- We value segment inventories and cost of sales using a current cost methodology.

- We amortize goodwill allocated to segments using a fixed amount based on a 20-year useful life. This methodology difference only impacts segment assets. We do not include goodwill amortization expense in segment profit. In addition, we have allocated to segments only a portion of goodwill for certain acquisitions made in 2011 or later.
- We generally manage currency exposures for ME&T at the corporate level and do not include in segment profit the effects of changes in exchange rates on results of operations within the year. We report the net difference created in the translation of revenues and costs between exchange rates used for U.S. GAAP reporting and exchange rates used for segment reporting as a methodology difference.
- We do not include stock-based compensation expense in segment profit.
- Postretirement benefit expenses are split; segments are generally responsible for service costs, with the remaining elements of net periodic benefit cost included as a methodology difference.
- We determine ME&T segment profit on a pretax basis and exclude interest expense and most other income/expense items. We determine Financial Products Segment profit on a pretax basis and include other income/expense items.

Reconciling items are created based on accounting differences between segment reporting and our consolidated external reporting. Please refer to pages 33 to 36 for financial information regarding significant reconciling items. Most of our reconciling items are self-explanatory given the above explanations. For the reconciliation of profit, we have grouped the reconciling items as follows:

- **Corporate costs:** These costs are related to corporate requirements primarily for compliance and legal functions for the benefit of the entire organization.
- **Restructuring costs:** May include costs for employee separation, long-lived asset impairments and contract terminations. These costs are included in Other operating (income) expenses except for defined-benefit plan curtailment losses and special termination benefits, which are included in Other income (expense). Restructuring costs also include other exit-related costs, which may consist of accelerated depreciation, inventory write-downs, building demolition, equipment relocation and project management costs and LIFO inventory decrement benefits from inventory liquidations at closed facilities, all of which are primarily included in Cost of goods sold. Only certain restructuring costs in 2020 are excluded from segment profit. See Note 20 for more information.
- **Methodology differences:** See previous discussion of significant accounting differences between segment reporting and consolidated external reporting.
- **Timing:** Timing differences in the recognition of costs between segment reporting and consolidated external reporting. For example, we report certain costs on the cash basis for segment reporting and the accrual basis for consolidated external reporting.

For the three and nine months ended September 30, 2021 and 2020, sales and revenues by geographic region reconciled to consolidated sales and revenues were as follows:

Sales and Revenues by Geographic Region							
(Millions of dollars)	North America	Latin America	EAME	Asia/Pacific	External Sales and Revenues	Intersegment Sales and Revenues	Total Sales and Revenues
Three Months Ended September 30, 2021							
Construction Industries	\$ 2,417	\$ 528	\$ 1,240	\$ 1,076	\$ 5,261	\$ (6)	\$ 5,255
Resource Industries	674	417	456	744	2,291	115	2,406
Energy & Transportation	1,924	329	1,144	744	4,141	936	5,077
Financial Products Segment	478	68	105	111	762 ¹	—	762
Total sales and revenues from reportable segments	5,493	1,342	2,945	2,675	12,455	1,045	13,500
All Other operating segment	18	—	3	14	35	84	119
Corporate Items and Eliminations	(56)	(13)	(9)	(15)	(93)	(1,129)	(1,222)
Total Sales and Revenues	\$ 5,455	\$ 1,329	\$ 2,939	\$ 2,674	\$ 12,397	\$ —	\$ 12,397
Three Months Ended September 30, 2020							
Construction Industries	\$ 1,781	\$ 230	\$ 796	\$ 1,241	\$ 4,048	\$ 8	\$ 4,056
Resource Industries	487	269	384	564	1,704	112	1,816
Energy & Transportation	1,584	221	1,113	557	3,475	686	4,161
Financial Products Segment	448	63	100	113	724 ¹	—	724
Total sales and revenues from reportable segments	4,300	783	2,393	2,475	9,951	806	10,757
All Other operating segment	10	1	1	13	25	81	106
Corporate Items and Eliminations	(59)	(12)	(10)	(14)	(95)	(887)	(982)
Total Sales and Revenues	\$ 4,251	\$ 772	\$ 2,384	\$ 2,474	\$ 9,881	\$ —	\$ 9,881

¹ Includes revenues from Construction Industries, Resource Industries, Energy & Transportation and All Other operating segment of \$87 million and \$81 million in the three months ended September 30, 2021 and 2020, respectively.

Sales and Revenues by Geographic Region

(Millions of dollars)	North America	Latin America	EAME	Asia/Pacific	External Sales and Revenues	Intersegment Sales and Revenues	Total Sales and Revenues
Nine Months Ended September 30, 2021							
Construction Industries	\$ 7,041	\$ 1,350	\$ 3,612	\$ 4,302	\$ 16,305	\$ 65	\$ 16,370
Resource Industries	2,130	1,309	1,455	1,965	6,859	342	7,201
Energy & Transportation	5,698	835	3,433	1,953	11,919	2,640	14,559
Financial Products Segment	1,442	195	301	359	2,297 ¹	—	2,297
Total sales and revenues from reportable segments	16,311	3,689	8,801	8,579	37,380	3,047	40,427
All Other operating segment	42	1	10	54	107	270	377
Corporate Items and Eliminations	(188)	(36)	(27)	(63)	(314)	(3,317)	(3,631)
Total Sales and Revenues	\$ 16,165	\$ 3,654	\$ 8,784	\$ 8,570	\$ 37,173	\$ —	\$ 37,173
Nine Months Ended September 30, 2020							
Construction Industries	\$ 5,470	\$ 707	\$ 2,618	\$ 3,597	\$ 12,392	\$ 18	\$ 12,410
Resource Industries	1,690	859	1,158	1,686	5,393	333	5,726
Energy & Transportation	5,138	667	3,095	1,734	10,634	2,025	12,659
Financial Products Segment	1,466	193	298	344	2,301 ¹	—	2,301
Total sales and revenues from reportable segments	13,764	2,426	7,169	7,361	30,720	2,376	33,096
All Other operating segment	22	4	17	38	81	249	330
Corporate Items and Eliminations	(169)	(36)	(32)	(51)	(288)	(2,625)	(2,913)
Total Sales and Revenues	\$ 13,617	\$ 2,394	\$ 7,154	\$ 7,348	\$ 30,513	\$ —	\$ 30,513

¹ Includes revenues from Construction Industries, Resource Industries, Energy & Transportation and All Other operating segment of \$263 million and \$274 million in the nine months ended September 30, 2021 and 2020, respectively.

For the three and nine months ended September 30, 2021 and 2020, Energy & Transportation segment sales by end user application were as follows:

Energy & Transportation External Sales				
(Millions of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Oil and gas	\$ 1,088	\$ 734	\$ 3,140	\$ 2,622
Power generation	1,010	1,034	3,025	2,783
Industrial	948	730	2,660	2,209
Transportation	1,095	977	3,094	3,020
Energy & Transportation External Sales	\$ 4,141	\$ 3,475	\$ 11,919	\$ 10,634

Reconciliation of Consolidated profit before taxes:

(Millions of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Profit from reportable segments:				
Construction Industries	\$ 859	\$ 585	\$ 2,918	\$ 1,743
Resource Industries	297	167	986	623
Energy & Transportation	696	492	2,093	1,718
Financial Products Segment	173	142	660	395
Total profit from reportable segments	2,025	1,386	6,657	4,479
Profit from All Other operating segment	5	27	(2)	31
Cost centers	19	9	51	18
Corporate costs	(189)	(122)	(576)	(409)
Timing	(40)	(39)	(230)	(90)
Restructuring costs	(35)	(87)	(124)	(211)
Methodology differences:				
Inventory/cost of sales	73	(7)	80	(25)
Postretirement benefit expense	116	(32)	270	253
Stock-based compensation expense	(58)	(55)	(169)	(169)
Financing costs	(103)	(125)	(342)	(324)
Currency	19	(22)	255	(230)
Other income/expense methodology differences	(80)	(72)	(201)	(244)
Other methodology differences	23	2	(27)	(25)
Total consolidated profit before taxes	\$ 1,775	\$ 863	\$ 5,642	\$ 3,054

Reconciliation of Assets:

(Millions of dollars)	September 30, 2021	December 31, 2020
Assets from reportable segments:		
Construction Industries	\$ 4,592	\$ 4,259
Resource Industries	5,985	6,035
Energy & Transportation	9,305	8,582
Financial Products Segment	34,182	34,278
Total assets from reportable segments	54,064	53,154
Assets from All Other operating segment	1,622	1,717
Items not included in segment assets:		
Cash and cash equivalents	8,554	8,822
Deferred income taxes	1,639	1,413
Goodwill and intangible assets	4,894	4,847
Property, plant and equipment – net and other assets	3,208	2,833
Inventory methodology differences	(2,648)	(2,536)
Liabilities included in segment assets	9,810	8,466
Other	(359)	(392)
Total assets	<u>\$ 80,784</u>	<u>\$ 78,324</u>

Reconciliation of Depreciation and amortization:

(Millions of dollars)

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Depreciation and amortization from reportable segments:				
Construction Industries	\$ 60	\$ 61	\$ 178	\$ 183
Resource Industries	101	105	301	312
Energy & Transportation	144	147	428	442
Financial Products Segment	195	174	582	577
Total depreciation and amortization from reportable segments	500	487	1,489	1,514
Items not included in segment depreciation and amortization:				
All Other operating segment	59	71	181	196
Cost centers	24	31	74	96
Other	10	4	22	9
Total depreciation and amortization	<u>\$ 593</u>	<u>\$ 593</u>	<u>\$ 1,766</u>	<u>\$ 1,815</u>

Reconciliation of Capital expenditures:
(Millions of dollars)

	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Capital expenditures from reportable segments:				
Construction Industries	\$ 56	\$ 37	\$ 120	\$ 85
Resource Industries	44	10	101	63
Energy & Transportation	115	100	339	331
Financial Products Segment	311	280	900	783
Total capital expenditures from reportable segments	526	427	1,460	1,262
Items not included in segment capital expenditures:				
All Other operating segment	59	46	106	84
Cost centers	15	8	34	23
Timing	(13)	1	96	147
Other	—	11	(9)	(25)
Total capital expenditures	\$ 587	\$ 493	\$ 1,687	\$ 1,491

17. Cat Financial financing activities

Allowance for credit losses

Portfolio segments

A portfolio segment is the level at which Cat Financial develops a systematic methodology for determining its allowance for credit losses. Cat Financial's portfolio segments and related methods for estimating expected credit losses are as follows:

Customer

Cat Financial provides loans and finance leases to end-user customers primarily for the purpose of financing new and used Caterpillar machinery, engines and equipment for commercial use, the majority of which operate in construction-related industries. Cat Financial also provides financing for vehicles, power generation facilities and marine vessels that, in most cases, incorporate Caterpillar products. The average original term of Cat Financial's customer finance receivable portfolio was approximately 50 months with an average remaining term of approximately 27 months as of September 30, 2021.

Cat Financial typically maintains a security interest in financed equipment and requires physical damage insurance coverage on the financed equipment, both of which provide Cat Financial with certain rights and protections. If Cat Financial's collection efforts fail to bring a defaulted account current, Cat Financial generally can repossess the financed equipment, after satisfying local legal requirements, and sell it within the Caterpillar dealer network or through third-party auctions.

Cat Financial estimates the allowance for credit losses related to its customer finance receivables based on loss forecast models utilizing probabilities of default and the estimated loss given default based on past loss experience adjusted for current conditions and reasonable and supportable forecasts capturing country and industry-specific economic factors.

During the three and nine months ended September 30, 2021, Cat Financial's forecasts for the markets in which it operates reflected a general improvement in economic conditions, which had deteriorated due to the COVID-19 pandemic, resulting from a growing economy, improved unemployment rates and a decrease in delinquencies. The company believes the economic forecasts employed represent reasonable and supportable forecasts, followed by a reversion to long-term trends.

Dealer

Cat Financial provides financing to Caterpillar dealers in the form of wholesale financing plans. Cat Financial's wholesale financing plans provide assistance to dealers by financing their mostly new Caterpillar equipment inventory and rental fleets on a secured and unsecured basis. In addition, Cat Financial provides a variety of secured and unsecured loans to Caterpillar dealers.

Cat Financial estimates the allowance for credit losses for dealer finance receivables based on historical loss rates with consideration of current economic conditions and reasonable and supportable forecasts.

In general, Cat Financial's Dealer portfolio segment has not historically experienced large increases or decreases in credit losses based on changes in economic conditions due to its close working relationships with the dealers and their financial strength. Therefore, Cat Financial made no adjustments to historical loss rates during the three and nine months ended September 30, 2021.

Classes of finance receivables

Cat Financial further evaluates portfolio segments by the class of finance receivables, which is defined as a level of information (below a portfolio segment) in which the finance receivables have the same initial measurement attribute and a similar method for assessing and monitoring credit risk. Cat Financial's classes, which align with management reporting for credit losses, are as follows:

- **North America** - Finance receivables originated in the United States and Canada.
- **EAME** - Finance receivables originated in Europe, Africa, the Middle East and the Commonwealth of Independent States.
- **Asia/Pacific** - Finance receivables originated in Australia, New Zealand, China, Japan, Southeast Asia and India.
- **Mining** - Finance receivables related to large mining customers worldwide.
- **Latin America** - Finance receivables originated in Mexico and Central and South American countries.
- **Caterpillar Power Finance** - Finance receivables originated worldwide related to marine vessels with Caterpillar engines and Caterpillar electrical power generation, gas compression and co-generation systems and non-Caterpillar equipment that is powered by these systems.

Receivable balances, including accrued interest, are written off against the allowance for credit losses when, in the judgment of management, they are considered uncollectible (generally upon repossession of the collateral). The amount of the write-off is determined by comparing the fair value of the collateral, less cost to sell, to the amortized cost. Subsequent recoveries, if any, are credited to the allowance for credit losses when received.

An analysis of the allowance for credit losses was as follows:

(Millions of dollars)	Three Months Ended September 30, 2021			Three Months Ended September 30, 2020		
	Customer	Dealer	Total	Customer	Dealer	Total
Allowance for Credit Losses:						
Beginning balance	\$ 354	\$ 44	\$ 398	\$ 467	\$ 45	\$ 512
Write-offs	(91)	—	(91)	(139)	—	(139)
Recoveries	15	—	15	14	—	14
Provision for credit losses	17	38	55	67	—	67
Other	(3)	—	(3)	3	—	3
Ending balance	<u>\$ 292</u>	<u>\$ 82</u>	<u>\$ 374</u>	<u>\$ 412</u>	<u>\$ 45</u>	<u>\$ 457</u>
	Nine Months Ended September 30, 2021			Nine Months Ended September 30, 2020		
Allowance for Credit Losses:	Customer	Dealer	Total	Customer	Dealer	Total
Beginning balance	\$ 431	\$ 44	\$ 475	\$ 375	\$ 45	\$ 420
Adjustment to adopt new accounting guidance ¹	—	—	—	12	—	12
Write-offs	(193)	—	(193)	(212)	—	(212)
Recoveries	39	—	39	27	—	27
Provision for credit losses	20	38	58	213	—	213
Other	(5)	—	(5)	(3)	—	(3)
Ending balance	<u>\$ 292</u>	<u>\$ 82</u>	<u>\$ 374</u>	<u>\$ 412</u>	<u>\$ 45</u>	<u>\$ 457</u>
Individually evaluated	\$ 118	\$ 78	\$ 196	\$ 172	\$ 39	\$ 211
Collectively evaluated	174	4	178	240	6	246
Ending Balance	<u>\$ 292</u>	<u>\$ 82</u>	<u>\$ 374</u>	<u>\$ 412</u>	<u>\$ 45</u>	<u>\$ 457</u>
Finance Receivables:						
Individually evaluated	\$ 374	\$ 78	\$ 452	\$ 612	\$ 78	\$ 690
Collectively evaluated	19,593	1,853	21,446	17,967	2,975	20,942
Ending Balance	<u>\$ 19,967</u>	<u>\$ 1,931</u>	<u>\$ 21,898</u>	<u>\$ 18,579</u>	<u>\$ 3,053</u>	<u>\$ 21,632</u>

¹ Adjustment to adopt new accounting guidance related to credit losses.

Credit quality of finance receivables

At origination, Cat Financial evaluates credit risk based on a variety of credit quality factors including prior payment experience, customer financial information, credit ratings, loan-to-value ratios, probabilities of default, industry trends, macroeconomic factors and other internal metrics. On an ongoing basis, Cat Financial monitors credit quality based on past-due status as there is a meaningful correlation between the past-due status of customers and the risk of loss. In determining past-due status, Cat Financial considers the entire finance receivable past due when any installment is over 30 days past due.

Customer

The tables below summarize the aging category of Cat Financial's amortized cost of finance receivables in the Customer portfolio segment by origination year:

(Millions of dollars)	September 30, 2021							
	2021	2020	2019	2018	2017	Prior	Revolving Finance Receivables	Total Finance Receivables
<u>North America</u>								
Current.....	\$ 3,635	\$ 2,914	\$ 1,675	\$ 785	\$ 246	\$ 66	\$ 167	\$ 9,488
31-60 days past due.....	13	31	23	15	6	1	3	92
61-90 days past due.....	6	9	8	5	2	—	3	33
91+ days past due.....	5	17	22	12	8	5	6	75
<u>EAME</u>								
Current.....	1,330	1,117	571	269	93	25	—	3,405
31-60 days past due.....	8	7	5	1	1	—	—	22
61-90 days past due.....	3	4	9	2	—	—	—	18
91+ days past due.....	2	15	7	5	1	24	—	54
<u>Asia/Pacific</u>								
Current.....	1,071	929	390	102	22	4	—	2,518
31-60 days past due.....	9	17	14	5	2	—	—	47
61-90 days past due.....	3	10	7	1	—	—	—	21
91+ days past due.....	1	11	11	6	—	—	—	29
<u>Mining</u>								
Current.....	656	382	417	230	67	164	66	1,982
31-60 days past due.....	2	—	8	9	3	—	—	22
61-90 days past due.....	—	2	—	—	—	—	—	2
91+ days past due.....	—	1	2	4	2	—	—	9
<u>Latin America</u>								
Current.....	472	377	192	71	19	10	—	1,141
31-60 days past due.....	4	11	4	3	2	—	—	24
61-90 days past due.....	2	3	3	2	1	1	—	12
91+ days past due.....	—	18	8	5	5	4	—	40
<u>Caterpillar Power Finance</u>								
Current.....	109	141	98	75	197	141	102	863
31-60 days past due.....	—	—	—	2	—	—	—	2
61-90 days past due.....	—	—	—	—	—	—	—	—
91+ days past due.....	1	2	—	20	1	44	—	68
Total Customer	\$ 7,332	\$ 6,018	\$ 3,474	\$ 1,629	\$ 678	\$ 489	\$ 347	\$ 19,967

(Millions of dollars)	December 31, 2020							Revolving Finance Receivables	Total Finance Receivables
	2020	2019	2018	2017	2016	Prior			
North America									
Current	\$ 3,777	\$ 2,423	\$ 1,344	\$ 522	\$ 212	\$ 27	\$ 89	\$ 8,394	
31-60 days past due	52	49	33	16	7	2	—	159	
61-90 days past due	22	25	16	9	2	1	—	75	
91+ days past due	14	35	31	20	9	4	2	115	
EAME									
Current	1,605	931	501	203	60	18	—	3,318	
31-60 days past due	5	15	3	2	—	—	—	25	
61-90 days past due	1	1	2	1	—	—	—	5	
91+ days past due	7	7	12	4	39	43	—	112	
Asia/Pacific									
Current	1,375	745	321	61	10	3	—	2,515	
31-60 days past due	12	22	13	6	—	—	—	53	
61-90 days past due	7	11	7	1	—	—	—	26	
91+ days past due	4	10	9	3	—	—	—	26	
Mining									
Current	490	571	287	152	92	151	137	1,880	
31-60 days past due	5	—	5	1	—	—	—	11	
61-90 days past due	—	—	—	—	—	—	—	—	
91+ days past due	—	11	8	2	—	—	1	22	
Latin America									
Current	561	348	151	48	13	34	—	1,155	
31-60 days past due	3	6	4	3	—	—	—	16	
61-90 days past due	1	7	6	3	2	—	—	19	
91+ days past due	2	14	11	24	5	4	—	60	
Caterpillar Power Finance									
Current	217	172	111	273	99	117	119	1,108	
31-60 days past due	—	—	6	—	—	—	—	6	
61-90 days past due	—	—	—	—	—	9	—	9	
91+ days past due	2	—	20	3	25	79	—	129	
Total Customer	\$ 8,162	\$ 5,403	\$ 2,901	\$ 1,357	\$ 575	\$ 492	\$ 348	\$ 19,238	

Finance receivables in the Customer portfolio segment are substantially secured by collateral, primarily in the form of Caterpillar and other machinery. For those contracts where the borrower is experiencing financial difficulty, repayment of the outstanding amounts is generally expected to be provided through the operation or repossession and sale of the machinery.

Dealer

As of September 30, 2021, Cat Financial's total amortized cost of finance receivables within the Dealer portfolio segment was current, with the exception of \$78 million that was 91+ days past due in Latin America, all of which was originated in 2017. As of December 31, 2020, Cat Financial's total amortized cost of finance receivables within the Dealer portfolio segment was current, with the exception of \$81 million that was 91+ days past due in Latin America. Of these past due receivables, \$78 million were originated in 2017 and \$3 million were originated prior to 2016.

Non-accrual finance receivables

Recognition of income is suspended and the finance receivable is placed on non-accrual status when management determines that collection of future income is not probable. Contracts on non-accrual status are generally more than 120 days past due or have been restructured in a troubled debt restructuring (TDR). Recognition is resumed and previously suspended income is recognized when the collection of remaining amounts is considered probable. Payments received while the finance receivable is on non-accrual status are applied to interest and principal in accordance with the contractual terms. Interest earned but uncollected prior to the receivable being placed on non-accrual status is written off through Provision for credit losses when, in the judgment of management, it is considered uncollectible.

In Cat Financial's Customer portfolio segment, finance receivables which were on non-accrual status and finance receivables over 90 days past due and still accruing income were as follows:

(Millions of dollars)	September 30, 2021			December 31, 2020		
	Amortized Cost			Amortized Cost		
	Non-accrual With an Allowance	Non-accrual Without an Allowance	91+ Still Accruing	Non-accrual With an Allowance	Non-accrual Without an Allowance	91+ Still Accruing
North America	\$ 54	\$ 7	\$ 17	\$ 86	\$ 1	\$ 34
EAME	50	1	4	113	1	1
Asia/Pacific	21	—	9	13	—	13
Mining	9	1	—	21	1	—
Latin America	42	—	1	63	—	1
Caterpillar Power Finance ..	75	—	—	170	17	—
Total	\$ 251	\$ 9	\$ 31	\$ 466	\$ 20	\$ 49

There was \$1 million and \$2 million of interest income recognized during the three months ended September 30, 2021 and 2020, respectively, for customer finance receivables on non-accrual status. There was \$9 million and \$8 million of interest income recognized during the nine months ended September 30, 2021 and 2020, respectively, for customer finance receivables on non-accrual status.

As of September 30, 2021 and December 31, 2020, finance receivables in Cat Financial's Dealer portfolio segment on non-accrual status were \$78 million and \$81 million, respectively, all of which was in Latin America. There were no finance receivables in Cat Financial's Dealer portfolio segment more than 90 days past due and still accruing income as of September 30, 2021 and December 31, 2020 and no interest income was recognized on dealer finance receivables on non-accrual status during the three and nine months ended September 30, 2021 and 2020.

Troubled debt restructurings

A restructuring of a finance receivable constitutes a TDR when the lender grants a concession it would not otherwise consider to a borrower experiencing financial difficulties. Concessions granted may include extended contract maturities, inclusion of interest only periods, below market interest rates, payment deferrals and reduction of principal and/or accrued interest. Cat Financial individually evaluates TDR contracts and establishes an allowance based on the present value of expected future cash flows discounted at the receivable's effective interest rate, the fair value of the collateral for collateral-dependent receivables or the observable market price of the receivable.

There were no finance receivables modified as TDRs during the three and nine months ended September 30, 2021 and 2020 for the Dealer portfolio segment. Cat Financial's finance receivables in the Customer portfolio segment modified as TDRs were as follows:

(Millions of dollars)	Three Months Ended September 30, 2021		Three Months Ended September 30, 2020	
	Pre-TDR Amortized Cost	Post-TDR Amortized Cost	Pre-TDR Amortized Cost	Post-TDR Amortized Cost
Customer				
North America	\$ 1	\$ 1	\$ 1	\$ 1
EAME	1	1	—	—
Asia/Pacific	4	4	4	4
Mining	—	—	5	5
Latin America	4	4	16	16
Caterpillar Power Finance	7	3	50	50
Total	<u>\$ 17</u>	<u>\$ 13</u>	<u>\$ 76</u>	<u>\$ 76</u>
	Nine Months Ended September 30, 2021		Nine Months Ended September 30, 2020	
	Pre-TDR Amortized Cost	Post-TDR Amortized Cost	Pre-TDR Amortized Cost	Post-TDR Amortized Cost
North America	\$ 5	\$ 5	\$ 10	\$ 10
EAME	1	1	—	—
Asia/Pacific	4	4	12	12
Mining	11	5	22	22
Latin America	10	10	18	18
Caterpillar Power Finance	23	19	87	87
Total	<u>\$ 54</u>	<u>\$ 44</u>	<u>\$ 149</u>	<u>\$ 149</u>

The Post-TDR amortized costs in the Customer portfolio segment with a payment default (defined as 91+ days past due) which had been modified within twelve months prior to the default date, were as follows:

Customer	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
North America	\$ —	\$ 6	\$ 1	\$ 6
EAME	—	—	—	10
Asia/Pacific	—	—	6	—
Mining	—	1	—	1
Latin America	—	—	15	1
Caterpillar Power Finance	—	18	5	18
Total	<u>\$ —</u>	<u>\$ 25</u>	<u>\$ 27</u>	<u>\$ 36</u>

18. Fair value disclosures

A. Fair value measurements

The guidance on fair value measurements defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. This guidance also specifies a fair value hierarchy based upon the observability of inputs used in valuation techniques. Observable inputs (highest level) reflect market data obtained from independent sources, while unobservable inputs (lowest level) reflect internally developed market assumptions. In accordance with this guidance, fair value measurements are classified under the following hierarchy:

- **Level 1** – Quoted prices for identical instruments in active markets.
- **Level 2** – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs or significant value-drivers are observable in active markets.
- **Level 3** – Model-derived valuations in which one or more significant inputs or significant value-drivers are unobservable.

When available, we use quoted market prices to determine fair value, and we classify such measurements within Level 1. In some cases where market prices are not available, we make use of observable market based inputs to calculate fair value, in which case the measurements are classified within Level 2. If quoted or observable market prices are not available, fair value is based upon valuations in which one or more significant inputs are unobservable, including internally developed models that use, where possible, current market-based parameters such as interest rates, yield curves and currency rates. These measurements are classified within Level 3.

We classify fair value measurements according to the lowest level input or value-driver that is significant to the valuation. We may therefore classify a measurement within Level 3 even though there may be significant inputs that are readily observable.

Fair value measurement includes the consideration of nonperformance risk. Nonperformance risk refers to the risk that an obligation (either by a counterparty or Caterpillar) will not be fulfilled. For financial assets traded in an active market (Level 1 and certain Level 2), the nonperformance risk is included in the market price. For certain other financial assets and liabilities (certain Level 2 and Level 3), our fair value calculations have been adjusted accordingly.

Investments in debt and equity securities

We have investments in certain debt and equity securities, primarily at Insurance Services, that are recorded at fair value. Fair values for our U.S. treasury bonds and large capitalization value and smaller company growth equity securities are based upon valuations for identical instruments in active markets. Fair values for other government bonds, corporate bonds and mortgage-backed debt securities are based upon models that take into consideration such market-based factors as recent sales, risk-free yield curves and prices of similarly rated bonds.

We also have investments in time deposits classified as held-to-maturity debt securities. The fair value of these investments is based upon valuations observed in less active markets than Level 1. These investments have a maturity of less than one year and are recorded at amortized costs, which approximate fair value.

In addition, Insurance Services has an equity investment in a real estate investment trust (REIT) which is recorded at fair value based on the net asset value (NAV) of the investment and is not classified within the fair value hierarchy.

See Note 8 for additional information on our investments in debt and equity securities.

Derivative financial instruments

The fair value of interest rate contracts is primarily based on a standard industry accepted valuation model that utilizes the appropriate market-based forward swap curves and zero-coupon interest rates to determine discounted cash flows. The fair value of foreign currency and commodity forward, option and cross currency contracts is based on standard industry accepted valuation models that discount cash flows resulting from the differential between the contract price and the market-based forward rate.

Assets and liabilities measured on a recurring basis at fair value, primarily related to Financial Products, included in our Consolidated Statement of Financial Position as of September 30, 2021 and December 31, 2020 were as follows:

(Millions of dollars)	September 30, 2021				Total Assets / Liabilities, at Fair Value
	Level 1	Level 2	Level 3	Measured at NAV	
Assets					
Debt securities					
Government debt					
U.S. treasury bonds	\$ 10	\$ —	\$ —	\$ —	\$ 10
Other U.S. and non-U.S. government bonds	—	57	—	—	57
Corporate bonds					
Corporate bonds	—	1,035	—	—	1,035
Asset-backed securities	—	148	—	—	148
Mortgage-backed debt securities					
U.S. governmental agency	—	349	—	—	349
Residential	—	4	—	—	4
Commercial	—	100	—	—	100
Total debt securities	10	1,693	—	—	1,703
Equity securities					
Large capitalization value	196	—	—	—	196
Smaller company growth	86	—	—	—	86
REIT	—	—	—	158	158
Total equity securities	282	—	—	158	440
Derivative financial instruments, net	—	227	—	—	227
Total assets	\$ 292	\$ 1,920	\$ —	\$ 158	\$ 2,370

(Millions of dollars)	December 31, 2020				
	Level 1	Level 2	Level 3	Measured at NAV	Total Assets / Liabilities, at Fair Value
Assets					
Debt securities					
Government debt					
U.S. treasury bonds	\$ 10	\$ —	\$ —	\$ —	\$ 10
Other U.S. and non-U.S. government bonds ..	—	59	—	—	59
Corporate bonds					
Corporate bonds	—	1,012	—	—	1,012
Asset-backed securities	—	159	—	—	159
Mortgage-backed debt securities					
U.S. governmental agency	—	374	—	—	374
Residential	—	5	—	—	5
Commercial	—	64	—	—	64
Total debt securities	10	1,673	—	—	1,683
Equity securities					
Large capitalization value	199	—	—	—	199
Smaller company growth	58	—	—	—	58
REIT	—	—	—	148	148
Total equity securities	257	—	—	148	405
Total assets	<u>\$ 267</u>	<u>\$ 1,673</u>	<u>\$ —</u>	<u>\$ 148</u>	<u>\$ 2,088</u>
Liabilities					
Derivative financial instruments, net	\$ —	\$ 17	\$ —	\$ —	\$ 17
Total liabilities	<u>\$ —</u>	<u>\$ 17</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 17</u>

In addition to the amounts above, certain Cat Financial loans are subject to measurement at fair value on a nonrecurring basis and are classified as Level 3 measurements. A loan is measured at fair value when management determines that collection of contractual amounts due is not probable and the loan is individually evaluated. In these cases, an allowance for credit losses may be established based either on the present value of expected future cash flows discounted at the receivables' effective interest rate, the fair value of the collateral for collateral-dependent receivables, or the observable market price of the receivable. In determining collateral value, Cat Financial estimates the current fair market value of the collateral less selling costs. Cat Financial had loans carried at fair value of \$150 million and \$243 million as of September 30, 2021 and December 31, 2020, respectively.

B. Fair values of financial instruments

In addition to the methods and assumptions we use to record the fair value of financial instruments as discussed in the Fair value measurements section above, we use the following methods and assumptions to estimate the fair value of our financial instruments:

Cash and cash equivalents

Carrying amount approximates fair value.

Restricted cash and short-term investments

Carrying amount approximates fair value. We include restricted cash and short-term investments in Prepaid expenses and other current assets in the Consolidated Statement of Financial Position.

Finance receivables

We estimate fair value by discounting the future cash flows using current rates, representative of receivables with similar remaining maturities.

Wholesale inventory receivables

We estimate fair value by discounting the future cash flows using current rates, representative of receivables with similar remaining maturities.

Short-term borrowings

Carrying amount approximates fair value.

Long-term debt

We estimate fair value for fixed and floating rate debt based on quoted market prices.

Guarantees

The fair value of guarantees is based upon our estimate of the premium a market participant would require to issue the same guarantee in a stand-alone arms-length transaction with an unrelated party. If quoted or observable market prices are not available, fair value is based upon internally developed models that utilize current market-based assumptions.

Fair values of our financial instruments were as follows:

(Millions of dollars)	Fair Value of Financial Instruments					
	September 30, 2021		December 31, 2020		Fair Value Levels	Reference
	Carrying Amount	Fair Value	Carrying Amount	Fair Value		
Assets						
Cash and cash equivalents	\$ 9,446	\$ 9,446	\$ 9,352	\$ 9,352	1	
Restricted cash and short-term investments ¹	546	546	14	14	1 & 2	Note 8
Investments in AFS debt and equity securities	2,143	2,143	2,088	2,088	1 & 2	Note 8
Finance receivables – net (excluding finance leases ²) ..	13,785	13,921	14,028	14,357	3	Note 17
Wholesale inventory receivables – net (excluding finance leases ²)	819	800	929	911	3	
Foreign currency contracts – net	193	193	—	—	2	Note 5
Interest rate contracts – net	27	27	58	58	2	Note 5
Commodity contracts – net	7	7	37	37	2	Note 5
Liabilities						
Short-term borrowings	3,247	3,247	2,015	2,015	1	
Long-term debt (including amounts due within one year)						
Machinery, Energy & Transportation	9,807	12,449	11,169	14,549	2	
Financial Products	23,730	24,118	23,979	24,614	2	
Foreign currency contracts – net	—	—	112	112	2	Note 5
Guarantees	5	5	5	5	3	Note 11

¹ Includes time deposits of \$543 million as of September 30, 2021. There were no time deposits as of December 31, 2020. See Note 8 for additional information.

² Represents finance leases and failed sale leasebacks of \$8,065 million and \$7,961 million at September 30, 2021 and December 31, 2020, respectively.

19. Other income (expense)

(Millions of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Investment and interest income	\$ 20	\$ 21	\$ 64	\$ 91
Foreign exchange gains (losses) ¹	47	(43)	110	(122)
License fee income	31	27	88	75
Net periodic pension and OPEB income (cost), excluding service cost	111	— ²	333	270 ²
Gains (losses) on securities	50	9	92	(12)
Miscellaneous income (loss)	(34)	—	64	(37)
Total	<u>\$ 225</u>	<u>\$ 14</u>	<u>\$ 751</u>	<u>\$ 265</u>

¹ Includes gains (losses) from foreign exchange derivative contracts. See Note 5 for further details.

² Includes a net remeasurement loss of \$(77) million and a net remeasurement gain of \$55 million for the three and nine months ended September 30, 2020, respectively, from the settlement of certain pension obligations. See Note 9 for further details.

20. Restructuring costs

Our accounting for employee separations is dependent upon how the particular program is designed. For voluntary programs, we recognize eligible separation costs at the time of employee acceptance unless the acceptance requires explicit approval by the company. For involuntary programs, we recognize eligible costs when management has approved the program, the affected employees have been properly notified and the costs are estimable.

Restructuring costs for the three and nine months ended September 30, 2021 and 2020 were as follows:

(Millions of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Employee separations ¹	\$ 17	\$ 98	\$ 79	\$ 232
Contract terminations ¹	1	—	1	3
Long-lived asset impairments ¹	8	2	12	25
Other ²	9	12	32	36
Total restructuring costs	<u>\$ 35</u>	<u>\$ 112</u>	<u>\$ 124</u>	<u>\$ 296</u>

¹ Recognized in Other operating (income) expenses.

² Represents costs related to our restructuring programs, primarily for accelerated depreciation, inventory write-downs, equipment relocation and project management, all of which are primarily included in Cost of goods sold.

For the nine months ended September 30, 2021, the restructuring costs were primarily related to actions across the company including strategic actions to address certain product lines. For the nine months ended September 30, 2020, the restructuring costs were primarily related to various voluntary and involuntary employee separation programs implemented across the company and strategic actions to address certain product lines, which were partially offset by a gain on the sale of a manufacturing facility that had been closed.

In 2021, all restructuring costs are excluded from segment profit. In 2020, only certain restructuring costs were excluded from segment profit. Restructuring costs included in segment profit were as follows:

(Millions of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2021	2020	2021	2020
Construction Industries	\$ —	\$ 2	\$ —	\$ 7
Resource Industries	—	2	—	18
Energy & Transportation	—	18	—	39
Financial Products Segment	—	1	—	2

The following table summarizes the 2021 and 2020 employee separation activity:

(Millions of dollars)	Nine Months Ended September 30	
	2021	2020
Liability balance, beginning of period	\$ 164	\$ 48
Increase in liability (separation charges)	79	232
Reduction in liability (payments)	(159)	(131)
Liability balance, end of period	\$ 84	\$ 149

Most of the liability balance at September 30, 2021 is expected to be paid in 2021 and 2022.

21. Acquisitions

SPM Oil & Gas

On February 1, 2021, Caterpillar completed the acquisition of varying equity interests and assets of the Weir Group PLC, collectively known as SPM Oil & Gas (SPM). Headquartered near Fort Worth, Texas, SPM Oil & Gas produces a full line of pumps, flow iron, consumable parts, wellhead and pressure control products that are offered via an extensive global network of service centers. This acquisition, included in the Energy & Transportation segment, is consistent with our strategy of providing our customers expanded offerings and services which will now be one of the broadest in the well service industry. The purchase price, net of \$22 million of acquired cash, was approximately \$361 million.

We financed the transaction with available cash. Tangible assets as of the acquisition date were \$515 million, recorded at their fair values, and primarily included cash of \$22 million, receivables of \$101 million, inventories of \$159 million, leased assets of \$105 million, and property, plant, and equipment of \$117 million. Finite-lived intangible assets acquired of \$23 million included developed technology and trade names and will be amortized on a straight-line basis over a weighted-average amortization period of approximately 8 years. Liabilities assumed as of the acquisition date were \$187 million, recorded at their fair values, and primarily included lease liabilities of \$105 million and accounts payable of \$33 million. Goodwill of \$32 million represented the excess of the consideration transferred over the net assets acquired. These values represent a preliminary allocation of purchase price subject to finalization of post-closing procedures. Assuming this transaction had been made at the beginning of any period presented, the consolidated pro forma results would not be materially different from reported results.

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

This Management’s Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with our unaudited financial statements and related notes included elsewhere in this report and our discussion of significant risks to the company’s business under Part I, Item 1A. Risk Factors of the [2020 Form 10-K](#).

Highlights for the third quarter of 2021 include:

- Total sales and revenues for the third quarter of 2021 were \$12.397 billion, an increase of \$2.516 billion, or 25 percent, compared with \$9.881 billion in the third quarter of 2020. Sales were higher across the three primary segments.
- Operating profit margin was 13.4 percent for the third quarter of 2021, compared with 10.0 percent for the third quarter of 2020. **Adjusted operating profit margin** was 13.7 percent for the third quarter of 2021, compared with 11.1 percent for the third quarter of 2020.
- Third-quarter 2021 profit per share was \$2.60, and excluding the items in the table below, **adjusted profit per share** was \$2.66. Third-quarter 2020 profit per share was \$1.22, and excluding the items in the table below, adjusted profit per share was \$1.52.
- Caterpillar ended the third quarter of 2021 with \$9.4 billion of enterprise cash.

Highlights for the nine months ended September 30, 2021 include:

- Total sales and revenues were \$37.173 billion for the nine months ended September 30, 2021, an increase of \$6.660 billion, or 22 percent, compared with \$30.513 billion for the nine months ended September 30, 2020.
- Operating profit margin was 14.2 percent for the nine months ended September 30, 2021, compared with 10.4 percent for the nine months ended September 30, 2020. Adjusted operating profit margin was 14.5 percent for the nine months ended September 30, 2021, compared with 11.4 percent for the nine months ended September 30, 2020.
- Profit per share for the nine months ended September 30, 2021, was \$7.94, and excluding the items in the table below, adjusted profit per share was \$8.13. Profit per share for the nine months ended September 30, 2020 was \$4.05, and excluding the items in the table below, adjusted profit per share was \$4.44.
- Enterprise operating cash flow was \$5.8 billion for the nine months ended September 30, 2021.
- In order for our results to be more meaningful to our readers, we have separately quantified the impact of several significant items. A detailed reconciliation of GAAP to non-GAAP financial measures is included on page 69.

	Three Months Ended September 30, 2021		Three Months Ended September 30, 2020		Nine Months Ended September 30, 2021		Nine Months Ended September 30, 2020	
	Profit Before Taxes	Profit Per Share	Profit Before Taxes	Profit Per Share	Profit Before Taxes	Profit Per Share	Profit Before Taxes	Profit Per Share
(Dollars in millions except per share data)								
Profit.....	\$ 1,775	\$ 2.60	\$ 863	\$ 1.22	\$ 5,642	\$ 7.94	\$ 3,054	\$ 4.05
Restructuring costs	35	0.06	112	0.18	124	0.19	296	0.48
Remeasurement (gains) losses of pension obligations....	—	—	77	0.12	—	—	(55)	(0.08)
Adjusted profit.....	<u>\$ 1,810</u>	<u>\$ 2.66</u>	<u>\$ 1,052</u>	<u>\$ 1.52</u>	<u>\$ 5,766</u>	<u>\$ 8.13</u>	<u>\$ 3,295</u>	<u>\$ 4.44</u>

Overview

Total sales and revenues for the third quarter of 2021 were \$12.397 billion, an increase of \$2.516 billion, or 25 percent, compared with \$9.881 billion in the third quarter of 2020. The increase was primarily due to higher **sales volume** driven by higher end-user demand for equipment and **services** and the impact from changes in **dealer inventories**, along with favorable **price realization**. Dealers decreased inventories by \$600 million during the third quarter of 2020, compared with a decrease of \$300 million during the third quarter of 2021. Sales were higher across the three primary segments.

Third-quarter 2021 profit per share was \$2.60, compared with \$1.22 profit per share in the third quarter of 2020. Profit per share for both quarters included restructuring costs, while the third quarter of 2020 also included a pre-tax net remeasurement loss of \$77 million, or \$0.12 per share, resulting from the settlements of pension obligations. Profit for the third quarter of 2021 was \$1.426 billion, an increase of \$758 million, or 113 percent, compared with \$668 million for the third quarter of 2020. The increase was primarily due to higher sales volume and favorable price realization.

Sales and revenues were \$37.173 billion for the nine months ended September 30, 2021, an increase of \$6.660 billion, or 22 percent, compared with \$30.513 billion for the nine months ended September 30, 2020. Profit per share for the nine months ended September 30, 2021, was \$7.94, an increase of \$3.89, or 96 percent, compared with \$4.05 for the nine months ended September 30, 2020. Profit per share for both periods included restructuring costs, while the nine months ended September 30, 2020, also included a pre-tax remeasurement net gain of \$55 million, or \$0.08 per share, resulting from the settlements of pension obligations. Profit for the nine months ended September 30, 2021, was \$4.369 billion, an increase of \$2.151 billion, or 97 percent, compared with \$2.218 billion for the nine months ended September 30, 2020.

Response to COVID-19 and Global Business Conditions:

We continue to implement safeguards in our facilities to protect team members, including increased frequency of cleaning and disinfecting, social distancing practices and other measures consistent with specific governmental requirements and guidance from health authorities. We've offered assistance to some governments and public health authorities in the vaccine distribution process, and as vaccines become available, we are assisting in onsite vaccine distribution for employees in some of our facilities.

We continue to monitor a variety of external factors including the ongoing impact of the COVID-19 pandemic around the world, supply chain disruptions and associated cost and labor pressures. Areas of particular focus include certain components, transportation and raw materials. Transportation shortages have resulted in delays and increased costs. In addition, our suppliers are dealing with availability issues and freight delays, which leads to pressure on production in our facilities. Contingency plans have been developed and continue to be modified to minimize supply chain challenges that may impact our ability to meet increasing customer demand. To help mitigate supply chain challenges, we have proactively redirected components and altered our assembly processes. We continue to assess the environment and are taking appropriate price actions in response to rising costs. We will continue to monitor the situation as conditions remain fluid and evolve, but we expect these pressures to continue into next year.

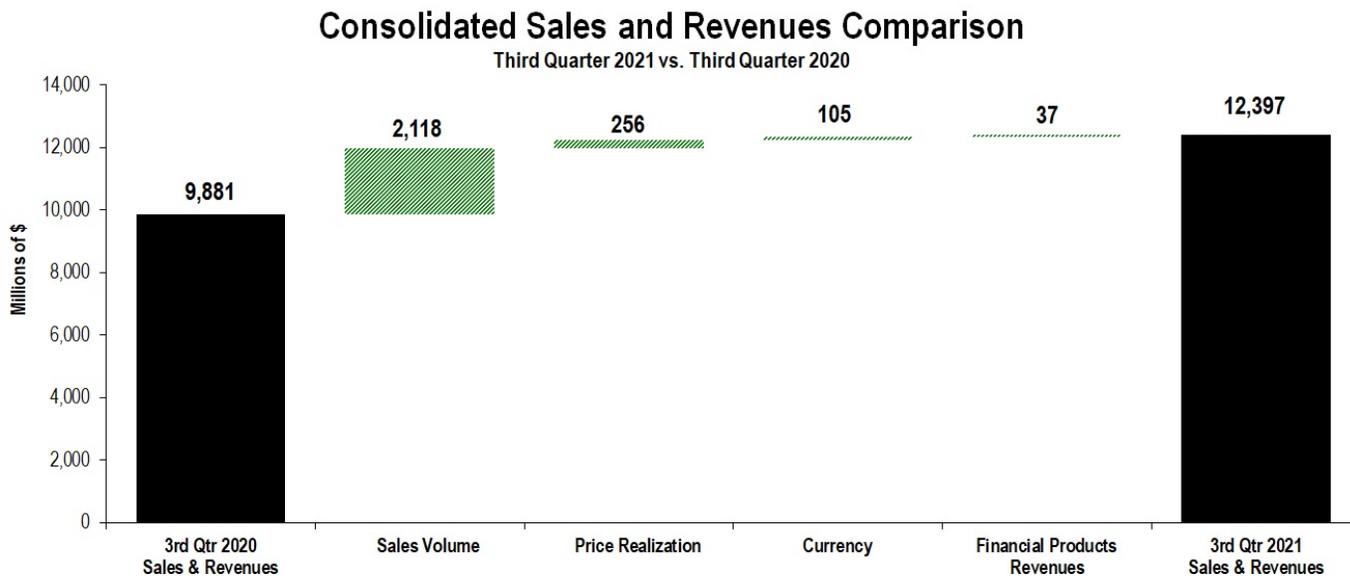
Notes:

- Glossary of terms is included on pages 62 - 64; first occurrence of terms shown in bold italics.
- Information on non-GAAP financial measures is included on page 69.
- Certain amounts may not add due to rounding.

Consolidated Results of Operations

THREE MONTHS ENDED SEPTEMBER 30, 2021 COMPARED WITH THREE MONTHS ENDED SEPTEMBER 30, 2020

CONSOLIDATED SALES AND REVENUES



The chart above graphically illustrates reasons for the change in consolidated sales and revenues between the third quarter of 2020 (at left) and the third quarter of 2021 (at right). Caterpillar management utilizes these charts internally to visually communicate with the company’s Board of Directors and employees.

Total sales and revenues for the third quarter of 2021 were \$12.397 billion, an increase of \$2.516 billion, or 25 percent, compared with \$9.881 billion in the third quarter of 2020. The increase was primarily due to higher sales volume driven by higher end-user demand for equipment and services and the impact from changes in dealer inventories, along with favorable price realization. Dealers decreased inventories by \$600 million during the third quarter of 2020, compared with a decrease of \$300 million during the third quarter of 2021.

Sales were higher across the three primary segments.

North America sales increased 31 percent due to higher end-user demand for equipment and services, the impact of changes in dealer inventories and favorable price realization. Dealers decreased inventories more during the third quarter of 2020 than during the third quarter of 2021.

Sales increased 77 percent in *Latin America* due to higher end-user demand for equipment and services across most of the region, the impact of changes in dealer inventories and favorable price realization. Dealers decreased inventories more during the third quarter of 2020 than during the third quarter of 2021.

EAME sales increased 24 percent due to higher end-user demand for equipment and services, the impact of changes in dealer inventories, favorable price realization and favorable *currency* impacts primarily related to the euro and British pound. Dealers decreased inventories during the third quarter of 2020, compared to remaining about flat during the third quarter of 2021.

Asia/Pacific sales increased 8 percent driven by higher end-user demand for equipment and services, partially offset by the impacts from changes in dealer inventories. Dealers decreased inventories during the third quarter of 2021, compared with an increase during the third quarter of 2020.

Dealers decreased inventories by \$600 million during the third quarter of 2020, compared with a decrease of \$300 million during the third quarter of 2021. Dealers are independent, and the reasons for changes in their inventory levels vary, including their expectations of future demand and product delivery times. Dealers’ demand expectations take into account seasonal changes, macroeconomic conditions, machine rental rates and other factors. Delivery times can vary based on availability of product from Caterpillar factories and product distribution centers. We do not expect a significant dealer inventory increase in 2021.

Sales and Revenues by Segment

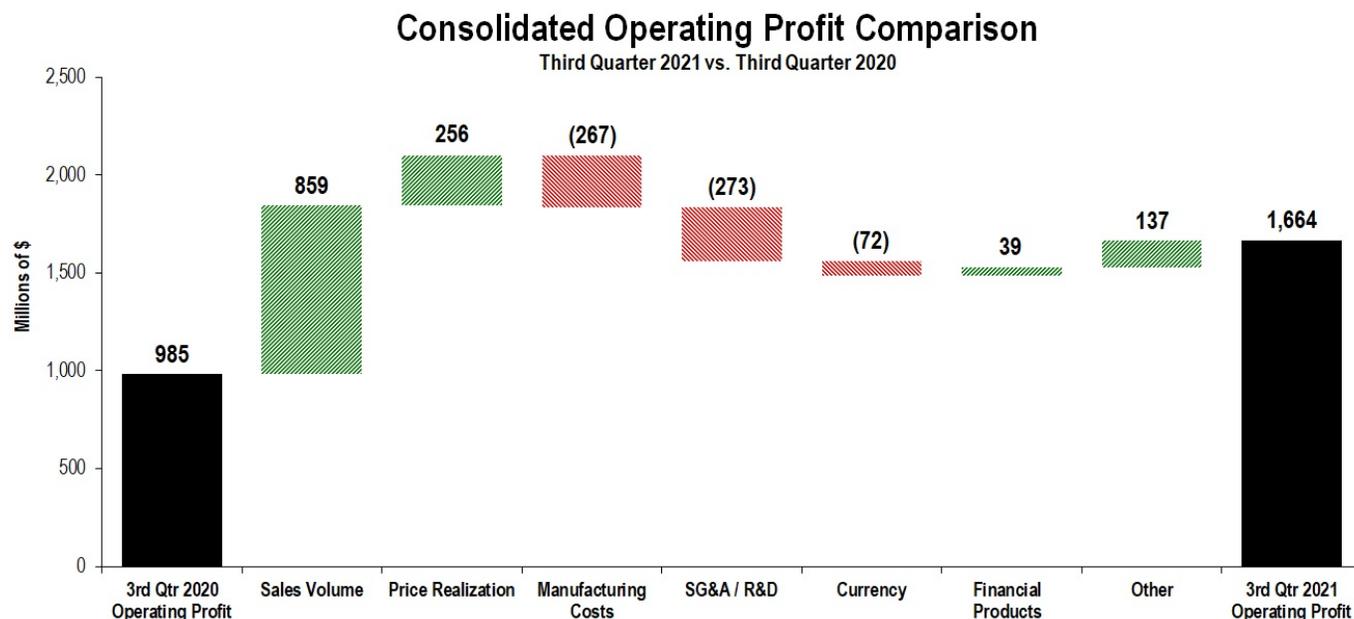
(Millions of dollars)	Third Quarter 2020	Sales Volume	Price Realization	Currency	Inter-Segment / Other	Third Quarter 2021	\$ Change	% Change
<i>Construction Industries</i>	\$ 4,056	\$ 957	\$ 218	\$ 38	\$ (14)	\$ 5,255	\$ 1,199	30%
<i>Resource Industries</i>	1,816	522	43	22	3	2,406	590	32%
<i>Energy & Transportation</i>	4,161	628	(6)	44	250	5,077	916	22%
<i>All Other Segment</i>	106	10	(1)	1	3	119	13	12%
<i>Corporate Items and Eliminations</i>	(911)	1	2	—	(242)	(1,150)	(239)	
<i>Machinery, Energy & Transportation Sales</i>	9,228	2,118	256	105	—	11,707	2,479	27%
<i>Financial Products Segment</i>	724	—	—	—	38	762	38	5%
Corporate Items and Eliminations	(71)	—	—	—	(1)	(72)	(1)	
<i>Financial Products Revenues</i>	653	—	—	—	37	690	37	6%
Consolidated Sales and Revenues	\$ 9,881	\$ 2,118	\$ 256	\$ 105	\$ 37	\$ 12,397	\$ 2,516	25%

Sales and Revenues by Geographic Region

(Millions of dollars)	North America		Latin America		EAME		Asia/Pacific		External Sales and Revenues		Inter-Segment		Total Sales and Revenues	
	\$	% Chg	\$	% Chg	\$	% Chg	\$	% Chg						
Third Quarter 2021														
Construction Industries	\$ 2,417	36%	\$ 528	130%	\$ 1,240	56%	\$ 1,076	(13%)	\$ 5,261	30%	\$ (6)	(175%)	\$ 5,255	30%
Resource Industries	674	38%	417	55%	456	19%	744	32%	2,291	34%	115	3%	2,406	32%
Energy & Transportation	1,924	21%	329	49%	1,144	3%	744	34%	4,141	19%	936	36%	5,077	22%
All Other Segment	18	80%	—	(100%)	3	200%	14	8%	35	40%	84	4%	119	12%
Corporate Items and Eliminations	(19)		—		—		(2)		(21)		(1,129)		(1,150)	
Machinery, Energy & Transportation Sales	5,014	31%	1,274	77%	2,843	24%	2,576	8%	11,707	27%	—	—	11,707	27%
Financial Products Segment	478	7%	68	8%	105	5%	111	(2%)	762 ¹	5%	—	—	762	5%
Corporate Items and Eliminations	(37)		(13)		(9)		(13)		(72)		—		(72)	
Financial Products Revenues	441	7%	55	4%	96	7%	98	(1%)	690	6%	—	—	690	6%
Consolidated Sales and Revenues	\$ 5,455	28%	\$ 1,329	72%	\$ 2,939	23%	\$ 2,674	8%	\$ 12,397	25%	\$ —	—	\$ 12,397	25%
Third Quarter 2020														
Construction Industries	\$ 1,781		\$ 230		\$ 796		\$ 1,241		\$ 4,048		\$ 8		\$ 4,056	
Resource Industries	487		269		384		564		1,704		112		1,816	
Energy & Transportation	1,584		221		1,113		557		3,475		686		4,161	
All Other Segment	10		1		1		13		25		81		106	
Corporate Items and Eliminations	(22)		(2)		—		—		(24)		(887)		(911)	
Machinery, Energy & Transportation Sales	3,840		719		2,294		2,375		9,228		—		9,228	
Financial Products Segment	448		63		100		113		724 ¹		—		724	
Corporate Items and Eliminations	(37)		(10)		(10)		(14)		(71)		—		(71)	
Financial Products Revenues	411		53		90		99		653		—		653	
Consolidated Sales and Revenues	\$ 4,251		\$ 772		\$ 2,384		\$ 2,474		\$ 9,881		\$ —		\$ 9,881	

¹ Includes revenues from Machinery, Energy & Transportation of \$87 million and \$81 million in the third quarter of 2021 and 2020, respectively.

CONSOLIDATED OPERATING PROFIT



The chart above graphically illustrates reasons for the change in consolidated operating profit between the third quarter of 2020 (at left) and the third quarter of 2021 (at right). Caterpillar management utilizes these charts internally to visually communicate with the company’s Board of Directors and employees. The bar titled Other includes *consolidating adjustments* and *Machinery, Energy & Transportation other operating (income) expenses*.

Operating profit for the third quarter of 2021 was \$1.664 billion, an increase of \$679 million, or 69 percent, compared with \$985 million in the third quarter of 2020. The increase was primarily due to higher sales volume and favorable price realization, partially offset by higher selling, general and administrative (SG&A) and research and development (R&D) expenses as well as higher *manufacturing costs*.

Unfavorable manufacturing costs reflected higher variable labor and burden, primarily freight, higher period manufacturing and material costs, partially offset by favorable cost absorption and lower warranty expense. Cost absorption was favorable as inventory increased during the third quarter of 2021, compared with remaining about flat during the third quarter of 2020.

The increase in both SG&A/R&D expenses and period manufacturing costs was mainly driven by higher short-term incentive compensation expense, which was reinstated in 2021, and investments aligned with the company’s strategy for profitable growth, including acquisition-related expenses.

Short-term incentive compensation expense, which was reinstated in 2021, was about \$350 million in the third quarter, compared to no short-term incentive compensation expense recognized in the third quarter of 2020.

Operating profit margin was 13.4 percent for the third quarter of 2021, compared with 10.0 percent for the third quarter of 2020.

Profit (Loss) by Segment					
(Millions of dollars)	Third Quarter 2021	Third Quarter 2020	\$ Change	% Change	
Construction Industries	\$ 859	\$ 585	\$ 274	47%	
Resource Industries	297	167	130	78%	
Energy & Transportation	696	492	204	41%	
All Other Segment	5	27	(22)	(81%)	
Corporate Items and Eliminations	(286)	(346)	60		
Machinery, Energy & Transportation	1,571	925	646	70%	
Financial Products Segment	173	142	31	22%	
Corporate Items and Eliminations	(7)	(15)	8		
Financial Products	166	127	39	31%	
Consolidating Adjustments	(73)	(67)	(6)		
Consolidated Operating Profit	\$ 1,664	\$ 985	\$ 679	69%	

Other Profit/Loss and Tax Items

- Interest expense excluding Financial Products in the third quarter of 2021 was \$114 million, compared with \$136 million in the third quarter of 2020. The decrease was due to lower average debt outstanding during the third quarter of 2021, compared with the third quarter of 2020.
- Other income (expense) in the third quarter of 2021 was income of \$225 million, compared with income of \$14 million in the third quarter of 2020. The change was primarily due to favorable impacts from foreign currency exchange gains (losses), the absence of remeasurement losses resulting from the settlements of pension obligations that occurred in the third quarter of 2020 and favorable *pension and other postemployment benefit (OPEB)* plan costs.

The company experienced foreign currency exchange net gains in the third quarter of 2021, primarily due to the euro, compared with net losses in the third quarter of 2020.

- The provision for income taxes for the third quarter of 2021 reflected a lower estimated annual tax rate of 25 percent, compared with 31 percent for the third quarter of 2020, excluding the discrete items discussed below. The comparative tax rate for full-year 2020 was approximately 28 percent. The decrease in the estimated annual tax rate from full-year 2020 was primarily related to changes in the expected geographic mix of profits from a tax perspective for 2021.

In the third quarter of 2021, the company recorded a \$39 million benefit due to the change from the second-quarter estimated annual tax rate of 26 percent. In addition, the company recorded discrete tax benefits of \$36 million to reflect changes in estimates related to prior year U.S. taxes in the third quarter of 2021 compared to \$80 million in the third quarter of 2020. In the third quarter of 2020, a discrete tax benefit of \$13 million was recorded for the settlement of stock-based compensation awards with associated tax deductions in excess of cumulative U.S. GAAP compensation expense along with a \$12 million tax benefit related to the \$77 million of remeasurement losses resulting from the settlements of pension obligations.

Construction Industries

Construction Industries' total sales were \$5.255 billion in the third quarter of 2021, an increase of \$1.199 billion, or 30 percent, compared with \$4.056 billion in the third quarter of 2020. The increase was due to higher sales volume and favorable price realization. The increase in sales volume was driven by higher end-user demand and the impact from changes in dealer inventories. Overall, dealers decreased inventories more during the third quarter of 2020 than during the third quarter of 2021.

- In North America, sales increased due to higher sales volume and favorable price realization. Higher sales volume was driven by higher end-user demand from improving non-residential construction, as well as continued strength in residential construction and the impact from changes in dealer inventories. Dealers decreased inventories more during the third quarter of 2020 than during the third quarter of 2021.
- Sales increased in Latin America mostly due to higher sales volume led by the impact of changes in dealer inventories and higher end-user demand across the region. Dealers decreased inventories during the third quarter of 2020, compared with an increase during the third quarter of 2021.
- In EAME, sales increased due to higher sales volume from the impact of changes in dealer inventories and higher end-user demand. Dealers decreased inventories during the third quarter of 2020, compared with an increase during the third quarter of 2021.
- Sales decreased in Asia/Pacific mainly due to lower sales volume, reflecting the impact of changes in dealer inventory. Dealers decreased inventories during the third quarter of 2021, compared with an increase during the third quarter of 2020. Lower sales in China, driven by lower end-user demand and impacts of changes in dealer inventory, were partially offset by increased sales across the rest of the region.

Construction Industries' profit was \$859 million in the third quarter of 2021, an increase of \$274 million, or 47 percent, compared with \$585 million in the third quarter of 2020. The increase was mainly due to higher sales volume and favorable price realization, partially offset by unfavorable manufacturing costs, which largely reflected higher variable labor and burden, primarily freight, and material costs.

Construction Industries' profit as a percent of total sales was 16.3 percent in the third quarter of 2021, compared with 14.4 percent in the third quarter of 2020.

Resource Industries

Resource Industries' total sales were \$2.406 billion in the third quarter of 2021, an increase of \$590 million, or 32 percent, compared with \$1.816 billion in the third quarter of 2020. The increase was primarily due to higher sales volume driven by higher end-user demand for equipment and aftermarket parts, partially offset by the impacts of changes in dealer inventories.

Dealers decreased inventories more during the third quarter of 2021 than during the third quarter of 2020. End-user demand was higher in both mining and heavy construction and quarry and aggregates.

Resource Industries' profit was \$297 million in the third quarter of 2021, an increase of \$130 million, or 78 percent, compared with \$167 million in the third quarter of 2020. The increase was mainly due to higher sales volume and favorable price realization, partially offset by unfavorable manufacturing costs. Increased manufacturing costs reflected higher variable labor and burden, primarily freight, and material costs.

Resource Industries' profit as a percent of total sales was 12.3 percent in the third quarter of 2021, compared with 9.2 percent in the third quarter of 2020.

Energy & Transportation

Sales by Application				
(Millions of dollars)	Third Quarter 2021	Third Quarter 2020	\$ Change	% Change
Oil and Gas.....	\$ 1,088	\$ 734	\$ 354	48%
Power Generation.....	1,010	1,034	(24)	(2%)
Industrial.....	948	730	218	30%
Transportation.....	1,095	977	118	12%
External Sales	4,141	3,475	666	19%
Inter-segment.....	936	686	250	36%
Total Sales	\$ 5,077	\$ 4,161	\$ 916	22%

Energy & Transportation's total sales were \$5.077 billion in the third quarter of 2021, an increase of \$916 million, or 22 percent, compared with \$4.161 billion in the third quarter of 2020. Sales increased across all applications and inter-segment sales except Power Generation, which decreased slightly.

- Oil and Gas – Sales increased for reciprocating engines aftermarket parts, primarily in North America, turbines and turbine-related services and reciprocating engines used in gas compression.
- Power Generation – Sales decreased slightly due to timing of turbines and turbine-related services. Reciprocating engines were about flat compared to the third quarter of 2020, with aftermarket parts slightly higher offset by slightly lower engine sales.
- Industrial – Sales were up due to higher demand across all regions.
- Transportation – Sales increased in rail services and marine.

Energy & Transportation's profit was \$696 million in the third quarter of 2021, an increase of \$204 million, or 41 percent, compared with \$492 million in the third quarter of 2020. The increase was due to higher sales volume, partially offset by unfavorable manufacturing costs and higher SG&A/R&D expenses. Increased manufacturing costs were mainly driven by higher variable labor and burden, primarily freight, period manufacturing costs and material, partially offset by the absence of inventory write-downs that occurred in the third quarter of 2020. In addition, segment profit was favorably impacted by other operating income/expense.

Both SG&A/R&D expenses and period manufacturing costs were driven by higher short-term incentive compensation expense and investments aligned with growth initiatives, including acquisition-related expenses.

Energy & Transportation's profit as a percent of total sales was 13.7 percent in the third quarter of 2021, compared with 11.8 percent in the third quarter of 2020.

Financial Products Segment

Financial Products' segment revenues were \$762 million in the third quarter of 2021, an increase of \$38 million, or 5 percent, from the third quarter of 2020.

Financial Products' segment profit was \$173 million in the third quarter of 2021, an increase of \$31 million, or 22 percent, compared with \$142 million in the third quarter of 2020. The increase was mainly due to a favorable impact from returned or repossessed equipment, lower provision for credit losses at Cat Financial and higher net yield on average *earning assets*. These favorable impacts were partially offset by an increase in SG&A expenses primarily due to higher short-term incentive compensation expense.

At the end of the third quarter of 2021, past dues at Cat Financial were 2.41 percent, compared with 3.81 percent at the end of the third quarter of 2020. Past dues decreased across all portfolio segments as global markets generally improved. Write-offs, net of recoveries, were \$76 million for the third quarter of 2021, compared with \$125 million for the third quarter of 2020. As of September 30, 2021, Cat Financial's allowance for credit losses totaled \$378 million, or 1.41 percent of finance receivables, compared with \$402 million, or 1.46 percent of finance receivables, at June 30, 2021. The allowance for credit losses at year-end 2020 was \$479 million, or 1.77 percent of finance receivables.

Corporate Items and Eliminations

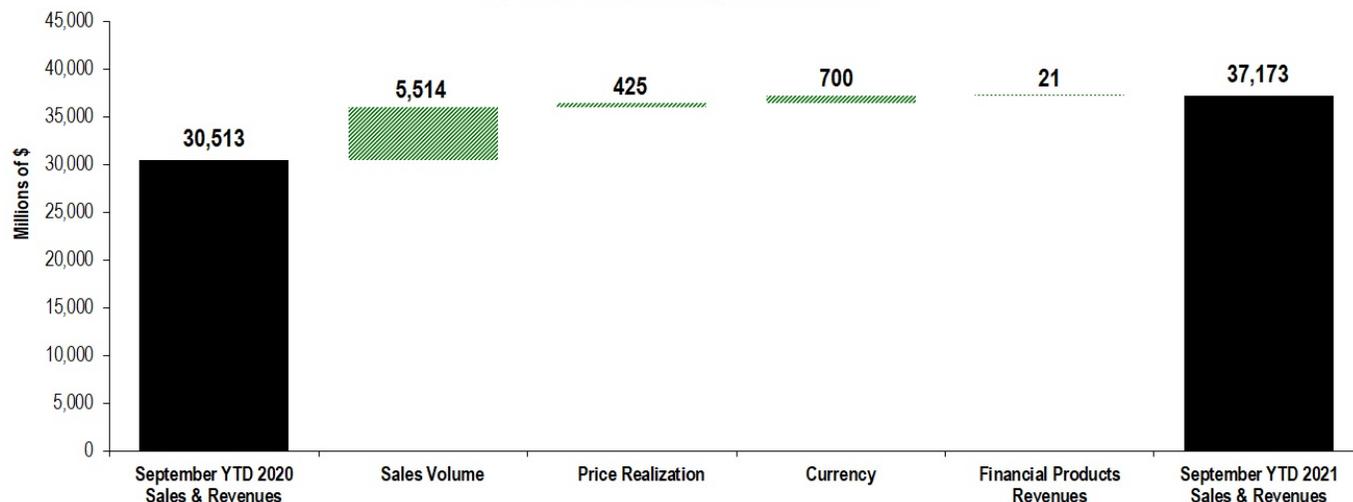
Expense for corporate items and eliminations was \$293 million in the third quarter of 2021, a decrease of \$68 million from the third quarter of 2020. Higher corporate costs were more than offset by lower restructuring costs, favorable impacts of segment methodology differences and a favorable change in fair value adjustments related to deferred compensation plans.

NINE MONTHS ENDED SEPTEMBER 30, 2021 COMPARED WITH NINE MONTHS ENDED SEPTEMBER 30, 2020

CONSOLIDATED SALES AND REVENUES

Consolidated Sales and Revenues Comparison

September YTD 2021 vs September YTD 2020



The chart above graphically illustrates reasons for the change in consolidated sales and revenues between the nine months ended September 30, 2020 (at left) and the nine months ended September 30, 2021 (at right). Caterpillar management utilizes these charts internally to visually communicate with the company's Board of Directors and employees.

Total sales and revenues were \$37.173 billion for the nine months ended September 30, 2021, an increase of \$6.660 billion, or 22 percent, compared with \$30.513 billion for the nine months ended September 30, 2020. The increase was primarily due to higher sales volume driven by higher end-user demand for equipment and services and the impact from changes in dealer inventories. Dealers decreased inventories about \$1.8 billion during the nine months ended September 30, 2020, compared with remaining about flat during the nine months ended September 30, 2021. Favorable currency impacts related to the euro, Australian dollar and Chinese yuan also contributed to the sales improvement, along with favorable price realization.

Sales were higher in the three primary segments and across all regions.

North America sales increased 21 percent driven by higher end-user demand for equipment and services and the impact from changes in dealer inventories. Dealers decreased inventories more during the nine months ended September 30, 2020, than during the nine months ended September 30, 2021.

Sales increased 57 percent in Latin America due to higher end-user demand for equipment and services and the impact from changes in dealer inventories. Dealers decreased inventories during the nine months ended September 30, 2020, compared with an increase during the nine months ended September 30, 2021.

EAME sales increased 24 percent due to higher end-user demand for equipment and services, the impact from changes in dealer inventories and favorable currency impacts related to a stronger euro and British pound. Dealers increased inventories more during the nine months ended September 30, 2021, than during the nine months ended September 30, 2020.

Asia/Pacific sales increased 17 percent driven by higher end-user demand for equipment and services, the impact from changes in dealer inventories and favorable currency impacts related to a stronger Australian dollar and Chinese yuan. Dealers decreased inventories more during the nine months ended September 30, 2020, than during the nine months ended September 30, 2021.

Dealers decreased inventories about \$1.8 billion during the nine months ended September 30, 2020, compared with remaining about flat during the nine months ended September 30, 2021. Dealers are independent, and the reasons for changes in their inventory levels vary, including their expectations of future demand and product delivery times. Dealers' demand expectations take into account seasonal changes, macroeconomic conditions, machine rental rates and other factors. Delivery times can vary based on availability of product from Caterpillar factories and product distribution centers. We do not expect a significant dealer inventory increase in 2021.

Sales and Revenues by Segment

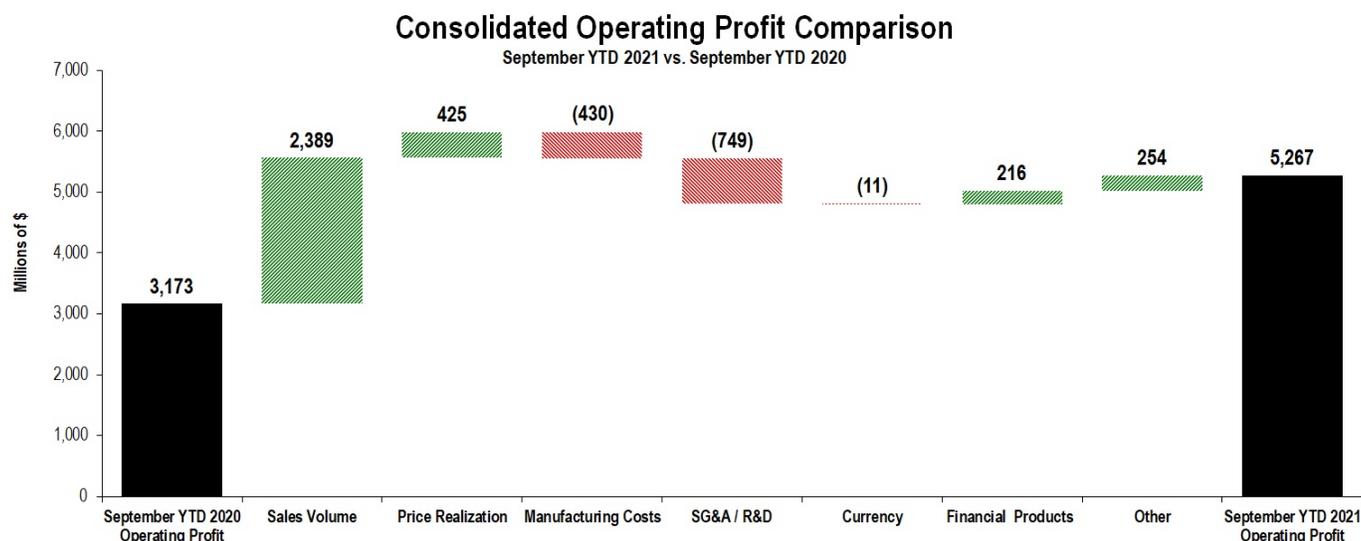
(Millions of dollars)	Nine Months Ended September 30, 2020		Price Realization			Inter-Segment / Other		Nine Months Ended September 30, 2021		\$ Change	% Change
	Sales Volume				Currency						
Construction Industries	\$ 12,410	\$ 3,134	\$ 433	\$ 346	\$ 47	\$ 16,370	\$ 3,960	32%			
Resource Industries	5,726	1,366	(21)	121	9	7,201	1,475	26%			
Energy & Transportation	12,659	1,043	13	229	615	14,559	1,900	15%			
All Other Segment	330	23	(1)	4	21	377	47	14%			
Corporate Items and Eliminations	(2,673)	(52)	1	—	(692)	(3,416)	(743)				
Machinery, Energy & Transportation Sales	28,452	5,514	425	700	—	35,091	6,639	23%			
Financial Products Segment	2,301	—	—	—	(4)	2,297	(4)	—%			
Corporate Items and Eliminations	(240)	—	—	—	25	(215)	25				
Financial Products Revenues	2,061	—	—	—	21	2,082	21	1%			
Consolidated Sales and Revenues	\$ 30,513	\$ 5,514	\$ 425	\$ 700	\$ 21	\$ 37,173	\$ 6,660	22%			

Sales and Revenues by Geographic Region

(Millions of dollars)	North America		Latin America		EAME		Asia/Pacific		External Sales and Revenues		Inter-Segment		Total Sales and Revenues	
	\$	% Chg	\$	% Chg	\$	% Chg	\$	% Chg	\$	% Chg	\$	% Chg	\$	% Chg
Nine Months Ended September 30, 2021														
Construction Industries	\$ 7,041	29%	\$ 1,350	91%	\$ 3,612	38%	\$ 4,302	20%	\$ 16,305	32%	\$ 65	261%	\$ 16,370	32%
Resource Industries	2,130	26%	1,309	52%	1,455	26%	1,965	17%	6,859	27%	342	3%	7,201	26%
Energy & Transportation	5,698	11%	835	25%	3,433	11%	1,953	13%	11,919	12%	2,640	30%	14,559	15%
All Other Segment	42	91%	1	(75%)	10	(41%)	54	42%	107	32%	270	8%	377	14%
Corporate Items and Eliminations	(89)		(1)		(1)		(8)		(99)		(3,317)		(3,416)	
Machinery, Energy & Transportation Sales	14,822	21%	3,494	57%	8,509	24%	8,266	17%	35,091	23%	—	—%	35,091	23%
Financial Products Segment	1,442	(2%)	195	1%	301	1%	359	4%	2,297 ¹	—%	—	—%	2,297	—%
Corporate Items and Eliminations	(99)		(35)		(26)		(55)		(215)		—		(215)	
Financial Products Revenues	1,343	1%	160	(1%)	275	2%	304	2%	2,082	1%	—	—%	2,082	1%
Consolidated Sales and Revenues	\$ 16,165	19%	\$ 3,654	53%	\$ 8,784	23%	\$ 8,570	17%	\$ 37,173	22%	\$ —	—%	\$ 37,173	22%
Nine Months Ended September 30, 2020														
Construction Industries	\$ 5,470		\$ 707		\$ 2,618		\$ 3,597		\$ 12,392		\$ 18		\$ 12,410	
Resource Industries	1,690		859		1,158		1,686		5,393		333		5,726	
Energy & Transportation	5,138		667		3,095		1,734		10,634		2,025		12,659	
All Other Segment	22		4		17		38		81		249		330	
Corporate Items and Eliminations	(35)		(5)		(4)		(4)		(48)		(2,625)		(2,673)	
Machinery, Energy & Transportation Sales	12,285		2,232		6,884		7,051		28,452		—		28,452	
Financial Products Segment	1,466		193		298		344		2,301 ¹		—		2,301	
Corporate Items and Eliminations	(134)		(31)		(28)		(47)		(240)		—		(240)	
Financial Products Revenues	1,332		162		270		297		2,061		—		2,061	
Consolidated Sales and Revenues	\$ 13,617		\$ 2,394		\$ 7,154		\$ 7,348		\$ 30,513		\$ —		\$ 30,513	

¹ Includes revenues from Machinery, Energy & Transportation of \$263 million and \$274 million in the nine months ended September 30, 2021 and 2020, respectively.

CONSOLIDATED OPERATING PROFIT



The chart above graphically illustrates reasons for the change in consolidated operating profit between the nine months ended September 30, 2020 (at left) and the nine months ended September 30, 2021 (at right). Caterpillar management utilizes these charts internally to visually communicate with the company’s Board of Directors and employees. The bar titled Other includes consolidating adjustments and Machinery, Energy & Transportation’s other operating (income) expenses.

Operating profit for the nine months ended September 30, 2021, was \$5.267 billion, an increase of \$2.094 billion, or 66 percent, compared with \$3.173 billion for the nine months ended September 30, 2020. The increase was due to higher sales volume, favorable price realization, lower restructuring expenses (included in other) and higher profit from Financial Products, partially offset by higher SG&A/R&D expenses and unfavorable manufacturing costs.

The increase in SG&A/R&D expenses was driven by higher short-term incentive compensation expense, which was reinstated in 2021.

Unfavorable manufacturing costs reflected increased period manufacturing costs primarily due to higher short-term incentive compensation expense and higher labor-related costs. Higher variable labor and burden, primarily freight, and higher material costs were mostly offset by favorable cost absorption and lower warranty expense. Cost absorption was favorable as inventory increased more during the nine months ended September 30, 2021, than during the nine months ended September 30, 2020.

Short-term incentive compensation expense, which was reinstated in 2021, was \$1.1 billion for the nine months ended September 30, 2021, compared to no short-term incentive compensation expense recognized for the nine months ended September 30, 2020. For 2021, short-term incentive compensation expense is expected to be about \$1.4 billion, compared to no short-term incentive compensation expense recognized in 2020. Short-term incentive compensation expense is directly related to financial and operational performance, measured against targets set annually.

Operating profit margin was 14.2 percent for the nine months ended September 30, 2021, compared with 10.4 percent for the nine months ended September 30, 2020.

Profit by Segment				
(Millions of dollars)	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020	\$ Change	% Change
Construction Industries	\$ 2,918	\$ 1,743	\$ 1,175	67%
Resource Industries	986	623	363	58%
Energy & Transportation	2,093	1,718	375	22%
All Other Segment	(2)	31	(33)	n/a
Corporate Items and Eliminations	(1,107)	(1,100)	(7)	
Machinery, Energy & Transportation	4,888	3,015	1,873	62%
Financial Products Segment	660	395	265	67%
Corporate Items and Eliminations	(55)	(6)	(49)	
Financial Products	605	389	216	56%
Consolidating Adjustments	(226)	(231)	5	
Consolidated Operating Profit	\$ 5,267	\$ 3,173	\$ 2,094	66%

Other Profit/Loss and Tax Items

- Interest expense excluding Financial Products for the nine months ended September 30, 2021, was \$376 million, compared with \$384 million for the nine months ended September 30, 2020. The decrease was due to lower average debt outstanding during the nine months ended September 30, 2021, compared with the nine months ended September 30, 2020.
- Other income/expense for the nine months ended September 30, 2021, was income of \$751 million, compared with income of \$265 million for the nine months ended September 30, 2020. The change was primarily due to favorable impacts from foreign currency exchange gains (losses), favorable OPEB plan costs and favorable impacts from unrealized gains (losses) on marketable securities.

The company experienced foreign currency exchange net gains in the nine months ended September 30, 2021, compared with net losses in the nine months ended September 30, 2020. The favorable impact of unrealized gains (losses) on marketable securities was due to unrealized gains in the nine months ended September 30, 2021, compared with unrealized losses in the nine months ended September 30, 2020.

- The provision for income taxes for the nine months ended September 30, 2021 reflected an estimated annual tax rate of 25 percent, compared with 31 percent for the nine months ended September 30, 2020, excluding the discrete items discussed in the following paragraph. The comparative tax rate for full-year 2020 was approximately 28 percent. The decrease in the estimated annual tax rate from full-year 2020 was primarily related to changes in the expected geographic mix of profits from a tax perspective for 2021.

In addition, we recorded a discrete tax benefit of \$61 million for the nine months ended September 30, 2021, compared with \$21 million for the nine months ended September 30, 2020, for the settlement of stock-based compensation awards with associated tax deductions in excess of cumulative U.S. GAAP compensation expense. The company also recorded a discrete tax benefit of \$36 million to reflect changes in estimates related to prior year U.S. taxes for the nine months ended September 30, 2021, compared to \$80 million for the nine months ended September 30, 2020. Finally, we recorded a \$10 million tax charge related to the \$55 million of rereasurement net gain resulting from the settlements of pension obligations for the nine months ended September 30, 2020.

Construction Industries

Construction Industries' total sales were \$16.370 billion for the nine months ended September 30, 2021, an increase of \$3.960 billion, or 32 percent, compared with \$12.410 billion for the nine months ended September 30, 2020. The increase was due to higher sales volume, favorable price realization and favorable currency impacts related to the euro, Chinese yuan and Australian dollar. The increase in sales volume was driven by higher end-user demand for equipment and aftermarket parts and the impact from changes in dealer inventories. Dealers decreased inventories during the nine months ended September 30, 2020, compared with an increase during the nine months ended September 30, 2021.

- In North America, sales increased due to higher end-user demand, the impact from changes in dealer inventories and favorable price realization. Dealers decreased inventories more during the nine months ended September 30, 2020, than during the nine months ended September 30, 2021.
- Sales increased in Latin America primarily due to the impact from changes in dealer inventories and higher end-user demand. Dealers decreased inventories during the nine months ended September 30, 2020, compared with an increase during the nine months ended September 30, 2021.
- In EAME, sales increased due to higher end-user demand, the impact from changes in dealer inventories and favorable currency impacts from a stronger euro and British pound. Dealers increased inventories more during the nine months ended September 30, 2021, than during the nine months ended September 30, 2020.
- Sales increased in Asia/Pacific due to higher end-user demand for equipment and aftermarket parts, favorable currency impacts related to the Chinese yuan and Australian dollar and the impact from changes in dealer inventories. Dealers decreased inventories more during the nine months ended September 30, 2020, than during the nine months ended September 30, 2021.

Construction Industries' profit was \$2.918 billion for the nine months ended September 30, 2021, an increase of \$1.175 billion, or 67 percent, compared with \$1.743 billion for the nine months ended September 30, 2020. The increase was mainly due to higher sales volume and favorable price realization, partially offset by unfavorable manufacturing costs and higher SG&A/R&D expenses.

Unfavorable manufacturing costs reflected higher period manufacturing costs and material. The increase in period manufacturing costs was driven by higher short-term incentive compensation expense and higher labor costs. Higher SG&A/R&D expenses were driven primarily by higher short-term incentive compensation expense, partially offset by other cost reductions.

Construction Industries' profit as a percent of total sales was 17.8 percent for the nine months ended September 30, 2021, compared with 14.0 percent for the nine months ended September 30, 2020.

Resource Industries

Resource Industries' total sales were \$7.201 billion for the nine months ended September 30, 2021, an increase of \$1.475 billion, or 26 percent, compared with \$5.726 billion for the nine months ended September 30, 2020. The increase was due to higher sales volume driven by higher end-user demand for equipment and aftermarket parts and the impact from changes in dealer inventories. Dealers decreased inventories more during the nine months ended September 30, 2020, than during the nine months ended September 30, 2021. End-user demand was higher in mining, as well as heavy construction and quarry and aggregates.

Resource Industries' profit was \$986 million for the nine months ended September 30, 2021, an increase of \$363 million, or 58 percent, compared with \$623 million for the nine months ended September 30, 2020. The increase was mainly due to higher sales volume, partially offset by higher SG&A/R&D expenses. The increase in SG&A/R&D expenses was driven by higher short-term incentive compensation expense.

Resource Industries' profit as a percent of total sales was 13.7 percent for the nine months ended September 30, 2021, compared with 10.9 percent for the nine months ended September 30, 2020.

Energy & Transportation

Sales by Application

(Millions of dollars)	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020	\$ Change	% Change
Oil and Gas.....	\$ 3,140	\$ 2,622	\$ 518	20%
Power Generation.....	3,025	2,783	242	9%
Industrial.....	2,660	2,209	451	20%
Transportation.....	3,094	3,020	74	2%
External Sales	11,919	10,634	1,285	12%
Inter-Segment.....	2,640	2,025	615	30%
Total Sales	\$ 14,559	\$ 12,659	\$ 1,900	15%

Energy & Transportation's total sales were \$14.559 billion for the nine months ended September 30, 2021, an increase of \$1.900 billion, or 15 percent, compared with \$12.659 billion for the nine months ended September 30, 2020. Sales increased across all applications.

- Oil and Gas – Sales increased mainly due to higher sales of reciprocating engine aftermarket parts in all regions as well as higher sales in turbines and turbine related services.
- Power Generation – Sales increased due to higher sales in large reciprocating engines, primarily datacenters, and aftermarket parts. Sales also increased due to favorable currency impacts.
- Industrial – Sales were up due to higher demand across all regions.
- Transportation – Sales increased slightly due to favorable currency impacts and marine. The increase was partially offset by lower sales of locomotives and related services.

Energy & Transportation's profit was \$2.093 billion for the nine months ended September 30, 2021, an increase of \$375 million, or 22 percent, compared with \$1.718 billion for the nine months ended September 30, 2020. The increase was due to higher sales volume, partially offset by higher SG&A/R&D expenses and unfavorable manufacturing costs. Increased manufacturing costs were mainly driven by higher period manufacturing costs and higher variable labor and burden, primarily freight, partially offset by the absence of inventory write-downs that occurred in the third quarter of 2020. In addition, segment profit was favorably impacted by other operating income/expense.

The increase in both SG&A/R&D expenses and period manufacturing costs was primarily due to higher short-term incentive compensation expense and acquisition-related expenses.

Energy & Transportation's profit as a percent of total sales was 14.4 percent for the nine months ended September 30, 2021, compared with 13.6 percent for the nine months ended September 30, 2020.

Financial Products Segment

Financial Products' segment revenues were \$2.297 billion for the nine months ended September 30, 2021, a decrease of \$4 million from the nine months ended September 30, 2020.

Financial Products' segment profit was \$660 million for the nine months ended September 30, 2021, an increase of \$265 million, or 67 percent, compared with \$395 million for the nine months ended September 30, 2020. The increase was primarily due to lower provision for credit losses at Cat Financial, a favorable impact from equity securities in Insurance Services, a favorable impact from returned or repossessed equipment and higher net yield on average earning assets. These favorable impacts were partially offset by an increase in SG&A expenses primarily due to higher short-term incentive compensation expense.

Corporate Items and Eliminations

Expense for corporate items and eliminations was \$1.162 billion in the nine months ended September 30, 2021, an increase of \$56 million from the nine months ended September 30, 2020. Favorable impacts of segment reporting methodology differences and lower restructuring costs were more than offset by higher corporate costs, higher expenses due to timing differences and an unfavorable change in fair value adjustments related to deferred compensation plans.

RESTRUCTURING COSTS

We expect to incur from \$150 million to \$200 million of restructuring costs in 2021. We expect that prior restructuring actions will result in an incremental benefit to operating costs, primarily Cost of goods sold and SG&A expenses of about \$200 million in 2021 compared with 2020.

Additional information related to restructuring costs is included in Note 20 - "Restructuring Costs" of Part I, Item 1 "Financial Statements".

GLOSSARY OF TERMS

1. **Adjusted Operating Profit Margin** – Operating profit excluding restructuring costs as a percent of sales and revenues.
2. **Adjusted Profit Per Share** – Profit per share excluding remeasurement gains/losses resulting from the settlements of pension obligations in 2020 and restructuring costs.
3. **All Other Segment** – Primarily includes activities such as: business strategy; product management and development; manufacturing and sourcing of filters and fluids, undercarriage, ground-engaging tools, fluid transfer products, precision seals, rubber sealing and connecting components primarily for Cat® products; parts distribution; integrated logistics solutions; distribution services responsible for dealer development and administration, including a wholly owned dealer in Japan; dealer portfolio management and ensuring the most efficient and effective distribution of machines, engines and parts; brand management and marketing strategy; and digital investments for new customer and dealer solutions that integrate data analytics with state-of-the-art digital technologies while transforming the buying experience.
4. **Consolidating Adjustments** – Elimination of transactions between Machinery, Energy & Transportation and Financial Products.
5. **Construction Industries** – A segment primarily responsible for supporting customers using machinery in infrastructure and building construction applications. Responsibilities include business strategy, product design, product management and development, manufacturing, marketing and sales and product support. The product portfolio includes asphalt pavers; backhoe loaders; compactors; cold planers; compact track and multi-terrain loaders; mini, small, medium and large track excavators; motor graders; pipelayers; road reclaimers; skid steer loaders; telehandlers; small and medium track-type tractors; track-type loaders; utility vehicles; wheel excavators; compact, small and medium wheel loaders; and related parts and work tools.
6. **Corporate Items and Eliminations** – Includes corporate-level expenses, timing differences (as some expenses are reported in segment profit on a cash basis), methodology differences between segment and consolidated external reporting, certain restructuring costs, and inter-segment eliminations.

7. **Currency** – With respect to sales and revenues, currency represents the translation impact on sales resulting from changes in foreign currency exchange rates versus the U.S. dollar. With respect to operating profit, currency represents the net translation impact on sales and operating costs resulting from changes in foreign currency exchange rates versus the U.S. dollar. Currency only includes the impact on sales and operating profit for the Machinery, Energy & Transportation lines of business; currency impacts on Financial Products revenues and operating profit are included in the Financial Products portions of the respective analyses. With respect to other income/expense, currency represents the effects of forward and option contracts entered into by the company to reduce the risk of fluctuations in exchange rates (hedging) and the net effect of changes in foreign currency exchange rates on our foreign currency assets and liabilities for consolidated results (translation).
8. **Dealer Inventories** – Represents dealer machine and engine inventories, excluding aftermarket parts.
9. **EAME** – A geographic region including Europe, Africa, the Middle East and the Commonwealth of Independent States (CIS).
10. **Earning Assets** – Assets consisting primarily of total finance receivables net of unearned income, plus equipment on operating leases, less accumulated depreciation at Cat Financial.
11. **Energy & Transportation** – A segment primarily responsible for supporting customers using reciprocating engines, turbines, diesel-electric locomotives and related services across industries serving Oil and Gas, Power Generation, Industrial and Transportation applications, including marine- and rail-related businesses. Responsibilities include business strategy, product design, product management and development, manufacturing, marketing and sales and product support. The product and services portfolio includes turbines, centrifugal gas compressors, and turbine-related services; reciprocating engine-powered generator sets; integrated systems used in the electric power generation industry; reciprocating engines and integrated systems and solutions for the marine and oil and gas industries; reciprocating engines supplied to the industrial industry as well as Cat machinery; and diesel-electric locomotives and components and other rail-related products and services, including remanufacturing and leasing. Responsibilities also include the remanufacturing of Caterpillar reciprocating engines and components and remanufacturing services for other companies; and product support of on-highway vocational trucks for North America.
12. **Financial Products** – The company defines Financial Products as our finance and insurance subsidiaries, primarily Caterpillar Financial Services Corporation (Cat Financial) and Caterpillar Insurance Holdings Inc. (Insurance Services). Financial Products' information relates to the financing to customers and dealers for the purchase and lease of Caterpillar and other equipment.
13. **Financial Products Segment** – Provides financing alternatives to customers and dealers around the world for Caterpillar products, as well as financing for vehicles, power generation facilities and marine vessels that, in most cases, incorporate Caterpillar products. Financing plans include operating and finance leases, installment sale contracts, repair/rebuild financing, working capital loans and wholesale financing plans. The segment also provides insurance and risk management products and services that help customers and dealers manage their business risk. Insurance and risk management products offered include physical damage insurance, inventory protection plans, extended service coverage and maintenance plans for machines and engines, and dealer property and casualty insurance. The various forms of financing, insurance and risk management products offered to customers and dealers help support the purchase and lease of Caterpillar equipment. The segment also earns revenues from Machinery, Energy & Transportation, but the related costs are not allocated to operating segments. Financial Products' segment profit is determined on a pretax basis and includes other income/expense items.
14. **Latin America** – A geographic region including Central and South American countries and Mexico.
15. **Machinery, Energy & Transportation (ME&T)** – The company defines ME&T as Caterpillar Inc. and its subsidiaries, excluding Financial Products. ME&T's information relates to the design, manufacturing and marketing of its products.
16. **Machinery, Energy & Transportation Other Operating (Income) Expenses** – Comprised primarily of gains/losses on disposal of long-lived assets, gains/losses on divestitures and legal settlements, and accruals.
17. **Manufacturing Costs** – Manufacturing costs exclude the impacts of currency and represent the volume-adjusted change for variable costs and the absolute dollar change for period manufacturing costs. Variable manufacturing costs are defined as having a direct relationship with the volume of production. This includes material costs, direct labor and other costs that vary directly with production volume, such as freight, power to operate machines and supplies that are consumed in the manufacturing process. Period manufacturing costs support production but are defined as generally not having a direct relationship to short-term changes in volume. Examples include machinery and equipment repair, depreciation on manufacturing assets, facility support, procurement, factory scheduling, manufacturing planning and operations management.

18. **Mark-to-market gains/losses** – Represents the net gain or loss of actual results differing from the company’s assumptions and the effects of changing assumptions for our defined benefit pension and OPEB plans. These gains and losses are immediately recognized through earnings upon the annual remeasurement in the fourth quarter, or on an interim basis as triggering events warrant remeasurement.
19. **Pension and Other Postemployment Benefit (OPEB)** – The company’s defined-benefit pension and postretirement benefit plans.
20. **Price Realization** – The impact of net price changes excluding currency and new product introductions. Price realization includes geographic mix of sales, which is the impact of changes in the relative weighting of sales prices between geographic regions.
21. **Resource Industries** – A segment primarily responsible for supporting customers using machinery in mining, heavy construction and quarry and aggregates. Responsibilities include business strategy, product design, product management and development, manufacturing, marketing and sales and product support. The product portfolio includes large track-type tractors; large mining trucks; hard rock vehicles; longwall miners; electric rope shovels; draglines; hydraulic shovels; rotary drills; large wheel loaders; off-highway trucks; articulated trucks; wheel tractor scrapers; wheel dozers; landfill compactors; soil compactors; select work tools; machinery components; electronics and control systems and related parts. In addition to equipment, Resource Industries also develops and sells technology products and services to provide customers fleet management, equipment management analytics, autonomous machine capabilities, safety services and mining performance solutions. Resource Industries also manages areas that provide services to other parts of the company, including integrated manufacturing, research and development for drivetrains, hydraulic systems, electronics and software for Cat machines and engines.
22. **Restructuring Costs** – May include costs for employee separation, long-lived asset impairments and contract terminations. These costs are included in Other operating (income) expenses except for defined-benefit plan curtailment losses and special termination benefits, which are included in Other income (expense). Restructuring costs also include other exit-related costs, which may consist of accelerated depreciation, inventory write-downs, building demolition, equipment relocation and project management costs and LIFO inventory decrement benefits from inventory liquidations at closed facilities, all of which are primarily included in Cost of goods sold.
23. **Sales Volume** – With respect to sales and revenues, sales volume represents the impact of changes in the quantities sold for Machinery, Energy & Transportation as well as the incremental sales impact of new product introductions, including emissions-related product updates. With respect to operating profit, sales volume represents the impact of changes in the quantities sold for Machinery, Energy & Transportation combined with product mix as well as the net operating profit impact of new product introductions, including emissions-related product updates. Product mix represents the net operating profit impact of changes in the relative weighting of Machinery, Energy & Transportation sales with respect to total sales. The impact of sales volume on segment profit includes inter-segment sales.
24. **Services** – Enterprise services include, but are not limited to, aftermarket parts, Financial Products revenues and other service-related revenues. Machinery, Energy & Transportation segments exclude most Financial Products revenues.

LIQUIDITY AND CAPITAL RESOURCES

Sources of funds

We generate significant capital resources from operating activities, which are the primary source of funding for our ME&T operations. Funding for these businesses is also available from commercial paper and long-term debt issuances. Financial Products’ operations are funded primarily from commercial paper, term debt issuances and collections from its existing portfolio. We had positive operating cash flow in the first nine months of 2021 within both our ME&T and Financial Products’ operations. On a consolidated basis, we ended the first nine months of 2021 with \$9.45 billion of cash, an increase of \$94 million from year-end 2020. We intend to maintain a strong cash and liquidity position.

Consolidated operating cash flow for the first nine months of 2021 was \$5.79 billion, up \$1.53 billion compared to the same period last year. The increase was primarily due to higher profit before taxes adjusted for non-cash items, including higher accruals for short-term incentive compensation. In addition, lower payments for short-term incentive compensation favorably impacted cash flow. Partially offsetting these items were increased working capital requirements during the first nine months of 2021 compared to the same period last year. Within working capital, changes in inventory and accounts receivable unfavorably impacted cash flow but were partially offset by favorable changes in accounts payable and accrued expenses.

Total debt as of September 30, 2021 was \$36.78 billion, a decrease of \$379 million from year-end 2020. Debt related to ME&T decreased \$1.37 billion in the first nine months of 2021 due to the repayment of debt. In addition, during the first quarter of 2021, we issued \$500 million of ten-year bonds at 1.9 percent and utilized the net proceeds to redeem all of our \$500 million 2.6 percent notes due in 2022. Debt related to Financial Products increased \$993 million, primarily due to an increase in commercial paper due to short term funding needs.

As of September 30, 2021, we had three global credit facilities with a syndicate of banks totaling \$10.50 billion (Credit Facility) available in the aggregate to both Caterpillar and Cat Financial for general liquidity purposes. Based on management's allocation decision, which can be revised from time to time, the portion of the Credit Facility available to ME&T as of September 30, 2021 was \$2.75 billion. Information on our Credit Facility is as follows:

- In September 2021, we entered into a new 364-day facility. The 364-day facility of \$3.15 billion (of which \$824 million is available to ME&T) expires in September 2022.
- In September 2021, we amended and restated the three-year facility (as amended and restated, the "three-year facility"). The three-year facility of \$2.73 billion (of which \$715 million is available to ME&T) expires in September 2024.
- In September 2021, we amended and restated the five-year facility (as amended and restated, the "five-year facility"). The five-year facility of \$4.62 billion (of which \$1.21 billion is available to ME&T) expires in September 2026.

At September 30, 2021, Caterpillar's consolidated net worth was \$16.75 billion, which was above the \$9.00 billion required under the Credit Facility. The consolidated net worth is defined in the Credit Facility as the consolidated shareholders' equity including preferred stock but excluding the pension and other postretirement benefits balance within Accumulated other comprehensive income (loss).

At September 30, 2021, Cat Financial's covenant interest coverage ratio was 2.31 to 1. This was above the 1.15 to 1 minimum ratio calculated as (1) profit excluding income taxes, interest expense and net gain (loss) from interest rate derivatives to (2) interest expense calculated at the end of each calendar quarter for the rolling four quarter period then most recently ended, required by the Credit Facility.

In addition, at September 30, 2021, Cat Financial's six-month covenant leverage ratio was 7.06 to 1. This was below the maximum ratio of debt to net worth of 10 to 1, calculated (1) on a monthly basis as the average of the leverage ratios determined on the last day of each of the six preceding calendar months and (2) at each December 31, required by the Credit Facility.

In the event Caterpillar or Cat Financial does not meet one or more of their respective financial covenants under the Credit Facility in the future (and are unable to obtain a consent or waiver), the syndicate of banks may terminate the commitments allocated to the party that does not meet its covenants. Additionally, in such event, certain of Cat Financial's other lenders under other loan agreements where similar financial covenants or cross default provisions are applicable may, at their election, choose to pursue remedies under those loan agreements, including accelerating the repayment of outstanding borrowings. At September 30, 2021, there were no borrowings under the Credit Facility.

Our total credit commitments and available credit as of September 30, 2021 were:

(Millions of dollars)	September 30, 2021		
	Consolidated	Machinery, Energy & Transportation	Financial Products
Credit lines available:			
Global credit facilities	\$ 10,500	\$ 2,750	\$ 7,750
Other external	3,278	184	3,094
Total credit lines available	13,778	2,934	10,844
Less: Commercial paper outstanding	(2,619)	—	(2,619)
Less: Utilized credit	(669)	—	(669)
Available credit	<u>\$ 10,490</u>	<u>\$ 2,934</u>	<u>\$ 7,556</u>

The other external consolidated credit lines with banks as of September 30, 2021 totaled \$3.28 billion. These committed and uncommitted credit lines, which may be eligible for renewal at various future dates or have no specified expiration date, are used primarily by our subsidiaries for local funding requirements. Caterpillar or Cat Financial may guarantee subsidiary borrowings under these lines.

We receive debt ratings from the major credit rating agencies. Moody's, Fitch and S&P maintain a "mid-A" debt rating. A downgrade of our credit ratings by any of the major credit rating agencies would result in increased borrowing costs and could make access to certain credit markets more difficult. In the event economic conditions deteriorate such that access to debt markets becomes unavailable, ME&T's operations would rely on cash flow from operations, use of existing cash balances, borrowings from Cat Financial and access to our committed credit facilities. Our Financial Products' operations would rely on cash flow from its existing portfolio, existing cash balances, access to our committed credit facilities and other credit line facilities of Cat Financial, and potential borrowings from Caterpillar. In addition, we maintain a support agreement with Cat Financial, which requires Caterpillar to remain the sole owner of Cat Financial and may, under certain circumstances, require Caterpillar to make payments to Cat Financial should Cat Financial fail to maintain certain financial ratios.

We facilitate voluntary supply chain finance programs (the "Programs") through participating financial institutions. The Programs are available to a wide range of suppliers and allows them the option to manage their cash flow. We are not a party to the agreements between the participating financial institutions and the suppliers in connection with the Programs. The range of payment terms we negotiate with our suppliers is consistent, irrespective of whether a supplier participates in the Programs. The amounts payable to participating financial institutions for suppliers who voluntarily participate in the Programs and included in Accounts payable in the Consolidated Statement of Financial Position were \$725 million and \$533 million at September 30, 2021 and December 31, 2020, respectively. The amounts settled through the Programs and paid to participating financial institutions were \$2.9 billion and \$2.4 billion during the first nine months of 2021 and 2020, respectively. We account for payments made under the Programs, the same as our other Accounts payable, as a reduction to our cash flows from operations. We do not believe that changes in the availability of supply chain financing will have a significant impact on our liquidity.

Machinery, Energy & Transportation

Net cash provided by operating activities was \$4.90 billion in the first nine months of 2021, compared with \$2.07 billion for the same period in 2020. The increase was primarily due to higher profit before taxes adjusted for non-cash items, including higher accruals for short-term incentive compensation. In addition, lower payments for short-term incentive compensation favorably impacted cash flow. Partially offsetting these items were increased working capital requirements during the first nine months of 2021 compared to the same period last year. Within working capital, changes in inventory and accounts receivable unfavorably impacted cash flow but were partially offset by favorable changes in accounts payable and accrued expenses.

Net cash used by investing activities in the first nine months of 2021 was \$487 million, compared with net cash used of \$66 million in the first nine months of 2020. The change was primarily due to increased investment activity mostly offset by increased activity related to intercompany lending with Financial Products. During 2021, we invested \$543 million in bank time deposits with varying maturity dates within one year. We also acquired the Oil & Gas division of the Weir Group PLC for \$361 million, net of cash acquired, in February 2021.

Net cash used for financing activities during the first nine months of 2021 was \$4.67 billion, compared with net cash used of \$742 million in the same period of 2020. The change was primarily due to the repayment of debt and lower proceeds from debt issuances. In addition, during the first nine months of 2021, we repurchased \$1.62 billion of Caterpillar common stock compared with \$1.13 billion during the same period a year ago.

While our short-term priorities for the use of cash may vary from time to time as business needs and conditions dictate, our long-term cash deployment strategy is focused on the following priorities. Our top priority is to maintain a strong financial position in support of a mid-A rating. Next, we intend to fund operational requirements and commitments. Then, we intend to fund priorities that profitably grow the company and return capital to shareholders through dividend growth and share repurchases. Additional information on cash deployment is as follows:

Strong financial position – Our top priority is to maintain a strong financial position in support of a mid-A rating. We track a diverse group of financial metrics that focus on liquidity, leverage, cash flow and margins which align with our cash deployment actions and the various methodologies used by the major credit rating agencies.

Operational excellence and commitments – Capital expenditures were \$693 million during the first nine months of 2021, compared to \$685 million for the same period in 2020. We expect ME&T's capital expenditures in 2021 to be about \$1.0 billion to \$1.1 billion. We made \$229 million of contributions to our pension and other postretirement benefit plans during the first nine months of 2021. We currently anticipate full-year 2021 contributions of approximately \$310 million. In comparison, we made \$217 million of contributions to our pension and other postretirement benefit plans during the first nine months of 2020.

Fund strategic growth initiatives and return capital to shareholders – We intend to utilize our liquidity and debt capacity to fund targeted investments that drive long-term profitable growth focused in the areas of expanded offerings and services, including acquisitions.

As part of our capital allocation strategy, ME&T free cash flow is a liquidity measure we use to determine the cash generated and available for financing activities including debt repayments, dividends and share repurchases. We define ME&T free cash flow as cash from ME&T operations excluding discretionary pension and other postretirement benefit plan contributions less capital expenditures. A goal of our capital allocation strategy is to return substantially all ME&T free cash flow to shareholders through the cycles in the form of dividends and share repurchases, while maintaining our mid-A rating.

Our share repurchase plans are subject to the company's cash deployment priorities and are evaluated on an ongoing basis considering the financial condition of the company and the economic outlook, corporate cash flow, the company's liquidity needs, and the health and stability of global credit markets. The timing and amount of future repurchases may vary depending on market conditions and investing priorities. In July 2018, the Board of Directors approved an authorization to repurchase up to \$10 billion of Caterpillar common stock (the 2018 Authorization) effective January 1, 2019, with no expiration. In the second quarter of 2021, we resumed our share repurchase program under the 2018 Authorization. In the first nine months of 2021, we repurchased \$1.62 billion of Caterpillar common stock, with \$3.1 billion remaining under the 2018 Authorization as of September 30, 2021. Our basic shares outstanding as of September 30, 2021 were approximately 541 million.

Each quarter, our Board of Directors reviews the company's dividend for the applicable quarter. The Board evaluates the financial condition of the company and considers the economic outlook, corporate cash flow, the company's liquidity needs, and the health and stability of global credit markets to determine whether to maintain or change the quarterly dividend. In October 2021, the Board of Directors approved maintaining our quarterly dividend at \$1.11 per share and we continue to expect our strong financial position to support the dividend. Dividends paid totaled \$1.73 billion in the first nine months of 2021.

Financial Products

Financial Products operating cash flow was \$1.10 billion in the first nine months of 2021, compared with \$1.04 billion for the same period a year ago. Net cash used for investing activities was \$468 million for the first nine months of 2021, compared with net cash provided of \$885 million for the same period in 2020. The change was primarily due to portfolio related activity. Net cash used for financing activities was \$289 million for the first nine months of 2021 compared with \$2.10 billion for the same period in 2020. The change was primarily due to higher portfolio funding requirements.

RECENT ACCOUNTING PRONOUNCEMENTS

For a discussion of recent accounting pronouncements, see Part I, Item 1. Note 2 - "New accounting guidance".

CRITICAL ACCOUNTING ESTIMATES

For a discussion of the company's critical accounting estimates, see Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our 2020 Annual Report on Form 10-K. There have been no significant changes to our critical accounting estimates since our 2020 Annual Report on Form 10-K.

OTHER MATTERS

Information related to legal proceedings appears in Note 14—Environmental and Legal Matters of Part II, Item 8 "Financial Statements and Supplementary Data."

Retirement Benefits

We recognize mark-to-market gains and losses immediately through earnings upon the remeasurement of our pension and OPEB plans. *Mark-to-market gains and losses* represent the effects of actual results differing from our assumptions and the effects of changing assumptions. We will record the annual mark-to-market adjustment as of the measurement date, December 31, 2021. The discount rates for our U.S. pension plans were 2.8 percent and 2.4 percent as of September 30, 2021 and December 31, 2020, respectively. Asset returns as of September 30, 2021 for our U.S. pension plans were 1.5 percent compared to an expected return on plan assets for 2021 of 4.2 percent. It is difficult to predict the December 31, 2021 adjustment amount, as it is dependent on several factors including discount rate, actual returns on plan assets and other actuarial assumptions.

Order Backlog

At the end of the third quarter of 2021, the dollar amount of backlog believed to be firm was approximately \$20.6 billion, about \$2.2 billion higher than the second quarter of 2021. The order backlog increased across the three primary segments, with the largest increase in Resource Industries. Of the total backlog at September 30, 2021, approximately \$3.9 billion was not expected to be filled in the following twelve months.

NON-GAAP FINANCIAL MEASURES

We provide the following definitions for the non-GAAP financial measures used in this report. These non-GAAP financial measures have no standardized meaning prescribed by U.S. GAAP and therefore are unlikely to be comparable to the calculation of similar measures for other companies. Management does not intend these items to be considered in isolation or as a substitute for the related GAAP measures.

We believe it is important to separately quantify the profit impact of two significant items in order for our results to be meaningful to our readers. These items consist of (i) restructuring costs, which were incurred to generate longer-term benefits and (ii) rereasurement (gains) losses resulting from the settlements of pension obligations in 2020. We do not consider these items indicative of earnings from ongoing business activities and believe the non-GAAP measure provides investors with useful perspective on underlying business results and trends and aids with assessing our period-over-period results. In addition, we provide a calculation of ME&T free cash flow as we believe it is an important measure for investors to determine the cash generation available for financing activities including debt repayments, dividends and share repurchases.

Reconciliations of adjusted results to the most directly comparable GAAP measures are as follows:

(Dollars in millions except per share data)	Operating Profit	Operating Profit Margin	Profit Before Taxes	Provision (Benefit) for Income Taxes	Effective Tax Rate	Profit	Profit per Share
Three Months Ended September 30, 2021 - U.S. GAAP	\$ 1,664	13.4 %	\$ 1,775	\$ 368	20.7 %	\$ 1,426	\$ 2.60
Restructuring costs	35	0.3 %	35	6	15.0 %	29	\$ 0.06
Three Months Ended September 30, 2021 - Adjusted	<u>\$ 1,699</u>	13.7 %	<u>\$ 1,810</u>	<u>\$ 374</u>	20.7 %	<u>\$ 1,455</u>	<u>\$ 2.66</u>
Three Months Ended September 30, 2020 - U.S. GAAP	\$ 985	10.0 %	\$ 863	\$ 187	21.7 %	\$ 668	\$ 1.22
Restructuring costs	112	1.1 %	112	13	12.0 %	99	\$ 0.18
Remeasurement (gains) losses of pension obligations	—	—%	77	12	15.6 %	65	\$ 0.12
Three Months Ended September 30, 2020 - Adjusted	<u>\$ 1,097</u>	11.1 %	<u>\$ 1,052</u>	<u>\$ 212</u>	20.2 %	<u>\$ 832</u>	<u>\$ 1.52</u>
Nine Months Ended September 30, 2021 - U.S. GAAP	\$ 5,267	14.2 %	\$ 5,642	\$ 1,313	23.3 %	\$ 4,369	\$ 7.94
Restructuring costs	124	0.3 %	124	19	15.0 %	105	\$ 0.19
Nine Months Ended September 30, 2021 - Adjusted	<u>\$ 5,391</u>	14.5 %	<u>\$ 5,766</u>	<u>\$ 1,332</u>	23.1 %	<u>\$ 4,474</u>	<u>\$ 8.13</u>
Nine Months Ended September 30, 2020 - U.S. GAAP	\$ 3,173	10.4 %	\$ 3,054	\$ 839	27.5 %	\$ 2,218	\$ 4.05
Restructuring costs	296	1.0 %	296	35	12.0 %	261	\$ 0.48
Remeasurement (gains) losses of pension obligations	—	—%	(55)	(10)	18.2 %	(45)	\$ (0.08)
Nine Months Ended September 30, 2020 - Adjusted	<u>\$ 3,469</u>	11.4 %	<u>\$ 3,295</u>	<u>\$ 864</u>	26.2 %	<u>\$ 2,434</u>	<u>\$ 4.44</u>

Reconciliations of ME&T free cash flow to the most directly comparable GAAP measure, net cash provided by operating activities are as follows:

(Millions of dollars)	Nine Months Ended September 30	
	2021	2020
ME&T net cash provided by operating activities ¹	\$ 4,899	\$ 2,065
ME&T capital expenditures	\$ (693)	\$ (685)
ME&T free cash flow	\$ 4,206	\$ 1,380

¹ See reconciliation of ME&T net cash provided by operating activities to consolidated net cash provided by operating activities on pages 77 - 78.

Supplemental Consolidating Data

We are providing supplemental consolidating data for the purpose of additional analysis. The data has been grouped as follows:

Consolidated – Caterpillar Inc. and its subsidiaries.

Machinery, Energy & Transportation – We define ME&T as it is presented in the supplemental data as Caterpillar Inc. and its subsidiaries, excluding Financial Products. ME&T's information relates to the design, manufacturing and marketing of our products.

Financial Products – We define Financial Products as it is presented in the supplemental data as our finance and insurance subsidiaries, primarily Caterpillar Financial Services Corporation (Cat Financial) and Caterpillar Insurance Holdings Inc. (Insurance Services). Financial Products' information relates to the financing to customers and dealers for the purchase and lease of Caterpillar and other equipment.

Consolidating Adjustments – Eliminations of transactions between ME&T and Financial Products.

The nature of the ME&T and Financial Products businesses is different, especially with regard to the financial position and cash flow items. Caterpillar management utilizes this presentation internally to highlight these differences. We believe this presentation will assist readers in understanding our business.

Pages 71 to 78 reconcile ME&T and Financial Products to Caterpillar Inc. consolidated financial information. Certain amounts for prior periods have been reclassified to conform to the current period presentation.

Caterpillar Inc.
Supplemental Data for Results of Operations
For the Three Months Ended September 30, 2021
(Unaudited)
(Millions of dollars)

	<u>Supplemental Consolidating Data</u>			
	<u>Consolidated</u>	<u>Machinery, Energy & Transportation</u>	<u>Financial Products</u>	<u>Consolidating Adjustments</u>
Sales and revenues:				
Sales of Machinery, Energy & Transportation	\$ 11,707	\$ 11,707	\$ —	\$ —
Revenues of Financial Products	690	—	787	(97) ¹
Total sales and revenues	<u>12,397</u>	<u>11,707</u>	<u>787</u>	<u>(97)</u>
Operating costs:				
Cost of goods sold	8,617	8,618	—	(1) ²
Selling, general and administrative expenses	1,340	1,147	200	(7) ²
Research and development expenses	427	427	—	—
Interest expense of Financial Products	111	—	111	—
Other operating (income) expenses	238	(56)	310	(16) ²
Total operating costs	<u>10,733</u>	<u>10,136</u>	<u>621</u>	<u>(24)</u>
Operating profit	1,664	1,571	166	(73)
Interest expense excluding Financial Products	114	114	—	—
Other income (expense)	225	143	9	73 ³
Consolidated profit before taxes	1,775	1,600	175	—
Provision (benefit) for income taxes	368	331	37	—
Profit of consolidated companies	<u>1,407</u>	<u>1,269</u>	<u>138</u>	<u>—</u>
Equity in profit (loss) of unconsolidated affiliated companies ..	21	23	—	(2) ⁴
Profit of consolidated and affiliated companies	1,428	1,292	138	(2)
Less: Profit (loss) attributable to noncontrolling interests	2	1	3	(2) ⁵
Profit ⁶	<u>\$ 1,426</u>	<u>\$ 1,291</u>	<u>\$ 135</u>	<u>\$ —</u>

¹ Elimination of Financial Products' revenues earned from ME&T.

² Elimination of net expenses recorded by ME&T paid to Financial Products.

³ Elimination of discount recorded by ME&T on receivables sold to Financial Products and of interest earned between ME&T and Financial Products as well as dividends paid by Financial Products to ME&T.

⁴ Elimination of equity profit (loss) earned from Financial Products' subsidiaries partially owned by ME&T subsidiaries.

⁵ Elimination of noncontrolling interest profit (loss) recorded by Financial Products for subsidiaries partially owned by ME&T subsidiaries.

⁶ Profit attributable to common shareholders.

Caterpillar Inc.
Supplemental Data for Results of Operations
For the Nine Months Ended September 30, 2021
(Unaudited)
(Millions of dollars)

	Supplemental Consolidating Data			
	Consolidated	Machinery, Energy & Transportation	Financial Products	Consolidating Adjustments
Sales and revenues:				
Sales of Machinery, Energy & Transportation	\$ 35,091	\$ 35,091	\$ —	\$ —
Revenues of Financial Products	2,082	—	2,371	(289) ¹
Total sales and revenues	<u>37,173</u>	<u>35,091</u>	<u>2,371</u>	<u>(289)</u>
Operating costs:				
Cost of goods sold	25,510	25,515	—	(5) ²
Selling, general and administrative expenses	3,943	3,471	483	(11) ²
Research and development expenses	1,247	1,247	—	—
Interest expense of Financial Products	352	—	352	—
Other operating (income) expenses	854	(30)	931	(47) ²
Total operating costs	<u>31,906</u>	<u>30,203</u>	<u>1,766</u>	<u>(63)</u>
Operating profit	5,267	4,888	605	(226)
Interest expense excluding Financial Products	376	376	—	—
Other income (expense)	751	819	56	(124) ³
Consolidated profit before taxes	5,642	5,331	661	(350)
Provision (benefit) for income taxes	1,313	1,158	155	—
Profit of consolidated companies	<u>4,329</u>	<u>4,173</u>	<u>506</u>	<u>(350)</u>
Equity in profit (loss) of unconsolidated affiliated companies ..	44	52	—	(8) ⁴
Profit of consolidated and affiliated companies	4,373	4,225	506	(358)
Less: Profit (loss) attributable to noncontrolling interests	4	3	9	(8) ⁵
Profit ⁶	<u>\$ 4,369</u>	<u>\$ 4,222</u>	<u>\$ 497</u>	<u>\$ (350)</u>

¹ Elimination of Financial Products' revenues earned from ME&T.

² Elimination of net expenses recorded by ME&T paid to Financial Products.

³ Elimination of discount recorded by ME&T on receivables sold to Financial Products and of interest earned between ME&T and Financial Products as well as dividends paid by Financial Products to ME&T.

⁴ Elimination of equity profit (loss) earned from Financial Products' subsidiaries partially owned by ME&T subsidiaries.

⁵ Elimination of noncontrolling interest profit (loss) recorded by Financial Products for subsidiaries partially owned by ME&T subsidiaries.

⁶ Profit attributable to common shareholders.

Caterpillar Inc.
Supplemental Data for Results of Operations
For the Three Months Ended September 30, 2020
(Unaudited)
(Millions of dollars)

	Supplemental Consolidating Data			
	Consolidated	Machinery, Energy & Transportation	Financial Products	Consolidating Adjustments
Sales and revenues:				
Sales of Machinery, Energy & Transportation	\$ 9,228	\$ 9,228	\$ —	\$ —
Revenues of Financial Products	653	—	740	(87) ¹
Total sales and revenues	9,881	9,228	740	(87)
Operating costs:				
Cost of goods sold	6,919	6,921	—	(2) ²
Selling, general and administrative expenses	1,126	943	189	(6) ²
Research and development expenses	344	344	—	—
Interest expense of Financial Products	137	—	137	—
Other operating (income) expenses	370	95	287	(12) ²
Total operating costs	8,896	8,303	613	(20)
Operating profit	985	925	127	(67)
Interest expense excluding Financial Products	136	136	—	—
Other income (expense)	14	(62)	9	67 ³
Consolidated profit before taxes	863	727	136	—
Provision (benefit) for income taxes	187	133	54	—
Profit of consolidated companies	676	594	82	—
Equity in profit (loss) of unconsolidated affiliated companies	(5)	(4)	—	(1) ⁴
Profit of consolidated and affiliated companies	671	590	82	(1)
Less: Profit (loss) attributable to noncontrolling interests	3	—	4	(1) ⁵
Profit ⁶	\$ 668	\$ 590	\$ 78	\$ —

¹ Elimination of Financial Products' revenues earned from ME&T.

² Elimination of net expenses recorded by ME&T paid to Financial Products.

³ Elimination of discount recorded by ME&T on receivables sold to Financial Products and of interest earned between ME&T and Financial Products as well as dividends paid by Financial Products to ME&T.

⁴ Elimination of equity profit (loss) earned from Financial Products' subsidiaries partially owned by ME&T subsidiaries.

⁵ Elimination of noncontrolling interest profit (loss) recorded by Financial Products for subsidiaries partially owned by ME&T subsidiaries.

⁶ Profit attributable to common shareholders.

Caterpillar Inc.
Supplemental Data for Results of Operations
For the Nine Months Ended September 30, 2020
(Unaudited)
(Millions of dollars)

	Supplemental Consolidating Data			
	Consolidated	Machinery, Energy & Transportation	Financial Products	Consolidating Adjustments
Sales and revenues:				
Sales of Machinery, Energy & Transportation	\$ 28,452	\$ 28,452	\$ —	\$ —
Revenues of Financial Products	2,061	—	2,350	(289) ¹
Total sales and revenues	30,513	28,452	2,350	(289)
Operating costs:				
Cost of goods sold	21,298	21,302	—	(4) ²
Selling, general and administrative expenses	3,426	2,867	572	(13) ²
Research and development expenses	1,041	1,041	—	—
Interest expense of Financial Products	461	—	462	(1) ³
Other operating (income) expenses	1,114	227	927	(40) ²
Total operating costs	27,340	25,437	1,961	(58)
Operating profit	3,173	3,015	389	(231)
Interest expense excluding Financial Products	384	383	—	1 ³
Other income (expense)	265	60	(7)	212 ⁴
Consolidated profit before taxes	3,054	2,692	382	(20)
Provision (benefit) for income taxes	839	720	119	—
Profit of consolidated companies	2,215	1,972	263	(20)
Equity in profit (loss) of unconsolidated affiliated companies ..	8	18	—	(10) ⁵
Profit of consolidated and affiliated companies	2,223	1,990	263	(30)
Less: Profit (loss) attributable to noncontrolling interests	5	2	13	(10) ⁶
Profit ⁷	\$ 2,218	\$ 1,988	\$ 250	\$ (20)

¹ Elimination of Financial Products' revenues earned from ME&T.

² Elimination of net expenses recorded by ME&T paid to Financial Products.

³ Elimination of interest expense recorded between Financial Products and ME&T.

⁴ Elimination of discount recorded by ME&T on receivables sold to Financial Products and of interest earned between ME&T and Financial Products as well as dividends paid by Financial Products to ME&T.

⁵ Elimination of equity profit (loss) earned from Financial Products' subsidiaries partially owned by ME&T subsidiaries.

⁶ Elimination of noncontrolling interest profit (loss) recorded by Financial Products for subsidiaries partially owned by ME&T subsidiaries.

⁷ Profit attributable to common shareholders.

Caterpillar Inc.
Supplemental Data for Financial Position
At September 30, 2021
(Unaudited)
(Millions of dollars)

	Supplemental Consolidating Data			
	Consolidated	Machinery, Energy & Transportation	Financial Products	Consolidating Adjustments
Assets				
Current assets:				
Cash and cash equivalents	\$ 9,446	\$ 8,554	\$ 892	\$ —
Receivables – trade and other	7,647	3,175	430	4,042 ^{1,2}
Receivables – finance	8,919	—	13,095	(4,176) ²
Prepaid expenses and other current assets	2,215	1,831	425	(41) ³
Inventories	13,666	13,666	—	—
Total current assets	41,893	27,226	14,842	(175)
Property, plant and equipment – net	11,904	7,957	3,947	—
Long-term receivables – trade and other	1,273	389	215	669 ^{1,2}
Long-term receivables – finance	12,605	—	13,301	(696) ²
Noncurrent deferred and refundable income taxes	1,744	2,279	105	(640) ⁴
Intangible assets	1,121	1,121	—	—
Goodwill	6,353	6,353	—	—
Other assets	3,891	3,233	1,869	(1,211) ⁵
Total assets	\$ 80,784	\$ 48,558	\$ 34,279	\$ (2,053)
Liabilities				
Current liabilities:				
Short-term borrowings	\$ 3,247	\$ —	\$ 3,247	\$ —
Accounts payable	7,218	7,112	240	(134) ⁶
Accrued expenses	3,579	3,234	345	—
Accrued wages, salaries and employee benefits	2,075	2,031	44	—
Customer advances	1,155	1,155	—	—
Other current liabilities	2,319	1,694	689	(64) ^{4,7}
Long-term debt due within one year	6,383	48	6,335	—
Total current liabilities	25,976	15,274	10,900	(198)
Long-term debt due after one year	27,154	9,786	17,395	(27) ⁸
Liability for postemployment benefits	6,395	6,394	1	—
Other liabilities	4,564	3,905	1,371	(712) ⁴
Total liabilities	64,089	35,359	29,667	(937)
Commitments and contingencies				
Shareholders' equity				
Common stock	6,352	6,352	919	(919) ⁹
Treasury stock	(26,608)	(26,608)	—	—
Profit employed in the business	38,361	34,138	4,212	11 ⁹
Accumulated other comprehensive income (loss)	(1,440)	(715)	(725)	—
Noncontrolling interests	30	32	206	(208) ⁹
Total shareholders' equity	16,695	13,199	4,612	(1,116)
Total liabilities and shareholders' equity	\$ 80,784	\$ 48,558	\$ 34,279	\$ (2,053)

¹ Elimination of receivables between ME&T and Financial Products.

² Reclassification of ME&T's trade receivables purchased by Financial Products and Financial Products' wholesale inventory receivables.

³ Elimination of ME&T's insurance premiums that are prepaid to Financial Products.

⁴ Reclassification reflecting required netting of deferred tax assets/liabilities by taxing jurisdiction.

⁵ Elimination of other intercompany assets between ME&T and Financial Products.

⁶ Elimination of payables between ME&T and Financial Products.

⁷ Elimination of prepaid insurance in Financial Products' other liabilities.

⁸ Elimination of debt between ME&T and Financial Products.

⁹ Eliminations associated with ME&T's investments in Financial Products' subsidiaries.

Caterpillar Inc.
Supplemental Data for Financial Position
At December 31, 2020
(Unaudited)
(Millions of dollars)

	Supplemental Consolidating Data			
	Consolidated	Machinery, Energy & Transportation	Financial Products	Consolidating Adjustments
Assets				
Current assets:				
Cash and cash equivalents	\$ 9,352	\$ 8,822	\$ 530	\$ —
Receivables – trade and other	7,317	3,846	397	3,074 ^{1,2}
Receivables – finance	9,463	—	13,681	(4,218) ²
Prepaid expenses and other current assets	1,930	1,376	624	(70) ³
Inventories	11,402	11,402	—	—
Total current assets	39,464	25,446	15,232	(1,214)
Property, plant and equipment – net	12,401	8,309	4,092	—
Long-term receivables – trade and other	1,185	363	164	658 ^{1,2}
Long-term receivables – finance	12,222	—	12,895	(673) ²
Noncurrent deferred and refundable income taxes	1,523	2,058	110	(645) ⁴
Intangible assets	1,308	1,308	—	—
Goodwill	6,394	6,394	—	—
Other assets	3,827	3,158	1,871	(1,202) ⁵
Total assets	\$ 78,324	\$ 47,036	\$ 34,364	\$ (3,076)
Liabilities				
Current liabilities:				
Short-term borrowings	\$ 2,015	\$ 10	\$ 2,005	\$ —
Short-term borrowings with consolidated companies	—	—	1,000	(1,000) ⁶
Accounts payable	6,128	6,060	212	(144) ⁷
Accrued expenses	3,642	3,099	543	—
Accrued wages, salaries and employee benefits	1,096	1,081	15	—
Customer advances	1,108	1,108	—	—
Dividends payable	562	562	—	—
Other current liabilities	2,017	1,530	580	(93) ^{4,8}
Long-term debt due within one year	9,149	1,420	7,729	—
Total current liabilities	25,717	14,870	12,084	(1,237)
Long-term debt due after one year	25,999	9,764	16,250	(15) ⁶
Liability for postemployment benefits	6,872	6,872	—	—
Other liabilities	4,358	3,691	1,385	(718) ⁴
Total liabilities	62,946	35,197	29,719	(1,970)
Commitments and contingencies				
Shareholders' equity				
Common stock	6,230	6,230	919	(919) ⁹
Treasury stock	(25,178)	(25,178)	—	—
Profit employed in the business	35,167	31,091	4,065	11 ⁹
Accumulated other comprehensive income (loss)	(888)	(352)	(536)	—
Noncontrolling interests	47	48	197	(198) ⁹
Total shareholders' equity	15,378	11,839	4,645	(1,106)
Total liabilities and shareholders' equity	\$ 78,324	\$ 47,036	\$ 34,364	\$ (3,076)

¹ Elimination of receivables between ME&T and Financial Products.

² Reclassification of ME&T's trade receivables purchased by Financial Products and Financial Products' wholesale inventory receivables.

³ Elimination of ME&T's insurance premiums that are prepaid to Financial Products.

⁴ Reclassification reflecting required netting of deferred tax assets/liabilities by taxing jurisdiction.

⁵ Elimination of other intercompany assets between ME&T and Financial Products.

⁶ Elimination of debt between ME&T and Financial Products.

⁷ Elimination of payables between ME&T and Financial Products.

⁸ Elimination of prepaid insurance in Financial Products' other liabilities.

⁹ Eliminations associated with ME&T's investments in Financial Products' subsidiaries.

Caterpillar Inc.
Supplemental Data for Cash Flow
For the Nine Months Ended September 30, 2021
(Unaudited)
(Millions of dollars)

	Supplemental Consolidating Data			
	Consolidated	Machinery, Energy & Transportation	Financial Products	Consolidating Adjustments
Cash flow from operating activities:				
Profit of consolidated and affiliated companies	\$ 4,373	\$ 4,225	\$ 506	\$ (358) ^{1,5}
Adjustments for non-cash items:				
Depreciation and amortization	1,766	1,162	604	—
Provision (benefit) for deferred income taxes	(321)	(255)	(66)	—
Other	102	104	(135)	133 ²
Changes in assets and liabilities, net of acquisitions and divestitures:				
Receivables – trade and other	(326)	(338)	40	(28) ^{2,3}
Inventories	(2,195)	(2,194)	—	(1) ²
Accounts payable	1,232	1,194	28	10 ²
Accrued expenses	46	117	(71)	—
Accrued wages, salaries and employee benefits	934	905	29	—
Customer advances	39	39	—	—
Other assets – net	138	133	24	(19) ²
Other liabilities – net	(2)	(193)	144	47 ²
Net cash provided by (used for) operating activities	<u>5,786</u>	<u>4,899</u>	<u>1,103</u>	<u>(216)</u>
Cash flow from investing activities:				
Capital expenditures – excluding equipment leased to others	(673)	(670)	(11)	8 ²
Expenditures for equipment leased to others	(1,014)	(23)	(997)	6 ²
Proceeds from disposals of leased assets and property, plant and equipment	877	71	818	(12) ²
Additions to finance receivables	(9,603)	—	(10,292)	689 ³
Collections of finance receivables	9,221	—	9,946	(725) ³
Net intercompany purchased receivables	—	—	100	(100) ³
Proceeds from sale of finance receivables	44	—	44	—
Net intercompany borrowings	—	1,000	3	(1,003) ⁴
Investments and acquisitions (net of cash acquired)	(449)	(449)	—	—
Proceeds from sale of businesses and investments (net of cash sold)	23	23	—	—
Proceeds from sale of securities	424	44	380	—
Investments in securities	(934)	(542)	(392)	—
Other – net	(8)	59	(67)	—
Net cash provided by (used for) investing activities	<u>(2,092)</u>	<u>(487)</u>	<u>(468)</u>	<u>(1,137)</u>
Cash flow from financing activities:				
Dividends paid	(1,733)	(1,733)	(350)	350 ⁵
Common stock issued, including treasury shares reissued	122	122	—	—
Common shares repurchased	(1,622)	(1,622)	—	—
Net intercompany borrowings	—	(3)	(1,000)	1,003 ⁴
Proceeds from debt issued (original maturities greater than three months)	6,931	494	6,437	—
Payments on debt (original maturities greater than three months)	(8,620)	(1,910)	(6,710)	—
Short-term borrowings – net (original maturities three months or less)	1,324	(10)	1,334	—
Other – net	(4)	(4)	—	—
Net cash provided by (used for) financing activities	<u>(3,602)</u>	<u>(4,666)</u>	<u>(289)</u>	<u>1,353</u>
Effect of exchange rate changes on cash	(9)	(14)	5	—
Increase (decrease) in cash, cash equivalents and restricted cash	<u>83</u>	<u>(268)</u>	<u>351</u>	<u>—</u>
Cash, cash equivalents and restricted cash at beginning of period	9,366	8,822	544	—
Cash, cash equivalents and restricted cash at end of period	<u>\$ 9,449</u>	<u>\$ 8,554</u>	<u>\$ 895</u>	<u>\$ —</u>

¹ Elimination of equity profit earned from Financial Products' subsidiaries partially owned by ME&T subsidiaries.

² Elimination of non-cash adjustments and changes in assets and liabilities related to consolidated reporting.

³ Reclassification of Financial Products' cash flow activity from investing to operating for receivables that arose from the sale of inventory.

⁴ Elimination of net proceeds and payments to/from ME&T and Financial Products.

⁵ Elimination of dividend activity between Financial Products and ME&T.

Caterpillar Inc.
Supplemental Data for Cash Flow
For the Nine Months Ended September 30, 2020
(Unaudited)
(Millions of dollars)

	Supplemental Consolidating Data			
	Consolidated	Machinery, Energy & Transportation	Financial Products	Consolidating Adjustments
Cash flow from operating activities:				
Profit of consolidated and affiliated companies	\$ 2,223	\$ 1,990	\$ 263	\$ (30) ^{1,5}
Adjustments for non-cash items:				
Depreciation and amortization	1,815	1,217	598	—
Net gain on remeasurement of pension obligations	(55)	(55)	—	—
Provision (benefit) for deferred income taxes	(38)	(5)	(33)	—
Other	919	494	167	258 ²
Changes in assets and liabilities, net of acquisitions and divestitures:				
Receivables – trade and other	1,473	616	(54)	911 ^{2,3}
Inventories	(139)	(130)	—	(9) ²
Accounts payable	(596)	(599)	(6)	9 ²
Accrued expenses	(286)	(314)	28	—
Accrued wages, salaries and employee benefits	(547)	(512)	(35)	—
Customer advances	13	13	—	—
Other assets – net	(15)	(136)	26	95 ²
Other liabilities – net	(512)	(514)	83	(81) ²
Net cash provided by (used for) operating activities	<u>4,255</u>	<u>2,065</u>	<u>1,037</u>	<u>1,153</u>
Cash flow from investing activities:				
Capital expenditures – excluding equipment leased to others	(686)	(687)	(11)	12 ²
Expenditures for equipment leased to others	(805)	2	(823)	16 ²
Proceeds from disposals of leased assets and property, plant and equipment	550	119	451	(20) ²
Additions to finance receivables	(9,278)	—	(10,234)	956 ³
Collections of finance receivables	9,656	—	10,822	(1,166) ³
Net intercompany purchased receivables	—	—	971	(971) ³
Proceeds from sale of finance receivables	37	—	37	—
Net intercompany borrowings	—	599	6	(605) ⁴
Investments and acquisitions (net of cash acquired)	(93)	(93)	—	—
Proceeds from sale of businesses and investments (net of cash sold)	13	13	—	—
Proceeds from sale of securities	239	17	222	—
Investments in securities	(512)	(15)	(497)	—
Other – net	(80)	(21)	(59)	—
Net cash provided by (used for) investing activities	<u>(959)</u>	<u>(66)</u>	<u>885</u>	<u>(1,778)</u>
Cash flow from financing activities:				
Dividends paid	(1,683)	(1,683)	(20)	20 ⁵
Common stock issued, including treasury shares reissued	110	110	—	—
Common shares repurchased	(1,130)	(1,130)	—	—
Net intercompany borrowings	—	(6)	(599)	605 ⁴
Proceeds from debt issued (original maturities greater than three months)	9,418	1,991	7,427	—
Payments on debt (original maturities greater than three months)	(6,789)	(18)	(6,771)	—
Short-term borrowings – net (original maturities three months or less)	(2,138)	(5)	(2,133)	—
Other – net	(1)	(1)	—	—
Net cash provided by (used for) financing activities	<u>(2,213)</u>	<u>(742)</u>	<u>(2,096)</u>	<u>625</u>
Effect of exchange rate changes on cash	(56)	(47)	(9)	—
Increase (decrease) in cash, cash equivalents and restricted cash	<u>1,027</u>	<u>1,210</u>	<u>(183)</u>	<u>—</u>
Cash, cash equivalents and restricted cash at beginning of period	8,292	7,302	990	—
Cash, cash equivalents and restricted cash at end of period	<u>\$ 9,319</u>	<u>\$ 8,512</u>	<u>\$ 807</u>	<u>\$ —</u>

¹ Elimination of equity profit earned from Financial Products' subsidiaries partially owned by ME&T subsidiaries.

² Elimination of non-cash adjustments and changes in assets and liabilities related to consolidated reporting.

³ Reclassification of Financial Products' cash flow activity from investing to operating for receivables that arose from the sale of inventory.

⁴ Elimination of net proceeds and payments to/from ME&T and Financial Products.

⁵ Elimination of dividend activity between Financial Products and ME&T.

Forward-looking Statements

Certain statements in this Form 10-Q relate to future events and expectations and are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “believe,” “estimate,” “will be,” “will,” “would,” “expect,” “anticipate,” “plan,” “forecast,” “target,” “guide,” “project,” “intend,” “could,” “should” or other similar words or expressions often identify forward-looking statements. All statements other than statements of historical fact are forward-looking statements, including, without limitation, statements regarding our outlook, projections, forecasts or trend descriptions. These statements do not guarantee future performance and speak only as of the date they are made, and we do not undertake to update our forward-looking statements.

Caterpillar’s actual results may differ materially from those described or implied in our forward-looking statements based on a number of factors, including, but not limited to: (i) global and regional economic conditions and economic conditions in the industries we serve; (ii) commodity price changes, material price increases, fluctuations in demand for our products or significant shortages of material; (iii) government monetary or fiscal policies; (iv) political and economic risks, commercial instability and events beyond our control in the countries in which we operate; (v) international trade policies and their impact on demand for our products and our competitive position, including the imposition of new tariffs or changes in existing tariff rates; (vi) our ability to develop, produce and market quality products that meet our customers’ needs; (vii) the impact of the highly competitive environment in which we operate on our sales and pricing; (viii) information technology security threats and computer crime; (ix) inventory management decisions and sourcing practices of our dealers and our OEM customers; (x) a failure to realize, or a delay in realizing, all of the anticipated benefits of our acquisitions, joint ventures or divestitures; (xi) union disputes or other employee relations issues; (xii) adverse effects of unexpected events; (xiii) disruptions or volatility in global financial markets limiting our sources of liquidity or the liquidity of our customers, dealers and suppliers; (xiv) failure to maintain our credit ratings and potential resulting increases to our cost of borrowing and adverse effects on our cost of funds, liquidity, competitive position and access to capital markets; (xv) our Financial Products segment’s risks associated with the financial services industry; (xvi) changes in interest rates or market liquidity conditions; (xvii) an increase in delinquencies, repossessions or net losses of Cat Financial’s customers; (xviii) currency fluctuations; (xix) our or Cat Financial’s compliance with financial and other restrictive covenants in debt agreements; (xx) increased pension plan funding obligations; (xxi) alleged or actual violations of trade or anti-corruption laws and regulations; (xxii) additional tax expense or exposure, including the impact of U.S. tax reform; (xxiii) significant legal proceedings, claims, lawsuits or government investigations; (xxiv) new regulations or changes in financial services regulations; (xxv) compliance with environmental laws and regulations; (xxvi) the duration and geographic spread of, business disruptions caused by, and the overall global economic impact of, the COVID-19 pandemic; and (xxvii) other factors described in more detail under the section entitled "Part I - Item 1A. Risk Factors" of Caterpillar's Annual Report on Form 10-K for the fiscal year ended December 31, 2020, as such factors may be updated from time to time in Caterpillar's periodic filings with the Securities and Exchange Commission.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The information required by this Item is incorporated by reference from Note 5 – “Derivative financial instruments and risk management” included in Part I, Item 1 and Management’s Discussion and Analysis included in Part I, Item 2 of this Form 10-Q.

Item 4. Controls and Procedures

Evaluation of disclosure controls and procedures

An evaluation was performed under the supervision and with the participation of the company’s management, including the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), of the effectiveness of the design and operation of the company’s disclosure controls and procedures, as that term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended, as of the end of the period covered by this quarterly report. Based on that evaluation, the CEO and CFO concluded that the company’s disclosure controls and procedures were effective as of the end of the period covered by this quarterly report.

Changes in internal control over financial reporting

During the third quarter of 2021, there has been no change in the company’s internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the company’s internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The information required by this Item is incorporated by reference from Note 14 – “Environmental and legal matters” included in Part I, Item 1 of this Form 10-Q.

Item 1A. Risk Factors

There have been no material changes to the risk factors we previously disclosed in our Annual Report on [Form 10-K](#) for the year ended December 31, 2020.

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

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased^{2,3}	Average Price Paid per Share^{2,3}	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that may yet be Purchased under the Program (in billions)¹
July 1-31, 2021	2,134,721	\$ 211.64	2,134,721	\$ 4.064
August 1-31, 2021	3,117,946	\$ 207.19	3,117,946	\$ 3.418
September 1-30, 2021	1,357,771	\$ 201.53	1,357,771	\$ 3.144
Total	6,610,438	\$ 207.46	6,610,438	

¹ In July 2018, the Board approved a share repurchase authorization of up to \$10.0 billion of Caterpillar common stock effective January 1, 2019, with no expiration (the 2018 Authorization). As of September 30, 2021, approximately \$3.1 billion remained available under the 2018 Authorization.

² During the third quarter of 2021, we entered into an ASR with a third-party financial institution to purchase \$750 million of our common stock. In August 2021, upon payment of the \$750 million to the financial institution, we received 2.9 million shares. In September 2021, upon final settlement of the ASR, we received an additional 0.7 million shares. In total, we repurchased 3.6 million shares under this ASR at an average price per share of \$206.21.

³ In July, August and September of 2021, we repurchased 2.2 million, 0.2 million and 0.6 million shares respectively, for an aggregate of \$622 million in open market transactions at an average price per share of \$211.64, \$208.70 and \$200.00, respectively.

Non-U.S. Employee Stock Purchase Plans

As of September 30, 2021, we had 28 employee stock purchase plans (the “EIP Plans”) that are administered outside the United States for our non-U.S. employees, which had approximately 12,000 active participants in the aggregate. During the third quarter of 2021, approximately 73,000 shares of Caterpillar common stock were purchased by the EIP Plans pursuant to the terms of such plans.

Item 6. Exhibits

- 10.1 [Credit Agreement \(2021 364-Day Facility\), dated September 2, 2021, among Caterpillar Inc., Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company, and Caterpillar Finance Kabushiki Kaisha, certain financial institutions named therein, Citibank, N.A., as agent, Citibank Europe PLC, UK Branch, as Local Currency Agent, and MUFG Bank, Ltd. as Japan Local Currency Agent \(incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 8, 2021\)](#)
- 10.2 [Local Currency Addendum, dated as of September 2, 2021, to the Credit Agreement \(2021 364-Day Facility\) \(incorporated by reference from Exhibit 10.2 to the Company's Current Report on Form 8-K filed September 8, 2021\)](#)
- 10.3 [Japan Local Currency Addendum, dated as of September 2, 2021, to the Credit Agreement \(2021 364-Day Facility\) \(incorporated by reference from Exhibit 10.3 to the Company's Current Report on Form 8-K filed September 8, 2021\)](#)
- 10.4 [Amendment No. 1 to Second Amended and Restated Credit Agreement \(Three-Year Facility\), Amendment No. 1 to Local Currency Addendum and Amendment No. 1 to Japan Local Currency Addendum, dated as of September 2, 2021, among Caterpillar Inc., Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company, and Caterpillar Finance Kabushiki Kaisha, certain financial institutions named therein, Citibank, N.A., as agent, Citibank Europe PLC, UK Branch, as Local Currency Agent, and MUFG Bank, Ltd. as Japan Local Currency Agent](#)
- 10.5 [Amendment No. 1 to Second Amended and Restated Credit Agreement \(Five-Year Facility\), Amendment No. 1 to Local Currency Addendum and Amendment No. 1 to Japan Local Currency Addendum, dated as of September 2, 2021, among Caterpillar Inc., Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company, and Caterpillar Finance Kabushiki Kaisha, certain financial institutions named therein, Citibank, N.A., as agent, Citibank Europe PLC, UK Branch, as Local Currency Agent, and MUFG Bank, Ltd. as Japan Local Currency Agent \(incorporated by reference from Exhibit 10.5 to the Company's Current Report on Form 8-K filed on September 8, 2021\)](#)
- 31.1 [Certification of Chief Executive Officer of Caterpillar Inc., as required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#)
- 31.2 [Certification of Chief Financial Officer of Caterpillar Inc., as required pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#)
- 32 [Certification of Chief Executive Officer of Caterpillar Inc. and Chief Financial Officer of Caterpillar Inc., as required pursuant to Section 906 of the Sarbanes-Oxley Act of 2002](#)
- 101.INS Inline 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 Inline XBRL Taxonomy Extension Schema Document
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document
- 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document
- 104 Cover Page Interactive File (embedded within the Inline XBRL document and included in Exhibit 101)

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

AMENDMENT NO. 1
to
SECOND AMENDED AND RESTATED CREDIT AGREEMENT (THREE-YEAR
FACILITY),
AMENDMENT NO. 1 TO LOCAL CURRENCY ADDENDUM
and
AMENDMENT NO. 1 to JAPAN LOCAL CURRENCY ADDENDUM

This AMENDMENT NO. 1 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT (THREE-YEAR FACILITY), AMENDMENT NO. 1 TO LOCAL CURRENCY ADDENDUM and AMENDMENT NO. 1 TO JAPAN LOCAL CURRENCY ADDENDUM (this “Amendment”), dated as of September 2, 2021, is entered into by and among:

- (i) Caterpillar Inc. (“Caterpillar”);
- (ii) Caterpillar Financial Services Corporation (“CFSC”);
- (iii) Caterpillar Finance Kabushiki Kaisha (“CFKK”);
- (iv) Caterpillar International Finance Designated Activity Company (“CIF” and together with Caterpillar, CFSC and CFKK, the “Borrowers”);
- (v) the Banks, Local Currency Banks and Japan Local Currency Banks party to the Existing Credit Agreement referenced below (collectively, the “Banks”);
- (vi) MUFG Bank, Ltd., as Japan Local Currency Agent (the “Japan Local Currency Agent”) and as Japan Local Currency Bank (the “Japan Local Currency Bank”) under the Existing Credit Agreement;
- (vii) Citibank Europe plc, UK Branch, as Local Currency Agent (the “Local Currency Agent”) under the Existing Credit Agreement; and
- (viii) Citibank, N.A., as Agent (the “Administrative Agent” and together with the Japan Local Currency Agent and the Local Currency Agent, the “Agents”) under the Existing Credit Agreement.

PRELIMINARY STATEMENTS

The Borrowers, the Banks and the Agents are parties to the Second Amended and Restated Credit Agreement (Three-Year Facility) dated as of September 5, 2019 (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the “Existing Credit Agreement”).

CFSC, CIF, the Local Currency Banks, the Administrative Agent and the Local Currency Agent are parties to the Local Currency Addendum dated as of September 5, 2019 (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the “Existing Local Currency Addendum”).

CFSC, CFKK, the Japan Local Currency Banks, the Administrative Agent and the Japan Local Currency Agent are parties to the Japan Local Currency Addendum dated as of September 5, 2019 (as amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the “Existing Japan Local Currency Addendum”).

The Borrowers have requested that the Existing Credit Agreement, the Existing Local Currency Addendum and the Existing Japan Local Currency Addendum be amended as hereinafter set forth.

The Existing Credit Agreement, as amended by this Amendment, is referred to herein as the “Amended Credit Agreement”. The Existing Local Currency Addendum, as amended by this Amendment, is referred to herein as the “Amended Local Currency Addendum”. The Existing Japan Local Currency Addendum, as amended by this Amendment, is referred to herein as the “Amended Japan Local Currency Addendum”.

In consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows.

SECTION 1. Defined Terms. Each capitalized term used herein and not defined herein shall have the meaning ascribed thereto in the Amended Credit Agreement.

SECTION 2. Amendments to the Existing Credit Agreement. Effective as of the date hereof, subject to the satisfaction of the conditions precedent set forth in Section 4 below:

2.1. the Existing Credit Agreement is hereby amended in its entirety pursuant to Annex I hereto;

2.2. the Existing Local Currency Addendum is hereby amended in its entirety pursuant to Annex II hereto; and

2.3. the Existing Japan Local Currency Addendum is hereby amended in its entirety pursuant to Annex III hereto.

SECTION 3. Reaffirmation of CFSC Guaranty. CFSC hereby reaffirms all of its obligations under Article IX of the Amended Credit Agreement and acknowledges and agrees that such obligations remain in full force and effect and are hereby ratified, reaffirmed and confirmed.

SECTION 4. Conditions Precedent. This Amendment shall become effective and be deemed effective as of the date hereof (the “Amendment Effective Date”) upon the Administrative Agent’s receipt of the following:

4.1. duly executed counterparts of this Amendment from each Borrower, the Agents, and each Bank;

4.2. the Administrative Agent shall have received, for the account of each applicable Bank, any upfront fees to be paid by any Borrower to such Banks in connection with this Amendment;

4.3. certified copies of the resolutions of the Board of Directors of each Borrower evidencing corporate authority to execute and deliver this Amendment;

4.4. an opinion letter of counsel for each of Caterpillar and CFSC, given upon their express instructions, in form and substance reasonably acceptable to the Administrative Agent;

4.5. an opinion letter of Mayer Brown LLP, counsel for the Borrowers, given upon their express instructions, in form and substance reasonably acceptable to the Administrative Agent; and

4.6. a Beneficial Ownership Certification in relation to each Borrower that qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, to the extent such documentation is requested at least five (5) Business Days prior to the Amendment Effective Date.

SECTION 5. Covenants, Representations and Warranties of the Borrowers.

5.1. Upon the effectiveness of this Amendment, each Borrower hereby reaffirms all covenants, representations and warranties made by it in the Amended Credit Agreement, the Amended Local Currency Addendum and the Amended Japan Local Currency Addendum and agrees that all such covenants, representations and warranties shall be deemed to have been re-made as of the date hereof.

5.2. Each Borrower hereby represents and warrants that (a) this Amendment constitutes a legal, valid and binding obligation of such Borrower, enforceable against such Borrower in accordance with its terms, except as enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditor’s rights generally and by the effect of general principles of equity and (b) on the date hereof, no Event of Default exists with respect to such Borrower and no event exists which, with the giving of notice, the lapse of time or both, would constitute an Event of Default with respect to such Borrower.

SECTION 6. Reference to and Effect on the Existing Credit Agreement, the Existing Local Currency Addendum and the Existing Japan Local Currency Addendum.

6.1. Upon the effectiveness of this Amendment, each reference in the Amended Credit Agreement to “this Agreement”, “hereunder”, “hereof”, “herein” or words of like import shall mean and be a reference to the Existing Credit Agreement as amended hereby, and each reference to any such agreement in any other document, instrument or agreement executed and/or delivered in connection with such agreement shall mean and be a reference to such agreement as amended hereby. In addition, this Amendment constitutes a Loan Document.

6.2. Upon the effectiveness of this Amendment, each reference in the Amended Local Currency Addendum to “this Agreement”, “hereunder”, “hereof”, “herein” or words of like import shall mean and be a reference to the Existing Local Currency Addendum as amended hereby, and each reference to any such agreement in any other document, instrument or

agreement executed and/or delivered in connection with such agreement shall mean and be a reference to such agreement as amended hereby.

6.3. Upon the effectiveness of this Amendment, each reference in the Amended Japan Local Currency Addendum to “this Agreement”, “hereunder”, “hereof”, “herein” or words of like import shall mean and be a reference to the Existing Japan Local Currency Addendum as amended hereby, and each reference to any such agreement in any other document, instrument or agreement executed and/or delivered in connection with such agreement shall mean and be a reference to such agreement as amended hereby.

6.4. Except as specifically amended above, the Existing Credit Agreement, the Existing Local Currency Addendum, the Existing Japan Local Currency Addendum, the Notes and all other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

6.5. The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of any party under the Existing Credit Agreement, the Existing Local Currency Addendum, the Existing Japan Local Currency Addendum, the Notes or any other document, instrument or agreement executed in connection therewith, nor constitute a waiver of any provision contained therein, except as specifically set forth herein.

SECTION 7. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. A facsimile or PDF copy of any signature hereto shall have the same effect as the original of such signature. The parties may execute this Amendment using Electronic Signatures as contemplated by Section 8.11 of the Amended Credit Agreement.

SECTION 8. Governing Law; Submission to Jurisdiction; Service of Process; Waiver of Jury Trial. This Amendment shall be governed by, and construed in accordance with, the law of the State of New York (without regard for conflict of law principles that would result in the application of any law other than the internal law of the State of New York). This Amendment shall be subject to the submission to jurisdiction and service of process provisions and requirements set forth in Section 8.08 of the Amended Credit Agreement, and the waiver of jury trial provisions and requirements set forth in Section 8.12 of the Amended Credit Agreement.

SECTION 9. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose

SECTION 10. Additional Bank; Departing Banks.

10.1. Upon the effectiveness hereof, Banco Santander, S.A., New York Branch (the “Additional Bank”) shall constitute a Bank under the Amended Credit Agreement, with its Commitment and Revolving Credit Commitment appearing in Schedule I to the Amended Credit Agreement. The Additional Bank shall be deemed and constitute a Bank under the Amended Credit Agreement and the other Loan Documents and shall be bound by the provisions of this

Amendment, the Amended Credit Agreement and the other Loan Documents (including, without limitation, funding obligations in respect of its Commitment and Revolving Credit Commitment as and when required under the Amended Credit Agreement). The Additional Lender acknowledges and agrees that it has received a copy of the Amended Credit Agreement, together with copies of financial statements and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Amendment and to become a Bank, which analysis and decision has been made independently of and without reliance upon the Agents or any other Bank. The Additional Bank confirms it will, independently and without reliance on the Agents, or any other Bank, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Amended Credit Agreement and the Loan Documents, and it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Bank.

10.2. Upon the effectiveness hereof, each of Deutsche Bank AG New York Branch and Mizuho Bank, Ltd. (each, a “Departing Bank”) shall no longer constitute a Bank under the Amended Credit Agreement or any other Loan Document. Each Departing Bank’s Commitment and Revolving Credit Commitment under the Existing Credit Agreement immediately prior to giving effect to this Amendment shall be terminated, and no Departing Bank shall be a “Bank” party to the Amended Credit Agreement. Each Departing Bank shall no longer have any rights or obligations under the Amended Credit Agreement or any other Loan Document (other than rights and obligations under those provisions of the Existing Credit Agreement that expressly survive termination thereof, which shall survive).

The remainder of this page is intentionally blank.

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

CATERPILLAR INC.

By: /s/ Richard D. Moore
Name: Richard D. Moore
Title: Corporate Treasurer

CATERPILLAR FINANCIAL
SERVICES CORPORATION

By: /s/ Rob De Camp
Name: Rob De Camp
Title: Treasurer

CATERPILLAR INTERNATIONAL FINANCE
DESIGNATED ACTIVITY COMPANY

By: /s/ Rob De Camp
Name: Rob De Camp
Title: Director

CATERPILLAR FINANCE KABUSHIKI
KAISHA

By: /s/ Rob De Camp
Name: Rob De Camp
Title: Director

CITIBANK, N.A., as Administrative Agent

By: /s/ Susan Olsen
Name: Susan Olsen
Title: Vice President

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

CITIBANK EUROPE PLC, UK BRANCH, as
Local Currency Agent

By: /s/ Cairi Balley
Name: Cairi Balley
Title: Vice President

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

MUFG BANK, LTD., as Japan Local Currency
Agent

By: /s/ Tomoyuki Koike

Name: Tomoyuki Koike

Title: Managing Director, Head of Osaka
Corporate Banking Division No. 3

CITIBANK, N.A., as a Bank and a Local Currency
Bank

By: /s/ Susan Olsen
Name: Susan Olsen
Title: Vice President

AMERICA, N.A., as a Bank

BANK OF

By: /s/ Brian Lukehart
Name: Brian Lukehart
Title: Director

BANK OF AMERICA, N.A., LONDON BRANCH
(formerly Bank of America Merrill Lynch
International Limited), as a Local Currency Bank

By: /s/ Christopher Coney

Name: Christopher Coney

Title: Vice President

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

JPMORGAN CHASE BANK, N.A., as a Bank and
a Local Currency Bank

By: /s/ Jonathan R. Bennett
Name: Jonathan R. Bennett
Title: Executive Director

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

BARCLAYS BANK PLC, as a Bank and a Local
Currency Bank

By: /s/ Craig Malloy
Name: Craig Malloy
Title: Director

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

SOCIÉTÉ
GÉNÉRALE, as a Bank and a Local Currency Bank

By: /s/ Kimberly Metzger
Name: Kimberly Metzger
Title: Director

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

MUFG BANK, LTD., as a Bank

By: /s/ John Margetanski

Name: John Margetanski

Title: Director

-

AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED, as a Bank

By: /s/ Robert Grillo

Name: Robert Grillo

Title: Executive Director

BNP
PARIBAS, as a Bank and a Local Currency Bank

By: /s/ Tony Baratta
Name: Tony Baratta
Title: Managing Director

By: /s/ Nader Tannous
Name: Nader Tannous
Title: Director

NATIONAL
ASSOCIATION, as a Bank

HSBC BANK USA,

By: /s/ Matthew McLaurin
Name: Matthew Mc Laurin
Title: Director

SUMITOMO
MITSUI BANKING CORPORATION, as a Bank

By: /s/ Gail Motonaga
Name: Gail Motonaga
Title: Executive Director

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

TORONTO
DOMINION (TEXAS) LLC, as a Bank

By: /s/ Brian MacFarlane
Name: Brian MacFarlane
Title: Authorized Signatory

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

U.S. BANK
NATIONAL ASSOCIATION, as a Bank

By: /s/ James N. DeVries
Name: James N. DeVries
Title: Senior Vice President

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

COMMERZBANK AG, NEW YORK BRANCH,
as a Bank and a Local Currency Bank

By: /s/ Matthew Ward

Name: Matthew Ward

Title: Managing Director

By: /s/ Thomas Devitt

Name: Thomas Devitt

Title: Director

DEUTSCHE BANK AG NEW YORK BRANCH,
as a Departing Bank

By: /s/ Annie Chung
Name: Annie Chung
Title: Director

By: /s/ Marko Lukin
Name: Marko Lukin
Title: Vice President

ING BANK N.V., DUBLIN BRANCH, as a Bank

By: /s/ Barry Fehily

Name: Barry Fehily

Title: Managing Director

By: /s/ Louise Gough

Name: Louise Gough

Title: Vice President

LLOYDS
BANK PLC, as a New Bank, a Bank and a Local
Currency Bank

By: /s/ Sam Marriott
Name: Sam Marriott
Title: Associate Director

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

BANCO
BILBAO VIZCAYA ARGENTARIA
S.A., NEW YORK BRANCH, as a Bank

By: /s/ Andres Barbosa
Name: Andres Barbosa
Title: Managing Director

By: /s/ Rita Walz-Cuccioli
Name: Rita Walz-Cuccioli
Title: Executive Director

MIZUHO BANK, LTD., as a Departing Bank

By: /s/ Donna De Magistris

Name: Donna De Magistris

Title: Executive Director

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

THE
NORTHERN TRUST COMPANY, as a Bank

By: /s/ Keith L. Burson

Name: Keith L. Burson

Title: Senior Vice President

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

KBC BANK
NV, NEW YORK BRANCH, as a Bank and a
Local Currency Bank

By: /s/ Francis X. Payne
Name: Francis X. Payne
Title: Managing Director

By: /s/ Robbie Claes
Name: Robbie Claes
Title: Managing Director

STANDARD CHARTERED BANK, as a Bank

By: /s/ Kristopher Tracy

Name: Kristopher Tray

Title: Director, Financing Solutions

CHINA CONSTRUCTION BANK
CORPORATION, BEIJING BRANCH, as a Bank

By: /s/ Suosheng Li
Name: Suosheng Li
Title: General Manager

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

INDUSTRIAL AND COMMERCIAL BANK OF
CHINA LIMITED, NEW YORK BRANCH, as a
Bank

By: /s/ Christine Cai

Name: Christine Cai

Title: Vice President

By: /s/ Yuanyuan Peng

Name: Yuanyuan Peng

Title: Executive Director

THE BANK OF NEW YORK MELLON, as a Bank

By: /s/ Thomas J. Tarasovich, Jr.

Name: Thomas J. Tarasovich, Jr.

Title: Vice President

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

WESTPAC
BANKING CORPORATION, as a Bank

By: /s/ Daniel Sutton
Name: Daniel Sutton
Title: Tier II Attorney

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

ITAU UNIBANCO S.A. – MIAMI BRANCH, as a
Bank

By: /s/ Nuno Conceicao
Name: Nuno Conceicao
Title:

By: Paul Cardoso
Name:
Title:

THE BANK OF NOVA SCOTIA, as a Bank

By: David Vishny

Name: David Vishny

Title: Managing Director

Signature Page to
Amendment No. 1 to Caterpillar Second Amended and Restated Credit Agreement (Three-Year Facility),
Amendment No. 1 to Local Currency Addendum
and Amendment No. 1 to Japan Local Currency Addendum

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as a Bank

By: /s/ Matt J. Perrizo
Name: Matt J. Perrizo
Title: Director

BANCO SANTANDER, S.A., NEW YORK
BRANCH, as an Additional Bank

By: /s/ Andres Barbosa

Name: Andres Barbosa

Title: Managing Director

By: /s/ Rita Walz-Cuccioli

Name: Rita Walz-Cuccioli

Title: Executive Director

Annex I

Existing Credit Agreement, as modified

Attached

SECOND AMENDED AND RESTATED CREDIT AGREEMENT
(Three-Year Facility)

Dated as of September 5, 2019,

as amended pursuant to Amendment No. 1 dated as of September 2, 2021,

among

CATERPILLAR INC.,

CATERPILLAR FINANCIAL SERVICES CORPORATION,

CATERPILLAR INTERNATIONAL FINANCE DESIGNATED ACTIVITY COMPANY,

and

CATERPILLAR FINANCE KABUSHIKI KAISHA,

as Borrowers

THE FINANCIAL INSTITUTIONS NAMED HEREIN,

as Banks

CITIBANK, N.A.,

as Agent,

CITIBANK EUROPE PLC, UK BRANCH,

as Local Currency Agent

MUFG BANK, LTD.,

as Japan Local Currency Agent

CITIBANK, N.A., BofA SECURITIES, INC., JPMORGAN CHASE BANK, N.A.,
BARCLAYS BANK PLC, MUFG BANK, LTD., and SOCIÉTÉ GÉNÉRALE

as Joint Lead Arrangers
and Joint Bookrunners¹

¹ Titles as of Amendment No. 1 Effective Date.

TABLE OF CONTENTS

ARTICLE I DEFINITIONS AND ACCOUNTING TERMS	1
SECTION 1.01. <u>Certain Defined Terms</u>	1
SECTION 1.02. <u>Computation of Time Periods</u>	29
SECTION 1.03. <u>Accounting Terms</u>	29
SECTION 1.04. <u>Rates</u>	30
ARTICLE II AMOUNTS AND TERMS OF THE ADVANCES	30
SECTION 2.01. <u>The Revolving Credit Advances; Allocation of Commitments</u>	30
SECTION 2.02. <u>Making the Revolving Credit Advances</u>	31
SECTION 2.03. [Reserved]	34
SECTION 2.04. <u>Fees</u>	39
SECTION 2.05. <u>Reduction of the Commitments; Bank Additions</u>	39
SECTION 2.06. <u>Repayment of Advances</u>	42
SECTION 2.07. <u>Interest on Advances</u>	42
SECTION 2.08. <u>Interest Rate Determination</u>	43
SECTION 2.09. <u>Prepayments of Advances</u>	43
SECTION 2.10. <u>Increased Costs; Capital Adequacy; Illegality</u>	44
SECTION 2.11. <u>Payments and Computations</u>	47
SECTION 2.12. <u>Taxes</u>	48
SECTION 2.13. <u>Sharing of Payments, Etc.</u>	50
SECTION 2.14. <u>Tax Forms</u>	50
SECTION 2.15. <u>Market Disruption; Denomination of Amounts in Dollars</u>	51
SECTION 2.16. <u>Extensions of the Commitments</u>	55
SECTION 2.17. <u>Defaulting Banks</u>	56
SECTION 2.18. <u>Funding Vehicle</u>	57
ARTICLE III CONDITIONS OF LENDING	57
SECTION 3.01. <u>Conditions Precedent to Initial Advances</u>	57
SECTION 3.02. <u>Conditions Precedent to Each Borrowing</u>	59
SECTION 3.03. <u>Conditions Precedent to Certain Borrowings</u>	59
ARTICLE IV REPRESENTATIONS AND WARRANTIES	59
SECTION 4.01. <u>Representations and Warranties of the Borrowers</u>	59
SECTION 4.02. <u>Additional Representations and Warranties of CFSC, CIF and CFKK</u>	63
ARTICLE V COVENANTS OF THE BORROWERS	63
SECTION 5.01. <u>Affirmative Covenants</u>	63
SECTION 5.02. <u>Negative Covenants</u>	66
SECTION 5.03. <u>Financial Covenant of Caterpillar</u>	67
SECTION 5.04. <u>Financial and Other Covenants of CFSC</u>	67
ARTICLE VI EVENTS OF DEFAULT	68
SECTION 6.01. <u>Events of Default</u>	68
ARTICLE VII AGENCY	71

SECTION 7.01. <u>Appointment and Authority</u>	71
SECTION 7.02. <u>Agent Individually</u>	72
SECTION 7.03. <u>Duties of Agent; Exculpatory Provisions</u>	73
SECTION 7.04. <u>Reliance by Agent</u>	74
SECTION 7.05. <u>Delegation of Duties</u>	75
SECTION 7.06. <u>Resignation or Removal of Agent</u>	75
SECTION 7.07. <u>Non-Reliance on Agents and Other Banks</u>	76
SECTION 7.08. <u>No Other Duties, etc.</u>	77
SECTION 7.09. <u>Indemnification</u>	77
SECTION 7.10. <u>Bank ERISA Matters</u>	78
SECTION 7.11. <u>Erroneous Payments</u>	79
ARTICLE VIII MISCELLANEOUS	82
SECTION 8.01. <u>Amendments, Etc.</u>	82
SECTION 8.02. <u>Notices; Communications, Etc.</u>	83
SECTION 8.03. <u>No Waiver; Remedies</u>	86
SECTION 8.04. <u>Costs, Expenses and Taxes</u>	87
SECTION 8.05. <u>Right of Set-off</u>	88
SECTION 8.06. <u>Binding Effect</u>	89
SECTION 8.07. <u>Assignments and Participations</u>	89
SECTION 8.08. <u>Governing Law; Submission to Jurisdiction; Service of Process</u>	91
SECTION 8.09. <u>Caterpillar as Agent for the Borrowers</u>	92
SECTION 8.10. <u>Judgment Currency</u>	93
SECTION 8.11. <u>Execution in Counterparts</u>	93
SECTION 8.12. <u>Waiver of Jury Trial</u>	94
SECTION 8.13. <u>USA Patriot Act Notification</u>	94
SECTION 8.14. <u>Confidentiality</u>	94
SECTION 8.15. <u>Treatment of Information</u>	95
SECTION 8.16. <u>Amendment and Restatement; Departing Bank</u>	97
SECTION 8.17. <u>No Fiduciary Duty</u>	98
SECTION 8.18. <u>Arrangers</u>	98
SECTION 8.19. <u>Acknowledgement and Consent to Bail-In of Affected Financial Institutions</u>	98
ARTICLE IX CFSC GUARANTY	99
SECTION 9.01. <u>The Guaranty</u>	99
SECTION 9.02. <u>Guaranty Unconditional</u>	99
SECTION 9.03. <u>Discharge Only Upon Payment In Full; Reinstatement in Certain Circumstances</u>	100
SECTION 9.04. <u>Waiver by CFSC</u>	100
SECTION 9.05. <u>Subrogation</u>	101
SECTION 9.06. <u>Stay of Acceleration</u>	101

SCHEDULES

Schedule I	Commitments
Schedule II	Commitment Fee and Applicable Margin Table
Schedule III	Departing Bank Schedule

EXHIBITS

Exhibit A	Form of Note
Exhibit B-1	Form of Notice of Revolving Credit Borrowing
Exhibit B-2	Form of Notice of Local Currency Borrowing
Exhibit B-3	Form of Notice of Japan Local Currency Borrowing
Exhibit B-4	Form of Notice of Allocation
Exhibit B-5	Form of Notice of Bank Addition
Exhibit C-1	Form of Assignment and Acceptance
Exhibit C-2	Form of Assumption and Acceptance
Exhibit D	Form of Opinion of Counsel for each of Caterpillar and CFSC
Exhibit E	[Reserved]
Exhibit F-1	Form of Compliance Certificate (Caterpillar)
Exhibit F-2	Form of Compliance Certificate (CFSC)
Exhibit G-1	Form of Local Currency Addendum
Exhibit G-2	Form of Japan Local Currency Addendum

SECOND AMENDED AND RESTATED CREDIT AGREEMENT
(Three-Year Facility)

Dated as of September 5, 2019

Caterpillar Inc., a Delaware corporation (“Caterpillar”), Caterpillar Financial Services Corporation, a Delaware corporation (“CFSC”), Caterpillar International Finance Designated Activity Company, a designated activity company organized under the laws of Ireland (“CIF”), Caterpillar Finance Kabushiki Kaisha, an entity organized under the laws of Japan (“CFKK”), the financial institutions listed on the signature pages hereof and those financial institutions that become “Added Banks” pursuant to Section 2.05(c), in each case together with their respective successors and assigns (the “Banks”), Citibank, N.A. (“Citibank”), as agent (the “Agent”) for the Banks hereunder, Citibank Europe plc, UK Branch (formerly known as Citibank International Limited), as the Local Currency Agent, and MUFG Bank, Ltd., as the Japan Local Currency Agent, agree as follows:

ARTICLE I
DEFINITIONS AND ACCOUNTING TERMS

SECTION I.01. Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

“Accumulated Other Comprehensive Income” means (i) with respect to Caterpillar, on any date of determination, the accumulated other comprehensive income(loss) balance as presented in Caterpillar’s financial statements compiled in accordance with generally accepted accounting principles, and (ii) with respect to CFSC, on any date of determination, the aggregate amount, as such amount appears in CFSC’s financial statements, compiled in accordance with generally accepted accounting principles, of (x) CFSC’s translation adjustments related to its foreign currency transactions, (y) adjustments to the market value of CFSC’s derivative instruments and (z) adjustments to the market value of CFSC’s retained interests in securitized receivables.

“Activities” has the meaning specified in Section 7.02(b).

“Added Bank” means any Bank which becomes a Bank hereunder, or whose Commitment is increased (to the extent of such increase), pursuant to an Assumption and Acceptance as provided in Section 2.05(c).

“Administrative Questionnaire” means an Administrative Questionnaire in a form supplied by the Agent.

“Advance” means a Revolving Credit Advance, a Local Currency Advance or a Japan Local Currency Advance.

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agent’s Group” has the meaning specified in Section 7.02(b).

“Agreed Currencies” means (i) Dollars, (ii) so long as such currency remains an Eligible Currency, Pounds Sterling and Euro, and (iii) any other Eligible Currency which the Borrowers request the Agent to include as an Agreed Currency hereunder and which is acceptable to each Bank with a Revolving Credit Commitment; provided, that the Agent shall promptly notify each Bank of each such request and each such Bank shall be deemed not to have agreed to each such request unless its written consent thereto has been received by the Agent within five (5) Business Days from the date of such notification by the Agent to such Bank.

“Agreement” means this Second Amended and Restated Credit Agreement (Three-Year Facility) as it may from time to time be further amended, restated, supplemented or otherwise modified from time to time.

“Allocated Commitment” has the meaning specified in Section 2.01(b).

“Allocation” has the meaning specified in Section 2.01(b).

“Allocation Percentage” means, with respect to Caterpillar or CFSC at any time, such Borrower’s Allocation at such time divided by the Total Commitment at such time.

“Alternative Financial Information Service” means, with respect to an Agreed Currency, a generally recognized financial information service (if any) selected by the Agent in consultation with the Borrowers that reports interest settlement rates for deposits in such Agreed Currency.

“Amendment No. 1” means Amendment No. 1 to this Agreement, dated as of the Amendment No. 1 Effective Date.

“Amendment No. 1 Effective Date” means the date on which the conditions to effectiveness of Amendment No. 1 were satisfied or waived, which date was September 2, 2021.

“Anti-Corruption Laws” means the United States Foreign Corrupt Practices Act of 1977 and all applicable laws, rules, and regulations of any applicable jurisdiction concerning or relating to bribery, corruption or money laundering.

“Applicable Lending Office” means, with respect to each Bank, such Bank’s Domestic Lending Office in the case of a Base Rate Advance, such Bank’s Eurocurrency Lending Office in the case of a Eurocurrency Rate Advance, such Bank’s RFR Lending Office in the case of an RFR Advance, such Bank’s (or its Affiliate’s) office, branch or agency, as specified by such Bank in the Local Currency Addendum, in the case of a Local Currency Advance, and such Bank’s (or its Affiliate’s) office, branch or agency, as specified by such Bank in the Japan Local Currency Addendum, in the case of a Japan Local Currency Advance.

“Applicable Margin” means, from time to time, with respect to any Advance, the percentages per annum set forth in Schedule II hereto based upon the then applicable Credit Rating for the applicable Borrower and its corresponding Advance; provided that (a) if the respective Credit Ratings for a Borrower issued by S&P and Moody’s differ by one level, then the pricing Level for the higher of such Credit Ratings shall apply; (b) if there is a split in Credit Ratings of more than one level, then the pricing Level that is one level lower than the pricing Level of the higher Credit Rating shall apply; (c) if a Borrower has only one Credit Rating, the pricing Level for such Credit Rating shall apply; and (d) if a Borrower does not have any Credit Rating, pricing Level V shall apply. Each change in the Applicable Margin resulting from a publicly announced change in the Credit Ratings shall be effective during the period commencing on the date of the public announcement thereof and ending on the date immediately preceding the effective date of the next such change. The Applicable Margin for RFR Advances denominated in Pounds Sterling includes a SONIA Credit Adjustment. The Applicable Margin for RFR Advances denominated in Japanese Yen includes a TONAR Credit Adjustment.

“Approved Electronic Communications” means each Communication that any Borrower is obligated to, or otherwise chooses to, provide to the Agent pursuant to this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum or the transactions contemplated herein or therein, including any financial statement, financial and other report, notice, request, certificate and other information material; provided, however, that, solely with respect to delivery of any such Communication by any Borrower to the Agent and without limiting or otherwise affecting either the Agent’s right to effect delivery of such Communication by posting such Communication to the Approved Electronic Platform or the protections afforded hereby to the Agent in connection with any such posting, “Approved Electronic Communication” shall exclude (i) any notice that relates to a request for an extension of credit (including any election of an interest rate or Interest Period relating thereto), (ii) any notice of Conversion, Redenomination or continuation, and any other notice, demand, communication, information, document and other material relating to a request for a new, or a Conversion, Redenomination or continuation of an existing, Advance, (iii) any notice pursuant to Section 2.09 and any other notice relating to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (iv) all notices of any Event of Default or unmatured Event of Default, (v) any notice, demand, communication, information, document and other material required to be delivered to satisfy any of the conditions set forth in Article III or any other condition to any Advance or other extension of credit hereunder or any condition precedent to the effectiveness of this Agreement and (vi) service of process.

“Approved Electronic Platform” has the meaning specified in Section 8.02(d).

“Arrangers” means Citibank, BofA Securities, Inc., JPMorgan, Barclays Bank PLC, MUFG Bank, Ltd., and Société Générale.

“Assignment and Acceptance” means an assignment and acceptance entered into by an assigning Bank and an assignee, and accepted by the Agent, in accordance with Section 8.07 and in substantially the form of Exhibit C-1 hereto.

“Assumption and Acceptance” means an assumption and acceptance executed by an Added Bank and the Borrowers, and accepted by the Agent, in accordance with Section 2.05(c) and in substantially the form of Exhibit C-2 hereto.

“Available Revolving Credit Commitment” means, as to any Bank at any time, such Bank’s Revolving Credit Commitment at such time minus the sum of the aggregate Dollar Amount of such Bank’s outstanding Revolving Credit Advances and, if such Bank is a Local Currency Bank, its Non-Same Day Local Currency Advances.

“Available Tenor” means, as of any date of determination and with respect to any then-current Benchmark for any Agreed Currency, as applicable, (x) if any then-current Benchmark is a term rate, any tenor for such Benchmark that is or may be used for determining the length of an Interest Period or (y) otherwise, any payment period for interest calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time that is described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bank” has the meaning specified in the introductory paragraph hereof. To the extent applicable, any reference to a Bank or the Banks includes a reference to a Local Currency Bank, the Local Currency Banks, a Japan Local Currency Bank or the Japan Local Currency Banks, and, to the extent applicable, any reference to a Bank includes a reference to its Affiliate, branch or agency which is a Local Currency Bank or a Japan Local Currency Bank. For the avoidance of doubt, the term “Banks” excludes any Departing Bank.

“Bank Addition” has the meaning specified in Section 2.05(c).

1 “Bank Appointment Period” has the meaning specified in Section 7.06.

2 “Bank Insolvency Event” means, with respect to any Bank, that (i) such Bank or its Parent Company has been adjudicated as, or determined by any Governmental Authority having regulatory authority over such Bank or its Parent Company or its assets to be, insolvent, or is generally unable to pay its debts as they become due, or admits in writing its inability to pay its debts as they become due, or makes a general assignment for the benefit of its creditors, or (ii) other than pursuant to an Undisclosed Administration that is not expected to impair or delay a Bank’s ability to satisfy its funding obligations hereunder, such Bank or its Parent Company is the subject of a bankruptcy, insolvency, reorganization, liquidation or similar proceeding, or a receiver, trustee, conservator, intervenor or sequestrator or the like has been appointed for such Bank or its Parent Company, or such Bank or its Parent Company has taken any action in furtherance of or indicating its consent to or acquiescence in any such proceeding or appointment.

“Bank of America” means Bank of America, N.A.

“Base Rate” means, for any date during any Interest Period or any other period, a fluctuating interest rate per annum as shall be in effect from time to time which rate per annum shall at all times be equal to the highest of:

(a) the rate of interest announced publicly by Citibank in New York, New York, and in effect on such date, as Citibank’s base rate; and

(b) 1/2 of one percent above the Federal Funds Rate as in effect on such date; and

(c) as long as none of the conditions described in Section 2.10(c) or (d) or Section 2.15(c) shall exist, the Eurocurrency Rate for a Borrowing in Dollars on such date for a one-month Interest Period (or if such date is not a Business Day, on the preceding Business Day) plus 1%; provided that, for the avoidance of doubt, the Eurocurrency Rate for any day shall be based on the applicable Bloomberg screen rate (or on any successor or substitute page) at approximately 11:00 a.m. (London time) on such day.

If the Base Rate is being used as an alternative rate of interest pursuant to Section 2.15(c), then the Base Rate shall be the greater of clause (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Base Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Base Rate Advance” means an Advance in Dollars which bears interest as provided in Section 2.07(a).

“Benchmark” means, initially, (i) with respect to amounts denominated in Dollars, USD LIBOR, (ii) with respect to amounts denominated in Pounds Sterling, SONIA, (iii) with respect to amounts denominated in Japanese Yen, TONAR, and (iv) with respect to any amounts denominated in Euro, EURIBOR; provided that if a replacement of an initial or subsequent Benchmark has occurred pursuant to Section 2.15(c), then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. Any reference to “Benchmark” shall include, as applicable, the published component used in the calculation thereof.

“Benchmark Replacement” means, for any Available Tenor:

(1) For purposes of clause (i) of Section 2.15(c), the first alternative set forth below that can be determined by the Agent:

a) the sum of: (i) Term SOFR and (ii) 0.11448% (11.448 basis points) for an Available Tenor of one-month’s duration, 0.26161% (26.161 basis points) for an Available Tenor of three-months’ duration, 0.42826% (42.826 basis points) for an Available Tenor of six-months’ duration and 0.71513% (71.513 basis points) for an Available Tenor of twelve-months’ duration; provided, that if any Available Tenor of USD LIBOR does not correspond to an Available Tenor of Term SOFR, the Benchmark

Replacement for such Available Tenor of USD LIBOR shall be the closest corresponding Available Tenor (based on tenor) for Term SOFR and if such Available Tenor of USD LIBOR corresponds equally to two Available Tenors of Term SOFR, the corresponding tenor of Term SOFR with the shorter duration shall be applied, or

b) the sum of: (i) Daily Simple SOFR and (ii) the spread adjustment selected or recommended by the Relevant Governmental Body for the replacement of the tenor of USD LIBOR with a SOFR-based rate having approximately the same length as the interest payment period specified in clause (a) of this definition (which spread adjustment, for the avoidance of doubt, shall be 0.11448% (11.448 basis points); and

(2) For purposes of clause (ii) of Section 2.15(c), the sum of (a) the alternate benchmark rate and (b) an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by the Agent and the Borrowers as the replacement for such Available Tenor of such Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for syndicated credit facilities at such time denominated in the applicable Agreed Currency in the U.S. syndicated loan market;

provided that, if the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “Business Day,” the definition of “Interest Period,” the definition of “SONIA”, the definition of “TONAR”, timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the length of lookback periods, the applicability of breakage provisions, the formula for calculating any successor rates identified pursuant to the definition of “Benchmark Replacement”, the formula, methodology or convention for applying the successor Floor to the successor Benchmark Replacement and other technical, administrative or operational matters) that the Agent in its reasonable discretion decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent in its reasonable discretion decides that adoption of any portion of such market practice is not administratively feasible or if the Agent in its reasonable discretion determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Benchmark Transition Event” means, with respect to any then-current Benchmark other than USD LIBOR, the occurrence of one or more of the following events: a public statement or publication of information by or on behalf of the administrator of any then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the

Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, the central bank for the Agreed Currency applicable to such Benchmark, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such administrator has ceased or will cease on a specified date to provide all Available Tenors of such Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark or (b) all Available Tenors of such Benchmark are or will no longer be representative and that representativeness will not be restored.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

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

“Board of Directors” means either the board of directors of a Borrower or any duly authorized committee of that board.

“Borrower” means each of Caterpillar, CFSC, CIF and CFKK, and “Borrowers” means all of the foregoing.

“Borrower Agent” has the meaning specified in Section 8.09.

“Borrowing” means a Revolving Credit Borrowing, a Local Currency Borrowing or a Japan Local Currency Borrowing.

“Business Day” means a day of the year (i) on which banks are not required or authorized to close in New York City, New York or Chicago, Illinois, (ii) if the applicable Business Day relates to any Eurocurrency Rate Advance, on which dealings are carried on in the London interbank market, (iii) if the applicable Business Day relates to any Eurocurrency Rate Advance in Euro or any other Agreed Currency other than Dollars or Pounds Sterling, a day on which dealings are carried on in the London interbank market and on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is operating or, as the case may be, on which banks and foreign exchange markets are open for business in the principal financial center for the Agreed Currency concerned, (iv) if the applicable Business Day relates to any RFR Advance, an RFR Business Day, and (v) if the applicable Business Day relates to a Japan Local Currency Advance, on which banks are generally open in Tokyo for the conduct of substantially all of their commercial lending activities and on which dealings in Japanese Yen are carried on in the Tokyo interbank market.

“Capitalization” means, as at any date, the sum of (i) Caterpillar Consolidated Debt at such date, plus (ii) stockholders’ equity (including preferred stock) of Caterpillar at such date.

“Caterpillar Consolidated Debt” means, as at any date, the aggregate Debt of Caterpillar and its Subsidiaries (other than CFSC) at such date.

“Caterpillar Purchase Claims” means the outstanding liens on or claims against or in respect of any of the accounts receivable of Caterpillar or any of its Subsidiaries (excluding CFSC and CFSC’s Subsidiaries) arising out of the sale or securitization by Caterpillar or any of its Subsidiaries (excluding CFSC and CFSC’s Subsidiaries) of such accounts receivable.

“CFKK Event of Default” means an Event of Default with respect to CFKK.

“CFSC Consolidated Debt” means, for any period of determination, the aggregate Debt of CFSC and its Subsidiaries determined on a consolidated basis for such period. The calculation of CFSC Consolidated Debt shall exclude any non-recourse secured borrowings related to the securitization of accounts receivable which have been legally sold to a bankruptcy remote special purpose vehicle. For purposes of this definition, retained interest in a securitization is not considered “recourse”.

“CFSC Event of Default” means an Event of Default with respect to CFSC.

“CFSC Guaranty” means the guaranty by CFSC of the obligations of (a) CIF under this Agreement and the Local Currency Addendum and (b) CFKK under this Agreement and the Japan Local Currency Addendum, which guaranty is contained in Article IX.

“CFSC Purchase Claims” means the outstanding liens on or claims against or in respect of any of the accounts receivable of CFSC or any of its Subsidiaries arising out of the sale or securitization by CFSC or any such Subsidiaries of such accounts receivable.

“Change of Control” means (a) with respect to CFSC, that Caterpillar shall cease to own free and clear of all liens, claims, security interests or other encumbrances, 100% of the outstanding shares of voting stock of CFSC on a fully diluted basis, (b) with respect to CIF, that CFSC shall cease to own, free and clear of all liens, claims, security interests or other encumbrances, directly or indirectly through a wholly-owned Subsidiary of CFSC, 100% of the outstanding shares of voting stock of CIF on a fully diluted basis and (c) with respect to CFKK, that either (i) CFSC and Caterpillar, in the aggregate, shall cease to own, free and clear of all liens, claims, security interests or other encumbrances, directly or indirectly through one or more Subsidiaries of CFSC or Caterpillar, 90% or more of the outstanding shares of voting of stock of CFKK on a fully diluted basis or (ii) CFSC shall cease to own, free and clear of all liens, claims, security interests or other encumbrances, directly or indirectly through one or more of its Subsidiaries, 80% or more of the outstanding shares of voting stock of CFKK on a fully diluted basis.

“CIF Event of Default” means an Event of Default with respect to CIF.

“Closing Date” means September 5, 2019.

“Co-Syndication Agents” means Bank of America and JPMorgan.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute.

“Commitment” means, for each Bank, the obligation of such Bank to make (a) Revolving Credit Advances, (b) if it is a Local Currency Bank, Local Currency Advances and

(c) if it is a Japan Local Currency Bank, Japan Local Currency Advances, in an aggregate amount not to exceed the amount set forth opposite such Bank's name under the "Commitment" heading on Schedule I hereto, or on the signature page of the Assignment and Acceptance or Assumption and Acceptance by which it became a Bank hereunder, as such amount may be increased or reduced pursuant to the terms of this Agreement.

3 "Commitment Fee" has the meaning specified in Section 2.04(a).

4 "Commitment Fee Rate" has the meaning specified in Section 2.04(a).

5 "Communications" means each notice, demand, communication, information, document and other material provided for hereunder or under the Local Currency Addendum or the Japan Local Currency Addendum or otherwise transmitted between the parties hereto relating to this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum, any Borrower or its Affiliates, or the transactions contemplated by this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum, including, without limitation, all Approved Electronic Communications.

"Consolidated Net Tangible Assets" means as of any particular time, for any Borrower, the aggregate amount of assets after deducting therefrom (a) all current liabilities, (b) any current liability which has been reclassified as a long term liability because such liability by its terms is extendable or renewable at the option of the obligor thereon to a time more than 12 months after the time as of which the amount thereof is being computed, and (c) all goodwill, excess of cost over assets acquired, patents, copyrights, trademarks, trade names, unamortized debt discount and expense and other like intangibles, all as shown in the most recent consolidated financial statements of such Borrower and its Subsidiaries prepared in accordance with generally accepted accounting principles.

"Consolidated Net Worth" means as at any date, (i) for Caterpillar, the consolidated stockholders' equity (including preferred stock but excluding "Pension and other post-retirement benefits" that are reflected in "Accumulated Other Comprehensive Income (loss)") of Caterpillar at such date, and (ii) for CFSC, the stockholders' equity (including preferred stock but excluding "Accumulated Other Comprehensive Income" and non-controlling interests as defined in accordance with generally accepted accounting principles) of CFSC on such date.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Convert", "Conversion", and "Converted" each refer to a conversion of Advances of one Type into Advances of another Type pursuant to Section 2.10 or 2.15(a).

"Credit Rating" means, at any time, with respect to Caterpillar or CFSC, the credit rating on such Borrower's long-term senior unsecured debt then most recently publicly announced by either Moody's or S&P, and "Credit Ratings" means with respect to each such Borrower, such credit ratings from both Moody's and S&P. In the case of each of CFKK and

CIF, “Credit Rating” and “Credit Ratings” mean, at any time, the Credit Rating and Credit Ratings of CFSC at such time, as determined pursuant to the preceding sentence.

“Current Termination Date” means, with respect to any Bank at any time, September 2, 2024 or such later date to which the “Current Termination Date” shall then have been extended with the consent of such Bank pursuant to Section 2.16.

“Daily Simple RFR” means, for any day (an “RFR Rate Day”), a rate per annum equal to, for any Obligation, interest, fees, commissions or other amounts denominated in, or calculated with respect to, (a) Pounds Sterling, the greater of (i) SONIA for the day (such day “*i*”) that is five RFR Business Days prior to (A) if such RFR Rate Day is an RFR Business Day, such RFR Rate Day or (B) if such RFR Rate Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Rate Day, in each case, as such SONIA is published by the SONIA Administrator on the SONIA Administrator’s Website, and (ii) the Floor, and (b) Japanese Yen, the greater of (i) TONAR for the day (such day “*i*”) that is five RFR Business Days prior to (A) if such RFR Rate Day is an RFR Business Day, such RFR Rate Day or (B) if such RFR Rate Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Rate Day, in each case, as such TONAR is published by the TONAR Administrator on the TONAR Administrator’s Website, and (ii) the Floor. If by 5:00 pm (local time for the applicable RFR) on the second (2nd) RFR Business Day immediately following any day “*i*”, the RFR in respect of such day “*i*” has not been published on the applicable RFR Administrator’s Website and a Benchmark Replacement Date with respect to the applicable Daily Simple RFR has not occurred, then the RFR for such day “*i*” will be the RFR as published in respect of the first preceding RFR Business Day for which such RFR was published on the RFR Administrator’s Website; provided that any RFR determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple RFR for no more than three (3) consecutive RFR Rate Days. Any change in Daily Simple RFR due to a change in the applicable RFR shall be effective from and including the effective date of such change in the RFR without notice to the Borrowers.

“Daily Simple SOFR” means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for syndicated business loans; provided, that if the Agent decides that any such convention is not administratively feasible for the Agent, then the Agent may establish another convention in its reasonable discretion.

“Debt” means (i) indebtedness for borrowed money, (ii) obligations evidenced by bonds, debentures, notes or other similar instruments, (iii) obligations to pay the deferred purchase price of property or services, (iv) obligations as lessee under leases which shall have been or should be, in accordance with generally accepted accounting principles, recorded as capital leases, (v) obligations under direct or indirect guaranties in respect of, and obligations (contingent or otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clauses (i) through (iv) above, and (vi) liabilities in respect of unfunded vested benefits under Plans covered by Title IV of ERISA; provided, however, for purposes of Sections 5.03 and 5.04(a) and (b) only, clause (vi) above shall include only those liabilities of the applicable Borrower and all ERISA Affiliates for such Borrower’s then current fiscal year (and, if such liabilities are still

outstanding, for prior fiscal years) to (a) all single employer plans (as defined in Section 4001(a)(15) of ERISA) to meet the minimum funding standard requirements of Section 412(a) of the Code (without regard to any waiver under Section 412(c) of the Code) and (b) all multiemployer plans (as defined in Section 4001(a)(3) of ERISA) for all required contributions and payments.

“Debtor Relief Laws” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, examinership or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Defaulting Bank” means, at any time, subject to Section 2.17(d), (i) any Bank that has failed for two or more consecutive Business Days to comply with its obligations under this Agreement to make available its ratable portion of a Borrowing (each, a “funding obligation”), unless such Bank has notified the Agent and a Borrower in writing that such failure is the result of such Bank’s determination that one or more conditions precedent to funding has not been satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in such writing), (ii) any Bank that has notified the Agent or a Borrower in writing, or has stated publicly, that it does not intend to comply with its funding obligations hereunder, unless such writing or statement states that such position is based on such Bank’s determination that one or more conditions precedent to funding cannot be satisfied (which conditions precedent, together with the applicable default, if any, will be specifically identified in such writing or public statement), (iii) any Bank that has, for three or more Business Days after written request of the Agent or a Borrower, failed to confirm in writing to the Agent and the Borrowers that it will comply with its prospective funding obligations hereunder (provided that such Bank shall cease to be a Defaulting Bank pursuant to this clause (iii) upon the Agent’s and the Borrowers’ receipt of such written confirmation), (iv) any Bank with respect to which a Bank Insolvency Event has occurred and is continuing with respect to such Bank or its Parent Company, or (v) any Bank that has become the subject of a Bail-In Action; provided that a Bank shall not be a Defaulting Bank solely by virtue of the ownership or acquisition of any equity interest in such Bank or its Parent Company by a Governmental Authority or an instrumentality thereof. Any determination by the Agent that a Bank is a Defaulting Bank under any of clauses (i) through (v) above will be conclusive and binding absent manifest error, and such Bank will be deemed to be a Defaulting Bank (subject to Section 2.17(d)) upon notification of such determination by the Agent to the Borrowers and the Banks. The Agent will promptly send to all parties hereto a copy of any notice to the Borrowers provided for in this definition.

“Departing Bank” means each “Bank” under the Existing Credit Agreement that does not have a Commitment hereunder and is identified on the Departing Bank Schedule hereto.

“Departing Bank Schedule” means Schedule III hereto, which schedule identifies each Departing Bank as of the Closing Date.

“Designated Persons” means a Person:

- (i) listed in the annex to, or otherwise the subject of the provisions of, any Executive Order;

(ii) named as a “Specially Designated National and Blocked Person” on the most current list published by OFAC at its official website or any replacement website or other replacement official publication of such list (or listed as a restricted party by the U.S. Department of State or given a similar designation by the United Nations Security Council or an applicable Governmental Authority in Ireland, Japan, the European Union, any European Union member state, the United Kingdom, Australia, or Hong Kong) (each, an “SDN”), or is otherwise the subject of any Sanctions Laws and Regulations; or

(iii) in which one or more SDNs have 50% or greater ownership interest or that is otherwise controlled by an SDN.

“Dollar Amount” means, for any currency at any date (i) the amount of such currency if such currency is Dollars or (ii) the Equivalent Amount of Dollars if such currency is any currency other than Dollars.

“Dollars” and the sign “\$” each means lawful money of the United States of America.

“Domestic Lending Office” means, with respect to any Bank, the office of such Bank specified as its “Domestic Lending Office” on its respective signature page hereto or such other office of such Bank as such Bank may from time to time specify to the Borrowers and the Agent.

“Earlier Termination Date” has the meaning specified in Section 2.16(c).

“Early Opt-in Effective Date” means, with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Banks, so long as the Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Banks, written notice of objection to such Early Opt-in Election from Banks comprising the Majority Banks.

“Early Opt-in Election” means, if the then-current Benchmark is a LIBOR, the occurrence of the following:

(1) (a) with respect to Dollars, a notification by the Agent to (or the request by the Borrowers to the Agent to notify) each of the other parties hereto that at least five currently outstanding Dollar-denominated syndicated credit facilities in the U.S. syndicated loan market at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review); or (b) with respect to a Non-Hardwired Currency, a notification by the Agent to (or the request by the Borrowers to the Agent to notify) each of the other parties hereto that at least five currently outstanding syndicated credit facilities which include such Non-Hardwired Currency at such time in the U.S. syndicated loan market contain or are being executed or amended, as applicable, to incorporate or adopt a new benchmark interest rate to replace the then current Benchmark with respect to such Non-Hardwired Currency as a benchmark rate (and such

syndicated credit facilities are identified in such notice and are publicly available for review), and

(2) in each case, the joint election by the Agent and the Borrowers to trigger a fallback from the applicable LIBOR and the provision by the Agent of written notice of such election to the Banks.

“EEA Financial Institution” means (a) any institution established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Eligible Currency” means any currency other than Dollars with respect to which the Agent or a Borrower has not given notice in accordance with Section 2.15(a) and that is readily available, freely traded, in which deposits are customarily offered to banks in the London interbank market, convertible into Dollars in the international interbank market, available to the Banks in such market and as to which an Equivalent Amount may be readily calculated. If, after the designation by the Banks of any currency as an Agreed Currency or Local Currency:

(i) currency control or other exchange regulations are imposed in the country or jurisdiction in which such currency is issued with the result that different types of such currency are introduced, or such currency is, in the determination of the Agent, no longer readily available or freely traded, then the Agent shall promptly notify the Banks and the Borrowers, and such currency shall no longer be an Agreed Currency or Local Currency until such time as the Disqualifying Event no longer exists, and the Borrowers shall be permitted to repay all Advances in such currency in Dollars;

(ii) in the determination of the Agent, in consultation with Bank of America and JPMorgan, an Equivalent Amount with respect to such currency is not readily calculable, then the Agent shall promptly notify the Banks and the Borrowers, and such currency shall no longer be an Agreed Currency or Local Currency until such time as the Disqualifying Event no longer exists; or

(iii) each of the Disqualifying Events described in clauses (i) and (ii) above exist, then the Borrowers shall repay all Advances in such currency to which the Disqualifying Events apply within fifteen (15) Business Days of receipt of such notice from the Agent.

Each of the events described in clauses (i) and (ii) above shall be referred to herein as a “Disqualifying Event”.

“Eligible Financial Institution” means, as of the date of any assignment as contemplated in Section 8.07(a)(i), a commercial bank or financial institution (i) with a credit rating on its long-term senior unsecured debt of either (a) “BBB+” or better from S&P or (b) “Baa1” or better from Moody’s; and (ii) having shareholders' equity of not less than \$5,000,000,000.

“Equivalent Amount” means, for any currency with respect to any amount of Dollars at any date, the equivalent in such currency of such amount of Dollars, calculated on the basis of the arithmetic mean of the buy and sell spot rates of exchange of the Agent, the Local Currency Agent or the Japan Local Currency Agent, as applicable (by reference to an appropriate Bloomberg screen, Alternative Financial Information Service screen or other generally recognized financial information service selected by the Agent, the Local Currency Agent or the Japan Local Currency Agent, as applicable, in consultation with the Borrowers), in the London interbank market (or other market where the Agent’s or the Local Currency Agent’s, as applicable, foreign exchange operations in respect of such currency are then being conducted) or, in the case of Japanese Yen, in the Tokyo interbank market for such other currency at or about 11:00 a.m. (local time applicable to the transaction in question) two (2) Business Days prior to the date on which such amount is to be determined (provided that if an Equivalent Amount is being determined with respect to (x) the making of a Local Currency Advance in Pounds Sterling or Euro, such amount shall be determined at or about 11:00 a.m. (London time) for Pounds Sterling, and 11:00 a.m. (Brussels time) for Euro, on the date of such Local Currency Advance or (y) the making of a Japan Local Currency Advance on a same-day basis, such amount shall be determined at or about 11:00 a.m. (Tokyo time) on the date of such Japan Local Currency Advance), rounded up to the nearest amount of such currency as determined by the Agent, the Local Currency Agent or the Japan Local Currency Agent, as applicable, from time to time; provided, however, that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Agent or the Local Currency Agent (or the Japan Local Currency Agent, if applicable) may use any reasonable method it deems appropriate (after consultation with the Borrowers) to determine such amount, and such determination shall be conclusive, absent manifest error.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor statute.

“ERISA Affiliate” means each trade or business (whether or not incorporated) which, together with a Borrower or a Subsidiary of such Borrower, would be deemed to be a “single employer” within the meaning of Section 4001 of ERISA.

“ERISA Termination Event” means (i) a “Reportable Event” described in Section 4043 of ERISA and the regulations issued thereunder (other than a “Reportable Event” not subject to the provision for 30-day notice to the PBGC under such regulations), or (ii) the withdrawal of a Borrower or any of its ERISA Affiliates from a “single employer plan” during a plan year in which it was a “substantial employer”, both of such terms as defined in Section 4001(a) of ERISA, or (iii) the filing of a notice of intent to terminate a Plan or the treatment of a Plan amendment as a termination under Section 4041 of ERISA, or (iv) the institution of proceedings to terminate a Plan by the PBGC or (v) any other event or condition which might constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan or (vi) the partial or complete withdrawal of a Borrower or any

ERISA Affiliate of such Borrower from a “multiemployer plan” as defined in Section 4001(a) of ERISA.

“Erroneous Payment” has the meaning assigned to it in Section 7.11(a).

“Erroneous Payment Deficiency Assignment” has the meaning assigned to it in Section 7.11 (d)(i).

“Erroneous Payment Impacted Class” has the meaning assigned to it in Section 7.11(d)(i).

“Erroneous Payment Return Deficiency” has the meaning assigned to it in Section 7.11(d)(i).

“Erroneous Payment Subrogation Rights” has the meaning assigned to it in Section 7.11(e).

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Euro” means the Euro referred to in the Council Regulation E.C. No. 1103/97 dated 17 June 1997 passed by the Council of the European Union, or, if different, the then lawful currency of the member states of the European Union that participate in the third stage of the Economic and Monetary Union.

“Eurocurrency Base Rate” means, with respect to a Eurocurrency Rate Advance for the relevant Interest Period:

(a) for any Eurocurrency Rate Advance in any Agreed Currency other than Euro and one corresponding with an RFR: the applicable ICE Benchmark Administration (or any successor entity) Interest Settlement Rate for deposits in the Agreed Currency appearing on the applicable Bloomberg screen (or other applicable screen for such Agreed Currency) as of 11:00 a.m. (London time) two (2) Business Days prior to the first day of such Interest Period and having a maturity equal to such Interest Period; provided, that if such screen rate is unavailable at such time for any reason, then the Eurocurrency Base Rate for purposes of this clause (a) shall be the Interpolated Rate therefor; provided, further, that, if such rate is below zero, it will be deemed to be zero; and

(b) for any Eurocurrency Rate Advance in Euro: the interest rate per annum equal to the rate determined by the Agent to be the Euro Interbank Offered Rate administered by the European Money Markets Institute (or any other Person that takes over the administration of such rate (“EURIBOR”) and displayed on the applicable Bloomberg screen (or any successor page) as of 11:00 a.m. (Brussels time), on the date that is two (2) TARGET Settlement Days preceding the first day of such Interest Period (or on the first day of such Interest Period, in the case of a Same Day Local Currency Advance), and having a maturity equal to such Interest Period; provided, that if such screen rate is unavailable at such time for any reason, then the Eurocurrency Base Rate for purposes of this clause (a) shall be the Interpolated Rate therefor; provided, further, that, if such rate is below zero, it will be deemed to be zero.

Any Eurocurrency Base Rate determined on the basis of the rate displayed on a Bloomberg screen (or other applicable screen) in accordance with the foregoing provisions of this subparagraph shall be subject to corrections, if any, made in such rate and displayed by Bloomberg (or other applicable service) within one hour of the time when such rate is first displayed by such service; provided, that, if such rate is below zero, it will be deemed to be zero.

“Eurocurrency Lending Office” means, with respect to any Bank, the office of such Bank specified as its “Eurocurrency Lending Office” on its respective signature page hereto (or, if no such office is specified, its Domestic Lending Office), or such other office of such Bank as such Bank may from time to time specify to the Borrowers and the Agent. A Bank may specify different offices for its Advances denominated in Dollars and its Advances denominated in other Agreed Currencies, respectively, and the term “Eurocurrency Lending Office” shall refer to any or all such offices, collectively, as the context may require when used in respect of such Bank.

“Eurocurrency Liabilities” has the meaning assigned to that term in Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

“Eurocurrency Rate” means, with respect to a Revolving Credit Advance or a Local Currency Advance for the relevant Interest Period, an interest rate obtained by dividing (i) the Eurocurrency Base Rate applicable to such Interest Period by (ii) a percentage equal to 100% minus the Eurocurrency Rate Reserve Percentage, such Eurocurrency Rate to be adjusted automatically on and as of the effective date of any change in the Eurocurrency Rate Reserve Percentage; provided, that if such rate is below zero, it will be deemed to be zero.

“Eurocurrency Rate Advance” means a Revolving Credit Advance denominated in Dollars or in an Agreed Currency which bears interest as provided in Section 2.07(b) or a Local Currency Advance which bears interest as provided in Section 2.07(b) and the Local Currency Addendum.

“Eurocurrency Rate Reserve Percentage” means, for any date:

(a) in the case of any Revolving Credit Advance, that percentage (expressed as a decimal) which is in effect on such date, as prescribed by the Board of Governors of the Federal Reserve System for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for a member bank of the Federal Reserve System in New York City with deposits exceeding five billion dollars in respect of Eurocurrency Liabilities having a term equal to the applicable Interest Period (or in respect of any other category of liabilities which includes deposits by reference to which the interest rate on Eurocurrency Rate Advances is determined or any category of extensions of credit or other assets which includes loans by a non United States office of any bank to United States residents); or

(b) in the case of any Local Currency Advance, that percentage (expressed as a decimal (or, an amount expressed as a decimal percentage)) calculated by the Local Currency Agent (in consultation with the Borrowers) of the cost of the Local Currency Banks complying with the minimum reserve requirements of the Bank of England, the Financial Conduct

Authority and/or the Prudential Regulation Authority, the European Central Bank or any other applicable Governmental Authority.

“Events of Default” has the meaning specified in Section 6.01.

“Executive Order” is defined in the definition of “Sanctions Laws and Regulations”.

“Existing Credit Agreement” means that certain Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 10, 2015, among Caterpillar, CIF, CFSC and CFKK, as borrowers thereunder, certain financial institutions party thereto, MUFG, as Japan Local Currency Agent, Citibank Europe plc, UK Branch, as Local Currency Agent, and Citibank, as agent for such financial institutions, as amended from time to time prior to the date hereof.

“Extended Termination Date” has the meaning specified in Section 2.16(c).

“Extension Confirmation Date” has the meaning specified in Section 2.16(b).

“Extension Confirmation Notice” has the meaning specified in Section 2.16(b).

“Extension Request” has the meaning specified in Section 2.16(a).

“Facility Termination Date” means the earlier to occur of (i) the Current Termination Date then in effect and (ii) the date of termination in whole of the Commitments pursuant to Section 2.05(a) or 6.01.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

“Federal Funds Rate” means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York.

“Five-Year Agreement” is defined in the definition of “Other Credit Agreements”.

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the initial Benchmark for each Agreed Currency provided for hereunder. The Floor equals 0% for all Agreed Currencies as of the date hereof.

“Governmental Authority” means any federal, state, municipal, national or other government, governmental department, commission, board, bureau, court, agency or instrumentality or political subdivision thereof or any entity, officer or examiner exercising

executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government or any court, in each case whether associated with a state of the United States, the United States, or a foreign entity or government (including any supra-national bodies such as the European Union or the European Central Bank).

“Information Memorandum” means the Confidential Information Memorandum dated July 2021 in the form approved by the Borrowers concerning the Borrowers and their Subsidiaries which, at the Borrowers’ request and on their behalf, was prepared in relation to the transactions contemplated by this Agreement, as amended pursuant to Amendment No. 1, and distributed by the Arranger to selected financial institutions before the date of this Agreement.

“Insignificant Subsidiary” means, on any date, any Subsidiary of Caterpillar or CFSC whose aggregate asset value, as reasonably calculated by Caterpillar in accordance with generally accepted accounting principles, is at less than or equal to \$50,000,000 on such date.

“Interest Expense” means, for any period of determination, all interest (without duplication), whether paid in cash or accrued as a liability, attributable to CFSC Consolidated Debt (including imputed interest on any capital lease of CFSC or its Subsidiaries) in accordance with generally accepted accounting principles.

“Interest Period” means, for each Advance, other than an RFR Advance, comprising part of the same Borrowing, the period commencing on the date of such Advance, or the date of the Conversion, continuation or Redenomination, as applicable, of such Advance, and ending on the last day of the period selected by a Borrower pursuant to the provisions below. The duration of each such Interest Period shall be (a) in the case of a Base Rate Advance or a Japan Base Rate Advance, 30 days, (b) in the case of a Eurocurrency Rate Advance in Euro, 1, 3 or 6 months and (c) in the case of any other Eurocurrency Rate Advance, 1, 3 or 6 months, in each case as a Borrower may, in the Notice of Borrowing requesting such Advance, select; provided, however, that:

(i) the duration of any Interest Period which would otherwise end after the Revolving Credit Termination Date shall end on the Revolving Credit Termination Date;

(ii) Interest Periods commencing on the same date for Advances comprising part of the same Borrowing shall be of the same duration; and

(iii) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day, provided, in the case of any Interest Period for a Eurocurrency Rate Advance, that if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the next preceding Business Day.

“Interpolated Rate” means, at any time, with respect to any Eurocurrency Rate Advance denominated in any Agreed Currency and for any Interest Period, the rate per annum determined by the Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the Screen Rate for the longest period (for which that Screen Rate is available for the applicable

Agreed Currency) that is shorter than the Interest Period and (b) the Screen Rate for the shortest period (for which that Screen Rate is available for the applicable Agreed Currency) that exceeds the Interest Period, with such rates being determined on the days and times set forth in the definition of Eurocurrency Base Rate.

“Japan Base Rate” means, for any Interest Period or any other period, a fluctuating interest rate per annum equal to the rate of interest announced publicly by MUFG in Tokyo, Japan, from time to time, as MUFG’s short-term base rate.

“Japan Base Rate Advance” means a Japan Local Currency Advance which bears interest as provided in Section 2.07(a).

“Japan Local Currency Addendum” means the local currency addendum dated as of the date hereof among CFKK, CFSC, the Japan Local Currency Banks named therein, the Japan Local Currency Agent and the Agent, substantially in the form of Exhibit G-2.

“Japan Local Currency Advance” means any Advance in Japanese Yen, made to CFKK pursuant to Sections 2.03C and 2.03D and the Japan Local Currency Addendum.

“Japan Local Currency Agent” means MUFG, as agent under the Japan Local Currency Addendum, or any successor agent under the Japan Local Currency Addendum.

“Japan Local Currency Bank” means each Bank (or any Affiliate, branch or agency thereof) party to the Japan Local Currency Addendum. In the event any agency, branch or Affiliate of a Bank shall be party to the Japan Local Currency Addendum, such agency, branch or Affiliate shall, to the extent of any commitment extended and any Advances made by it, have all the rights of such Bank hereunder; provided, however, that, except as otherwise expressly provided herein, such Bank shall continue, to the exclusion of such agency or Affiliate, to have all the voting and consensual rights vested in it by the terms hereof.

“Japan Local Currency Borrowing” means a borrowing comprised of simultaneous Japan Local Currency Advances made to CFKK by each of the Japan Local Currency Banks pursuant to Sections 2.03C and 2.03D and the Japan Local Currency Addendum.

“Japan Local Currency Commitment” has the meaning specified in Section 2.03C(a).

“Japanese Yen” means the lawful currency of Japan.

“Joint Fee Letter” means the Joint Fee Letter, dated July 20, 2021, among the Borrowers, Citibank, Bank of America, JPMorgan, and certain of the Arrangers.

“JPMorgan” means JPMorgan Chase Bank, N.A.

“Leverage Ratio” has the meaning specified in Section 5.04(a).

“LIBOR” means USD LIBOR, EURIBOR, and any other Eurocurrency Rate in effect from time to time for an Agreed Currency not covered by the foregoing and not corresponding with an RFR.

“Loan Documents” means this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum, and the Notes, as each may be amended, restated, supplemented or otherwise modified from time to time.

“Local Currency” means (i) only so long as such currency remains an Eligible Currency, Pounds Sterling or Euro and (ii) any other Agreed Currency which CIF requests the applicable Local Currency Banks to include as a Local Currency hereunder and which is reasonably acceptable to each such Local Currency Bank.

“Local Currency Addendum” means the local currency addendum dated as of the date hereof among CIF, CFSC, the Local Currency Banks named therein, the Local Currency Agent and the Agent, substantially in the form of Exhibit G-1.

“Local Currency Advance” means any Advance in a Local Currency, made to CIF pursuant to Sections 2.03A and 2.03B and the Local Currency Addendum.

“Local Currency Agent” means Citibank Europe plc, UK Branch, as agent under the Local Currency Addendum, or any successor agent under the Local Currency Addendum.

“Local Currency Bank” means each Bank (or any affiliate, branch or agency thereof) party to the Local Currency Addendum. In the event any agency, branch or affiliate of a Bank shall be party to the Local Currency Addendum, such agency, branch or affiliate shall, to the extent of any commitment extended and any Advances made by it, have all the rights of such Bank hereunder; provided, however, that, except as otherwise expressly provided herein, such Bank shall continue to the exclusion of such agency or Affiliate to have all the voting and consensual rights vested in it by the terms hereof.

“Local Currency Borrowing” means a borrowing comprised of simultaneous Local Currency Advances made to CIF by each of the Local Currency Banks pursuant to Sections 2.03A and 2.03B and the Local Currency Addendum.

“Local Currency Commitment” has the meaning specified in Section 2.03A(a).

“Majority Banks” means at any time Banks holding more than 50% of the Commitments, or if the Commitments have been terminated, Banks holding more than 50% of the then aggregate unpaid principal amount of the Advances.

“Majority Japan Local Currency Banks” means Japan Local Currency Banks holding more than 50% of the Japan Local Currency Commitments.

“Majority Local Currency Banks” means Local Currency Banks holding more than 50% of the Local Currency Commitments.

“Margin Stock” has the meaning set forth in Regulation U of the Board of Governors of the Federal Reserve System, as in effect from time to time.

“Moody’s” means Moody’s Investors Service, Inc. or any successor thereto, and if Moody’s ceases to issue ratings of the type described herein with respect to the Borrowers, then the Borrowers and the Agent, with the consent of the Majority Banks, shall agree upon a mutually acceptable replacement debt rating agency and shall further agree, upon determination of such replacement agency, to determine appropriate equivalent ratings levels to replace those contained herein.

“MUFG” means MUFG Bank, Ltd.

“Net Gain/(Loss) From Interest Rate Derivatives” has the meaning as reflected in the financial caption Other income(expense), in CFSC’s Consolidated Statement of Profit as compiled under generally accepted accounting principles.

“Non-Defaulting Bank” means, at any time, a Bank that is not a Defaulting Bank.

“Non-Hardwired Currencies” means Euro and any other Agreed Currency from time to time that is not Dollars or an Agreed Currency corresponding with an RFR.

“Non-Same Day Local Currency Advances” means Local Currency Advances other than Same Day Local Currency Advances.

“Note” has the meaning specified in Section 2.02(f).

“Notice of Allocation” has the meaning specified in Section 2.01(b).

“Notice of Bank Addition” has the meaning specified in Section 2.05(c).

“Notice of Borrowing” means a Notice of Local Currency Borrowing, a Notice of Japan Local Currency Borrowing or a Notice of Revolving Credit Borrowing, as applicable.

“Notice of Japan Local Currency Borrowing” has the meaning specified in Section 2.03D(a).

“Notice of Local Currency Borrowing” has the meaning specified in Section 2.03B(a).

“Notice of Revolving Credit Borrowing” has the meaning specified in Section 2.02(a).

“Obligations” means all advances to, and debts, liabilities and obligations of, the Borrowers arising under any Loan Document or otherwise with respect to any Advance, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the Borrowers or any Affiliate thereof of any proceeding under any debtor relief laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed or allowable claims in such proceeding. Without limiting the foregoing, the Obligations include (a) the obligation to pay principal, interest, charges, expenses, fees, indemnities and other amounts payable by the Borrowers under any Loan Document and (b)

the obligation of the Borrowers to reimburse any amount in respect of any of the foregoing that the Agent or any Bank, in each case in its sole discretion, may elect to pay or advance on behalf of the Borrowers.

“OFAC” is defined in the definition of “Sanctions Laws and Regulations”.

“Other Credit Agreements” means (a) that certain Credit Agreement (2021 364-Day Facility), dated as of September 2, 2021, among the Borrowers, as borrowers thereunder, certain financial institutions party thereto, MUFG, as Japan Local Currency Agent, Citibank Europe plc, UK Branch, as Local Currency Agent, and Citibank, as agent for such banks, and (b) that certain Second Amended and Restated Credit Agreement (Five-Year Facility), dated as of September 5, 2019 (the “Five-Year Agreement”), among the Borrowers, as borrowers thereunder, certain financial institutions party thereto, MUFG, as Japan Local Currency Agent, Citibank Europe plc, UK Branch, as Local Currency Agent, and Citibank, as agent for such banks, in each case, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“Other Rate Early Opt-in Election” means an Early Opt-in Election has occurred under clause (1)(b) and (2) of the definition of “Early Opt-in Election”.

“Parent Company” means, with respect to a Bank, the bank holding company (as defined in Federal Reserve Board Regulation Y), if any, of such Bank and/or any Person owning, beneficially or of record, directly or indirectly, a majority of the shares of such Bank.

“Payment Office” means (a) with respect to Advances other than Same Day Local Currency Advances and Japan Local Currency Advances, (i) for Dollars, the principal office of Citibank in New York City, located on the date hereof at 388 Greenwich Street, New York, New York 10013, (ii) for any other Agreed Currency, the office of Citibank located on the date hereof at 1615 Brett Road, Building No. 3, New Castle, Delaware 19720; (b) with respect to Same Day Local Currency Advances, the office of the Local Currency Agent set forth in the Local Currency Addendum; and (c) with respect to any Japan Local Currency Advance, the office of the Japan Local Currency Agent set forth in the Japan Local Currency Addendum, or in any case, such other office of the Agent, the Local Currency Agent or the Japan Local Currency Agent, as applicable, as shall be from time to time selected by it by written notice to the Borrowers and the Banks.

“Payment Recipient” has the meaning assigned to it in Section 7.11(a).

“PBGC” means the Pension Benefit Guaranty Corporation, or any successor thereto.

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

“Plan” means any multiemployer plan or single employer plan, each as defined in Section 4001 and subject to Title IV of ERISA, which is maintained, or at any time during the five calendar years preceding the date of this Agreement was maintained, for employees of a Borrower or a Subsidiary of such Borrower or an ERISA Affiliate.

“Plan Asset Regulations” means 29 CFR § 2510.3-101 *et seq.*, as modified by Section 3(42) of ERISA, as amended from time to time.

“Pounds Sterling” means the lawful currency of the United Kingdom.

“Prior 364-Day Agreement” means that certain Credit Agreement (2018 364-Day Facility), dated as of September 6, 2018, among Caterpillar, CFSC, CFKK and CIF, as borrowers, the financial institutions party thereto, MUFG, as Japan Local Currency Agent, Citibank Europe plc, UK Branch, as Local Currency Agent, and Citibank, as agent for such financial institutions.

“Prior Five-Year Agreement” means that certain Amended and Restated Credit Agreement (Five-Year Facility), dated as of September 10, 2015, among Caterpillar, CFSC, CFKK and CIF, as borrowers, the financial institutions party thereto, MUFG, as Japan Local Currency Agent, Citibank Europe plc, UK Branch, as Local Currency Agent, and Citibank, as agent for such financial institutions, as amended from time to time prior to the date hereof.

“Purchase Claims” means Caterpillar Purchase Claims or CFSC Purchase Claims, or both, as applicable.

“Redenominate,” “Redenomination” and “Redenominated” each refer to a redenomination comprising all or part of the same Borrowing from an Agreed Currency to Dollars or from Dollars to another Agreed Currency, or the continuation of such Advances in the same Agreed Currency, in each case pursuant to Section 2.10 or 2.15.

“Register” has the meaning specified in Section 8.07(c).

“Related Parties” means, with respect to any Person, such Person’s Affiliates and such Person’s and such Person’s Affiliates’ respective managers, administrators, members, trustees, partners, directors, officers, employees, agents, fund managers and advisors.

“Relevant Governmental Body” means (a) with respect to a Benchmark Replacement in respect of Dollars, the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto and (b) with respect to a Benchmark Replacement in respect of any other Agreed Currency, (1) the central bank, regulator or other supervisory authority for the Agreed Currency in which such amounts are denominated hereunder or any central bank or other supervisor which is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement or (2) any working group or committee officially endorsed or convened by (A) the central bank for the Agreed Currency in which such amounts are denominated, (B) any central bank or other supervisor that is responsible for supervising either (i) such Benchmark Replacement or (ii) the administrator of such Benchmark Replacement, (C) a group of those central banks or other supervisors or (D) the Financial Stability Board or any part thereof.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

6 “Restricting Information” means material non-public information with respect to any of the Borrowers or their securities.

“Revolving Credit Advance” means an advance by a Bank to a Borrower as part of a Revolving Credit Borrowing and refers to a Base Rate Advance, a Eurocurrency Rate Advance, or an RFR Advance, each of which shall be a “Type” of Advance.

“Revolving Credit Borrowing” means a borrowing consisting of simultaneous Revolving Credit Advances of the same Type made to a Borrower by each of the Banks pursuant to Section 2.01.

“Revolving Credit Commitment” means, for each Bank, the obligation of such Bank to make Revolving Credit Advances and, if such Bank is a Local Currency Bank, Non-Same Day Local Currency Advances, in an aggregate amount not to exceed the amount set forth opposite such Bank’s name under the “Revolving Credit Commitment” heading on Schedule I hereto, or on the signature page of the Assignment and Acceptance or Assumption and Acceptance by which it became a Bank hereunder, as such amount may be increased or reduced pursuant to the terms of this Agreement; provided, however, that if such Bank’s Same Day Local Currency Commitment or Japan Local Currency Commitment is terminated in whole or in part without a corresponding reduction or termination of the Commitments, then such Bank’s Revolving Credit Commitment shall equal the sum of (x) the amount set forth as such Bank’s Revolving Credit Commitment on Schedule I to this Agreement or on such Bank’s signature page to its Assignment and Acceptance or its Assumption and Acceptance, as applicable, plus (y) the amount of such Bank’s terminated Same Day Local Currency Commitment or Japan Local Currency Commitment, as applicable. No such change shall result in a Bank’s Revolving Credit Commitment exceeding its Commitment. For each Bank that is not a Local Currency Bank or Japan Local Currency Bank, such Bank’s Revolving Credit Commitment will be equal to its Commitment. For each Bank that is Local Currency Bank or a Japan Local Currency Bank, such Bank’s Revolving Credit Commitment will be equal to its Commitment minus the sum of its Same Day Local Currency Commitment and its Japan Local Currency Commitment.

“Revolving Credit Obligations” means, at any time, the aggregate outstanding Advances at such time minus the sum of the outstanding Same Day Local Advances and the outstanding Japan Local Currency Advances at such time.

“Revolving Credit Termination Date” means the earlier to occur of (i) the Current Termination Date then in effect and (ii) the date of termination in whole of the Commitments pursuant to Section 2.05(a) or 6.01.

“RFR” means, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, (a) Pounds Sterling, SONIA, and (b) Japanese Yen, TONAR.

“RFR Administrator” means the SONIA Administrator or the TONAR Administrator, as applicable.

“RFR Advance” means an Advance that bears interest at a rate based on a Daily Simple RFR.

“RFR Business Day” means, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to, (a) Pounds Sterling, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which banks are closed for general business in London, (c) Japanese Yen, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which banks are closed for general business in Japan; provided, that for purposes of notice requirements in respect of requesting Borrowings or prepaying Advances, such day also shall be required to be a Business Day.

“RFR Interest Payment Date” means, as to any RFR Advance, each date that is on the numerically corresponding day in each calendar month that is one month after the Borrowing of such Advance; provided that, as to any such RFR Advance, (i) if any such date would be a day other than a Business Day, such date shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such date shall be the next preceding Business Day and (ii) the RFR Interest Payment Date with respect to any Borrowing that occurs on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in any applicable calendar month) shall be the last Business Day of any such succeeding applicable calendar month; provided, that for purposes of this clause (b), the date of a Borrowing of an Advance initially shall be the date on which such Advance is made and thereafter shall be the effective date of the most recent conversion or continuation of such Advance or Borrowing, and (B) the Current Termination Date or Extended Termination Date, as applicable.

“RFR Lending Office” means, with respect to any Bank, the office of such Bank specified as its “RFR Lending Office” on its respective signature page hereto (or, if no such office is specified, its Domestic Lending Office), or such other office of such Bank as such Bank may from time to time specify to the Borrowers and the Agent. A Bank may specify different offices for its Advances denominated in different Agreed Currencies, and the term “RFR Lending Office” shall refer to any or all such offices, collectively, as the context may require when used in respect of such Bank.

“RFR Rate Day” has the meaning specified in the definition of “Daily Simple RFR”.

“S&P” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, or any successor thereto, and if S&P ceases to issue ratings of the type described herein with respect to the Borrowers, then the Borrowers and the Agent, with the consent of the Majority Banks, shall agree upon a mutually acceptable replacement debt rating agency and shall further agree, upon determination of such replacement agency, to determine appropriate equivalent ratings levels to replace those contained herein.

“Same Day Local Currency Advances” means any Advances under the Same Day Local Currency Subfacility.

“Same Day Local Currency Commitment” has the meaning specified in Section 2.03A(a).

“Same Day Local Currency Subfacility” means the subfacility under the Local Currency Addendum which provides for the Local Currency Banks to make Local Currency

Advances available to CIF under the Local Currency Addendum on a same day notice basis in an amount outstanding at any time not to exceed the Dollar Amount of \$150,000,000.

“Sanctioned Country” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions Laws and Regulations (at the time of this Agreement, Crimea, Cuba, Iran, North Korea and Syria).

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions Laws and Regulations-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, or an applicable Governmental Authority in Ireland, the European Union, any European Union member state, the United Kingdom, Australia, Japan, or Hong Kong, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b), including, without limitation, any Person in which one or more SDNs have 50% or greater ownership interest.

“Sanctions Laws and Regulations” means:

(i) any sanctions, prohibitions or requirements imposed by any executive order (an “Executive Order”) or by any sanctions program administered by the U.S. Department of the Treasury Office of Foreign Assets Control (“OFAC”), the U.S. Department of State or the U.S. Department of Commerce; and

(ii) any sanctions measures imposed by the United Nations Security Council, the European Union, the United Kingdom, Ireland, Australia, Japan or the applicable Governmental Authority in Hong Kong, China.

“Screen Rate” means, for any Eurocurrency Rate Advance, the applicable interest rate therefor as determined pursuant to the definition of Eurocurrency Base Rate.

“SOFR” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator’s Website on the immediately succeeding Business Day.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“SONIA” means, with respect to any Business Day, a rate per annum equal to the Sterling Overnight Index Average for such Business Day published by the SONIA Administrator on the SONIA Administrator’s Website on the immediately succeeding Business Day.

“SONIA Administrator” means the Bank of England (or any successor administrator of the Sterling Overnight Index Average).

“SONIA Administrator’s Website” means the Bank of England’s website, currently at <http://www.bankofengland.co.uk>, or any successor source for the Sterling Overnight Index Average identified as such by the SONIA Administrator from time to time.

“SONIA Credit Adjustment” means an amount equal to 0.0326.

“Subsidiary” means, with respect to any Borrower, a corporation more than 50% of the outstanding voting stock of which is owned, directly or indirectly, by such Borrower or by one or more other Subsidiaries, or by such Borrower and one or more other Subsidiaries. For the purposes of this definition, “voting stock” means stock which ordinarily has voting power for the election of directors, whether at all times or only so long as no senior class of stock has such voting power by reason of any contingency.

“Support Agreement” means that certain Support Agreement dated as of December 21, 1984, amended June 14, 1995, between Caterpillar and CFSC, as the same may be amended or modified in accordance with the terms of Section 5.04(c) and in effect from time to time.

“TARGET Settlement Day” means any Business Day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

“Term SOFR” means, for the applicable corresponding tenor with respect to any Available Tenor, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“TONAR” means, with respect to any Business Day, a rate per annum equal to the Tokyo Overnight Average Rate for such Business Day published by the TONAR Administrator on the TONAR Administrator’s Website on the immediately succeeding Business Day.

“TONAR Administrator” means the Bank of Japan (or any successor administrator of the Tokyo Overnight Average Rate).

“TONAR Administrator’s Website” means the Bank of Japan’s website, currently at <http://www.boj.or.jp>, or any successor source for the Tokyo Overnight Average Rate identified as such by the TONAR Administrator from time to time.

“TONAR Advance” means a Japan Local Currency Advance which bears interest at a rate based on TONAR as provided in Section 2.07(c).

“TONAR Credit Adjustment” means an amount equal to 0.00.

“Total Commitment” means, at any time, the sum of all of the Banks’ Commitments at such time.

“Total Japan Local Currency Commitment” has the meaning specified in Section 2.03C(a).

“Total Local Currency Commitment” has the meaning specified in Section 2.03A(a).

“Total Revolving Credit Commitment” means, at any time, the sum of all of the Banks’ Revolving Credit Commitments at such time (which shall be an amount equal to the Total Commitment at such time minus the sum of the aggregate Dollar Amount of the Same Day Local Currency Subfacility at such time and the aggregate Dollar Amount of the Total Japan Local Currency Commitment at such time).

“Type”, when used in reference to any Revolving Credit Advance, has the meaning specified in the definition of “Revolving Credit Advance”, when used in reference to a Japan Local Currency Advance, refers to a Japan Base Rate Advance or a TONAR Advance, and when used in reference to a Local Currency Advance, has the meaning specified in the definition of “Local Currency Advance”, each of which shall be a “Type” of Advance.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Undisclosed Administration” means the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official by a supervisory authority or regulator with respect to a Bank under the Dutch Financial Supervision Act 2007 (as amended from time to time and including any successor legislation).

“USA Patriot Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. No. 107-56, 115 Stat. 272 (2001), as amended.

“USD LIBOR” means the London interbank offered rate for Dollars (which, as of the date hereof, is determined pursuant to clause (a) of the definition of Eurocurrency Base Rate).

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION I.02. Computation of Time Periods. In this Agreement in the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each means “to but excluding”.

SECTION I.03. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles in the United States consistent with those applied in the preparation of the financial statements referred to in Section 4.01(e) and all references contained herein to generally accepted accounting principles shall mean United States generally accepted accounting principles.

SECTION I.04. Rates. The Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Base Rate, the Eurocurrency Rate, any RFR, SOFR, SONIA, TONAR, any Benchmark, any component definition thereof or rates referenced in the definition thereof or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Base Rate, the Eurocurrency Rate, any RFR, SOFR, SONIA, TONAR, or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Benchmark Replacement Conforming Changes or any other alternative, successor or replacement rate pursuant to the terms of this Agreement. The Agent and its Affiliates may engage in transactions that affect the calculation of the Base Rate, any Benchmark, the Eurocurrency Rate, any RFR, SOFR, SONIA, TONAR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrowers. The Agent may select information sources or services in its reasonable discretion to ascertain the Base Rate, the Eurocurrency Rate, any RFR, SOFR, SONIA, TONAR, or any Benchmark, any component definition thereof or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, any Bank or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE II AMOUNTS AND TERMS OF THE ADVANCES

SECTION II.01. The Revolving Credit Advances; Allocation of Commitments.

(a) Each Bank severally agrees, on the terms and conditions hereinafter set forth, to make Revolving Credit Advances in any Agreed Currency to Caterpillar and CFSC from time to time on any Business Day during the period from the Closing Date until the Revolving Credit Termination Date in a Dollar Amount not to exceed such Bank’s Available Revolving Credit Commitment at such time; provided, however, that at no time shall the Dollar Amount of (i) the outstanding Advances exceed the Total Commitment, (ii) the Revolving Credit Obligations exceed the Total Revolving Credit Commitment, (iii) any Bank’s Revolving Credit

Advances, Local Currency Advances and Japan Local Currency Advances exceed such Bank's Commitment, (iv) all Revolving Credit Advances to Caterpillar exceed Caterpillar's Allocation at such time, (v) all Revolving Credit Advances to CFSC plus the Dollar Amount of all Local Currency Advances and Japan Local Currency Advances exceed CFSC's Allocation at such time, (vi) any Bank's Revolving Credit Advances to Caterpillar exceed such Bank's Allocated Commitment for Caterpillar at such time, or (vii) any Bank's Revolving Credit Advances to CFSC plus such Bank's Local Currency Advances and Japan Local Currency Advances at such time exceed such Bank's Allocated Commitment for CFSC at such time. Each Revolving Credit Borrowing shall be in an aggregate Dollar Amount not less than \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof and shall consist of Revolving Credit Advances of the same Type and the same Agreed Currency made on the same day to the same Borrower by the Banks ratably according to their respective Available Revolving Credit Commitments. Within the limits of each Bank's Allocated Commitment to a Borrower, such Borrower may from time to time borrow, repay pursuant to Section 2.06 or prepay pursuant to Section 2.09, and reborrow under this Section 2.01.

(b) The Borrowers will on the Closing Date and from time to time thereafter, but no more often than weekly, and subject to the limitation set forth below, allocate or re allocate the Total Commitment between Caterpillar and CFSC (each such Borrower's allocated portion of the Total Commitment at any time being such Borrower's "Allocation"), in such a manner that (i) the sum of the Allocations at any time shall equal the Total Commitment at such time, (ii) each Bank's Commitment allocable to Caterpillar and CFSC at any time (such Bank's "Allocated Commitment" with respect to such Borrower) shall be an amount equal to the product of such Bank's Commitment at such time multiplied by the Allocation Percentage for such Borrower at such time, and (iii) CFSC's Allocation at any time shall be in an amount equal to or greater than the sum of the Total Local Currency Commitment and the Total Japan Local Currency Commitment at such time. Each such allocation or re-allocation shall be made on notice, given not later than 10:00 A.M. (New York City time) on the date of the proposed allocation or re-allocation, by the Borrower Agent to the Agent, which shall give to each Bank prompt notice thereof by facsimile or electronic mail. Each such notice of an allocation or re allocation of the Total Commitment (a "Notice of Allocation") shall be by facsimile or electronic mail, confirmed immediately in writing, in substantially the form of Exhibit B-4 hereto, specifying therein the requested (i) effective date of such allocation or re allocation of the Total Commitment, and (ii) Allocation for each Borrower. Each Borrower's Allocation, and each Bank's Allocated Commitment with respect to such Borrower, shall remain in effect (i) from the Closing Date until the first Notice of Allocation becomes effective, and (ii) thereafter, from the date that the most recent Notice of Allocation became effective until the next subsequent Notice of Allocation becomes effective.

(c) The Borrowers and the Agent shall furnish to the Local Currency Agent and the Japan Local Currency Agent, promptly following the making, payment or prepayment of each Revolving Credit Advance, and at any other time at the reasonable request of the Local Currency Agent or the Japan Local Currency Agent, a statement setting forth the outstanding Revolving Credit Advances.

SECTION II.02. Making the Revolving Credit Advances.

(a) Each Revolving Credit Borrowing shall be made on notice, given not later than 11:00 A.M. (New York City time) on the date of the proposed Revolving Credit Borrowing (in the case of a Revolving Credit Borrowing comprised of Base Rate Advances), or not later than 11:00 A.M. (New York City time) on the third Business Day prior to the date of the proposed Revolving Credit Borrowing (in the case of a Revolving Credit Borrowing comprised of Eurocurrency Rate Advances or RFR Advances), by a Borrower to the Agent, which shall give to each Bank prompt notice thereof by facsimile or electronic mail. Each such notice of a Revolving Credit Borrowing (a “Notice of Revolving Credit Borrowing”) shall be by facsimile or electronic mail, confirmed immediately in writing, in substantially the form of Exhibit B-1 hereto, specifying therein the requested (i) Borrower, (ii) date of such Revolving Credit Borrowing, (iii) Type of Revolving Credit Advances comprising such Revolving Credit Borrowing, (iv) in the case of a proposed Borrowing of Eurocurrency Rate Advances or RFR Advances, Agreed Currency of such Advances, (v) aggregate amount of such Revolving Credit Borrowing, (vi) Interest Period for the Revolving Credit Advances (to the extent constituting a Eurocurrency Rate Advance) and (vii) account to which the proceeds of such Revolving Credit Borrowing shall be made available. In the case of each proposed Revolving Credit Borrowing, the Agent shall promptly notify each Bank of such Bank’s ratable share of such Revolving Credit Borrowing based upon the Available Revolving Credit Commitments of the Banks, and in the case of a proposed Revolving Credit Borrowing comprised of Eurocurrency Rate Advances or RFR Advances, the Agent shall promptly notify each Bank of the applicable interest rate under Section 2.07(b). Each Bank shall, before 1:00 p.m. (New York City time) on the date of such Revolving Credit Borrowing, make available for the account of its Applicable Lending Office to the Agent at the applicable Payment Office, in the Agreed Currency and in same day funds, such Bank’s ratable portion of such Revolving Credit Borrowing. After the Agent’s receipt of such funds and upon fulfillment of the applicable conditions set forth in Article III, the Agent will promptly make such same day funds available to the account specified by the applicable Borrower in the Notice of Revolving Credit Borrowing.

(b) Each Notice of a Revolving Credit Borrowing shall be irrevocable and binding on the Borrower submitting such Notice. In the case of any Revolving Credit Borrowing which the related Notice of Revolving Credit Borrowing specifies is to be comprised of Eurocurrency Rate Advances or RFR Advances, the requesting Borrower shall indemnify each Bank against any loss, cost or expense incurred by such Bank as a direct result of the failure of such Borrower, for any reason other than a default by such Bank, to borrow the requested Revolving Credit Advances on the date specified in the Notice of Revolving Credit Borrowing. Such indemnification shall include, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Bank to fund the Advance to be made by such Bank as part of such Borrowing; provided, however, that any indemnification for such losses, costs and expenses shall be limited to an amount equal to (i) the principal amount of the Advance to be made by such Bank times (ii) the number of days in the requested Interest Period (which is assumed to be one month for purposes of any RFR Advance), divided by (x) 360 in respect of Eurocurrency Rate Advances and (y) 365 or 366, as applicable, in respect of RFR Advances, times (iii) the interest differential between the interest rate based on the applicable Eurocurrency Rate or applicable RFR which would have applied to such Advance and the rate of interest which would apply if such Borrower had requested on the date of the requested Revolving Credit Borrowing a Revolving Credit Borrowing comprised of

Advances of the same Type and Agreed Currency for a period equal to the requested Interest Period (which is assumed to be one-month for purposes of any RFR Advance). A certificate describing in reasonable detail the amount of such losses, costs and expenses, submitted to such Borrower and the Agent by such Bank, shall create a rebuttable presumption of such losses, costs or expenses.

(c) Unless the Agent shall have received notice from a Bank prior to the time of any Revolving Credit Borrowing that such Bank will not make available to the Agent such Bank's ratable portion of such Revolving Credit Borrowing, the Agent may assume that such Bank has made such portion available to the Agent on the date of such Revolving Credit Borrowing in accordance with subsection (a) of this Section 2.02 and the Agent may, in reliance upon such assumption, make available to the applicable Borrower on such date a corresponding amount. If and to the extent that such Bank shall not have so made such ratable portion available to the Agent, such Bank and such Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to such Borrower until the date such amount is repaid to the Agent, at (i) in the case of such Borrower, the interest rate applicable at the time to Revolving Credit Advances comprising such Revolving Credit Borrowing and (ii) in the case of such Bank, the Federal Funds Rate. If such Bank shall repay to the Agent such corresponding amount, together with interest thereon as required in the immediately preceding sentence, such amount so repaid shall constitute such Bank's Revolving Credit Advance as part of such Revolving Credit Borrowing for purposes of this Agreement and such Bank shall be entitled to all rights in respect of such Revolving Credit Advance, including the right to receive interest from the date funds in connection therewith shall have been made available to such Borrower. If such Borrower shall repay to the Agent such corresponding amount, such repayment shall not relieve such Bank from its obligation to make its ratable portion of such Revolving Credit Borrowing available to such Borrower. Nothing contained herein shall impair the right of such Borrower to the performance by any Bank of such Bank's obligations hereunder. Subject to Section 2.17, in the event that any Bank shall at any time fail to make its ratable portion of any Revolving Credit Borrowing available to the Agent for disbursement to such Borrower, the Agent shall make inquiry of such Bank as to the circumstances giving rise to such failure and shall promptly advise such Borrower of the response, if any, the Agent shall have received in connection with such inquiry; provided that no failure or delay on the part of the Agent to make such inquiry shall relieve such Borrower or such Bank of its obligation to repay any amount made available by the Agent to such Borrower in anticipation of receiving such Bank's portion of such Revolving Credit Borrowing.

(d) The failure of any Bank to make the Revolving Credit Advance to be made by it as part of any Revolving Credit Borrowing shall not relieve any other Bank of its obligation, if any, hereunder to make its Revolving Credit Advance on the date of such Revolving Credit Borrowing, but no Bank shall be responsible for the failure of any other Bank to make the Revolving Credit Advance to be made by such other Bank on the date of any Revolving Credit Borrowing. Nothing contained herein shall impair the rights and remedies of the Borrower requesting any Revolving Credit Borrowing against any Bank under applicable law as a result of such Bank's failure to make the Revolving Credit Advance to be made by it as part of such Revolving Credit Borrowing.

(e) Any Bank may make, carry or transfer Advances at, to or for the account of, any of its branch offices or the office of an Affiliate at the Bank; provided, however, no

Affiliate of any Bank shall be deemed a party to this Agreement or shall have any rights, liability or obligation under this Agreement unless such Bank and such Affiliate shall have executed and delivered, and the Agent shall have accepted, an Assignment and Acceptance in accordance with Section 8.07, and then such Affiliate shall have rights and obligations hereunder only to the extent contemplated therein.

(f) Each Bank shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to such Bank resulting from each Advance made by such Bank from time to time, including the amounts of principal and interest payable and paid to such Bank from time to time hereunder. The Agent shall also maintain accounts in which it will record (a) the amount of each Advance made hereunder, the Type thereof and the Interest Period with respect thereto, (b) the amount of any principal or interest due and payable or to become due and payable from the applicable Borrower to each Bank hereunder and (c) the amount of any sum received by the Agent, the Local Currency Agent or the Japan Local Currency Agent, as applicable, hereunder from the applicable Borrower and each Bank's share thereof. Entries recorded pursuant to the foregoing shall be *prima facie* evidence of the existence and amounts of the Borrowers' obligations; provided, however, that the failure of the Agent or any Bank to maintain such accounts or any error therein shall not in any manner affect the obligation of the applicable Borrower to repay its obligations hereunder in accordance with their terms. Any Bank may request that its Revolving Credit Advances be evidenced by a promissory note in substantially the form of Exhibit A (a "Note"). In such event, the applicable Borrower shall prepare, execute and deliver to such Bank such Note payable to the order of such Bank. Thereafter, the Advances evidenced by such Note and interest thereon shall at all times (prior to any assignment pursuant to Section 8.07) be represented by one or more Notes payable to the order of the payee named therein, except to the extent that any such Bank subsequently returns any such Note for cancellation and requests that such Advances once again be evidenced as described above.

SECTION II.03. [Reserved].

SECTION 2.03A. Terms of Local Currency Facility.

(a) The Local Currency Addendum sets forth (i) the maximum amount (expressed in Dollar Amount) available to be borrowed from all Local Currency Banks under the Local Currency Addendum (the "Total Local Currency Commitment"), which shall not exceed \$1,000,000,000, (ii) with respect to each Local Currency Bank, the maximum amount (expressed in Dollar Amount) available to be borrowed from such Local Currency Bank thereunder (such Bank's "Local Currency Commitment"), and (iii) with respect to each Local Currency Bank, the maximum amount (expressed in Dollar Amount) available to be borrowed from such Local Currency Bank under the Same Day Local Currency Subfacility (such Bank's "Same Day Local Currency Commitment"). In no event shall a Local Currency Bank's Local Currency Commitment (or, if such Local Currency Bank is also a Japan Local Currency Bank, the sum of its Local Currency Commitment and its Japan Local Currency Commitment) at any time exceed such Bank's Commitment. No Same Day Local Currency Advance shall be made in an Agreed Currency other than Pounds Sterling or Euro without the prior written approval of all of the Local Currency Banks and the Local Currency Agent.

(b) No Local Currency Advance may be made if the Dollar Amount of (i) outstanding Local Currency Advances would exceed the Total Local Currency Commitment, (ii) any Local Currency Bank's Local Currency Advances would exceed its Local Currency Commitment, (iii) the outstanding Advances would exceed the Total Commitment, (iv) the Revolving Credit Obligations would exceed the Total Revolving Credit Commitment, (v) any Bank's Revolving Credit Advances, Local Currency Advances and Japan Local Currency Advances would exceed such Bank's Commitment, (vi) all Revolving Credit Advances to CFSC plus the Dollar Amount of all Local Currency Advances and Japan Local Currency Advances would exceed CFSC's Allocation at such time, (vii) any Bank's Revolving Credit Advances to CFSC plus such Bank's Local Currency Advances and Japan Local Currency Advances at such time would exceed such Bank's Allocated Commitment for CFSC at such time, or (viii) the outstanding Same Day Local Currency Advances would exceed the Dollar Amount of the Same Day Local Currency Subfacility.

(c) CIF and the Local Currency Agent shall furnish to the Agent, promptly following the making, payment or prepayment of each Local Currency Advance, and at any other time at the reasonable request of the Agent, a statement setting forth the outstanding Local Currency Advances made under the Local Currency Addendum, which statement shall also indicate the amount of the Local Currency Advances that are Same Day Local Currency Advances.

(d) CIF and the Local Currency Agent shall furnish to the Agent copies of any amendment, supplement or other modification to the terms of any Local Currency Addendum promptly after the effectiveness thereof.

(e) CFSC and CIF may terminate the Local Currency Addendum in their sole discretion if there are not any Advances outstanding thereunder, by written notice to the Agent, the Local Currency Agent and the Local Currency Banks, which notice shall be executed by CFSC, CIF and, if such consent is required, each Local Currency Bank.

SECTION 2.03B. Making the Local Currency Advances. (a) Each Local Currency Borrowing shall be made on a Business Day upon notice given by CIF to the Agent and the Local Currency Agent, such notice to be given at the time specified in the Local Currency Addendum. Each Local Currency Borrowing shall be in an aggregate Dollar Amount not less than \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof and shall consist of Local Currency Advances of the same Local Currency made on the same day to CIF by the Local Currency Banks ratably according to their respective Local Currency Commitments. The Agent (or in the case of a Same Day Local Currency Advance, the Local Currency Agent) shall give each Local Currency Bank prompt notice thereof by facsimile or electronic mail. Each such notice of a Local Currency Borrowing (a "Notice of Local Currency Borrowing") shall be by facsimile or electronic mail, confirmed immediately in writing, in substantially the form of Exhibit B-2 hereto, specifying therein the requested (i) date of such Borrowing, (ii) Local Currency of such Borrowing, (iii) Interest Period for such Borrowing (where applicable) and (iv) aggregate amount of such Borrowing.

(b) Subject to any alternative procedures set forth in the Local Currency Addendum, each Local Currency Bank, for the account of its Applicable Lending Office, shall make such Local Currency Bank's ratable portion of such Local Currency Borrowing on the

proposed date thereof by wire transfer of immediately available funds to the Agent (or in the case of a Same Day Local Currency Advance, the Local Currency Agent) by the time specified in the Local Currency Addendum or Notice of Local Currency Borrowing, and the Agent (or in the case of a Same Day Local Currency Advance, the Local Currency Agent) shall make such funds available to CIF at the applicable Payment Office.

(c) Each Notice of Local Currency Borrowing shall be irrevocable and binding on CFSC and CIF. CFSC and CIF, jointly and severally, shall indemnify each Local Currency Bank against any loss, cost or expense reasonably incurred by such Local Currency Bank as a result of any failure to fulfill on or before the date specified in such Notice of Local Currency Borrowing for such Local Currency Borrowing the applicable conditions set forth in Article III, including, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Local Currency Bank to fund the Local Currency Advance to be made by such Local Currency Bank as part of such Local Currency Borrowing when such Local Currency Advance, as a result of such failure, is not made on such date.

(d) Unless the Agent (or, in the case of a Same Day Local Currency Advance, the Local Currency Agent) shall have received notice from a Local Currency Bank prior to the time of any Local Currency Borrowing that such Local Currency Bank will not make available to the Agent or the Local Currency Agent, as applicable, such Local Currency Bank's ratable portion of such Local Currency Borrowing, the Agent or the Local Currency Agent, as applicable, may assume that such Local Currency Bank has made such portion available to it on the date of such Local Currency Borrowing in accordance with subsection (b) of this Section 2.03B and it may, in reliance upon such assumption, make (but shall not be required to make) available to CIF on such date a corresponding amount. If and to the extent that such Local Currency Bank shall not have so made such ratable portion available to the Agent (or, in the case of a Same Day Local Currency Advance, the Local Currency Agent), such Local Currency Bank and CIF severally agree to repay to the Agent (or, in the case of a Same Day Local Currency Advance, the Local Currency Agent) forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to CIF until the date such amount is repaid to the Agent (or, in the case of a Same Day Local Currency Advance, the Local Currency Agent) at (i) in the case of CIF, the interest rate applicable at the time to Local Currency Advances comprising such Local Currency Borrowing and (ii) in the case of such Local Currency Bank, the Federal Funds Rate or the Agent's (or, in the case of a Same Day Local Currency Advance, the Local Currency Agent's) overdraft cost, if higher. If such Local Currency Bank shall repay to the Agent (or, in the case of a Same Day Local Currency Advance, the Local Currency Agent) such corresponding amount, such amount so repaid shall constitute such Local Currency Bank's Local Currency Advance as part of such Local Currency Borrowing for purposes of this Agreement.

(e) The failure of any Local Currency Bank to make the Local Currency Advance to be made by it as part of any Local Currency Borrowing shall not relieve any other Local Currency Bank of its obligation hereunder to make its Local Currency Advance on the date of such Local Currency Borrowing, but no Local Currency Bank shall be responsible for the

failure of any other Local Currency Bank to make the Local Currency Advance to be made by such other Local Currency Bank on the date of any Local Currency Borrowing.

SECTION 2.03C. Terms of Japan Local Currency Facility.

(a) The Japan Local Currency Addendum sets forth (i) the maximum amount (expressed in Dollar Amount) available to be borrowed from all Japan Local Currency Banks under the Japan Local Currency Addendum (the “Total Japan Local Currency Commitment”), which shall not exceed \$75,000,000 and (ii) with respect to each Japan Local Currency Bank, the maximum amount (expressed in Dollar Amount) available to be borrowed from such Japan Local Currency Bank thereunder (such Bank’s “Japan Local Currency Commitment”). In no event shall a Japan Local Currency Bank’s Japan Local Currency Commitment (or, if such Japan Local Currency Bank is also a Local Currency Bank, the sum of its Japan Local Currency Commitment and its Local Currency Commitment) at any time exceed such Bank’s Commitment.

(b) No Japan Local Currency Advance may be made if the Dollar Amount of (i) outstanding Japan Local Currency Advances would exceed the Total Japan Local Currency Commitment, (ii) any Japan Local Currency Bank’s Japan Local Currency Advances would exceed its Japan Local Currency Commitment, (iii) the outstanding Advances would exceed the Total Commitment, (iv) the Revolving Credit Obligations would exceed the Total Revolving Credit Commitment, (v) any Bank’s Revolving Credit Advances, Local Currency Advances and Japan Local Currency Advances would exceed such Bank’s Commitment, (vi) all Revolving Credit Advances to CFSC plus the Dollar Amount of all Local Currency Advances and Japan Local Currency Advances would exceed CFSC’s Allocation at such time, or (vii) any Bank’s Revolving Credit Advances to CFSC plus such Bank’s Local Currency Advances and Japan Local Currency Advances at such time would exceed such Bank’s Allocated Commitment for CFSC at such time.

(c) CFKK and the Japan Local Currency Agent shall furnish to the Agent, promptly following the making, payment or prepayment of each Japan Local Currency Advance, and at any other time at the reasonable request of the Agent, a statement setting forth the outstanding Japan Local Currency Advances made under the Japan Local Currency Addendum.

(d) CFKK and the Japan Local Currency Agent shall furnish to the Agent copies of any amendment, supplement or other modification to the terms of the Japan Local Currency Addendum promptly after the effectiveness thereof.

(e) CFSC and CFKK may terminate the Japan Local Currency Addendum in their sole discretion if there are not any Advances outstanding thereunder, by written notice to the Agent, the Japan Local Currency Agent and the Japan Local Currency Banks, which notice shall be executed by CFSC, CFKK and, if such consent is required, each Japan Local Currency Bank.

SECTION 2.03D. Making the Japan Local Currency Advances. (a) Each Japan Local Currency Borrowing shall be made on a Business Day upon notice given by CFKK to the Japan Local Currency Agent, with a copy to the Agent, such notice to be given at the time specified in the Japan Local Currency Addendum. Each Japan Local Currency Borrowing shall be in an aggregate Dollar Amount not less than \$10,000,000 or an integral multiple of

\$1,000,000 in excess thereof and shall consist of Japan Local Currency Advances of the same Type made on the same day to CFKK by the Japan Local Currency Banks ratably according to their respective Japan Local Currency Commitments. The Japan Local Currency Agent shall give each Japan Local Currency Bank prompt notice thereof by facsimile or electronic mail. Each such notice of a Japan Local Currency Borrowing (a “Notice of Japan Local Currency Borrowing”) shall be by facsimile or electronic mail, confirmed immediately in writing, in substantially the form of Exhibit B-3 hereto, specifying therein the requested (i) date of such Borrowing, (ii) Type of Japan Local Currency Advances comprising such Japan Local Currency Borrowing, (iii) Interest Period for such Borrowing and (iv) aggregate amount of such Borrowing.

(b) Subject to any alternative procedures set forth in the Japan Local Currency Addendum, each Japan Local Currency Bank, for the account of its Applicable Lending Office, shall make such Japan Local Currency Bank’s ratable portion of such Japan Local Currency Borrowing on the proposed date thereof by wire transfer of immediately available funds to the Japan Local Currency Agent by the time specified in the Japan Local Currency Addendum or Notice of Japan Local Currency Borrowing, and the Japan Local Currency Agent shall make such funds available to CFKK at the applicable Payment Office.

(c) Each Notice of Japan Local Currency Borrowing shall be irrevocable and binding on CFSC and CFKK. CFSC and CFKK, jointly and severally, shall indemnify each Japan Local Currency Bank against any loss, cost or expense reasonably incurred by such Japan Local Currency Bank as a result of any failure to fulfill on or before the date specified in such Notice of Japan Local Currency Borrowing for such Japan Local Currency Borrowing the applicable conditions set forth in Article III, including, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Japan Local Currency Bank to fund the Japan Local Currency Advance to be made by such Japan Local Currency Bank as part of such Japan Local Currency Borrowing when such Japan Local Currency Advance, as a result of such failure, is not made on such date.

(d) Unless the Japan Local Currency Agent shall have received notice from a Japan Local Currency Bank prior to the date of any Japan Local Currency Borrowing that such Japan Local Currency Bank will not make available to the Japan Local Currency Agent such Japan Local Currency Bank’s ratable portion of such Japan Local Currency Borrowing, the Japan Local Currency Agent may assume that such Japan Local Currency Bank has made such portion available to it on the date of such Japan Local Currency Borrowing in accordance with subsection (b) of this Section 2.03D and it may, in reliance upon such assumption, make (but shall not be required to make) available to CFKK on such date a corresponding amount. If and to the extent that such Japan Local Currency Bank shall not have so made such ratable portion available to the Japan Local Currency Agent, such Japan Local Currency Bank and CFKK severally agree to repay to the Japan Local Currency Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to CFKK until the date such amount is repaid to the Japan Local Currency Agent at (i) in the case of CFKK, the interest rate applicable at the time to Japan Local Currency Advances comprising such Japan Local Currency Borrowing and (ii) in the case of such Japan Local Currency Bank, the Federal Funds Rate or the Japan Local Currency Agent’s overdraft cost, if higher. If such Japan Local Currency Bank shall repay to the Japan Local Currency Agent such corresponding amount, such amount so repaid shall constitute such Japan Local

Currency Bank's Japan Local Currency Advance as part of such Japan Local Currency Borrowing for purposes of this Agreement.

(e) The failure of any Japan Local Currency Bank to make the Japan Local Currency Advance to be made by it as part of any Japan Local Currency Borrowing shall not relieve any other Japan Local Currency Bank of its obligation hereunder to make its Japan Local Currency Advance on the date of such Japan Local Currency Borrowing, but no Japan Local Currency Bank shall be responsible for the failure of any other Japan Local Currency Bank to make the Japan Local Currency Advance to be made by such other Japan Local Currency Bank on the date of any Japan Local Currency Borrowing.

SECTION II.04. Fees. (a) Each of Caterpillar and CFSC shall pay to the Agent, for the account of each Bank, a fee (each a "Commitment Fee" and collectively, the "Commitment Fees") calculated on a daily basis by multiplying the Commitment Fee Rate in effect on each day by the amount of such Bank's unused Allocated Commitment for such Borrower as in effect on such day. The Commitment Fee shall be payable quarterly in arrears, commencing on January 2, 2020, for the period commencing on the Closing Date and ending on December 31, 2019, inclusive, on the first Business Day of each calendar quarter thereafter for the period of the immediately preceding calendar quarter, and on the Facility Termination Date for the period since the last payment of Commitment Fees. The "Commitment Fee Rate," as of any date of determination, shall at all times be determined in accordance with the table set forth on Schedule II hereto, such rate to change for any Borrower when and as any Credit Rating of such Borrower changes (and subject to the split rating rules set forth in the definition of Applicable Margin). The Commitment Fees allocable to each of Caterpillar and CFSC shall be the several obligation of each.

(b) The Borrowers shall pay (i) to the Agent, solely for its own account, the fees specified in the Administrative Agent Fee Letter, dated July 20, 2021, among the Borrowers, Citibank and the Agent, (ii) to the Agent, for the ratable account of each Bank, or to certain of the Arrangers, for their own separate accounts, as applicable, the fees specified in the Joint Fee Letter, in each case on the dates specified therein, and (iii) to the Agent, for the benefit of certain of the Arrangers, for their own separate accounts, as applicable, the fees specified in the Passive JLA Fee Letter, dated September 2, 2021, in each case on the date specified therein. No Person other than the Agent, Citibank, Bank of America, JPMorgan and the Arrangers, as applicable, shall have any interest in such fees.

SECTION II.05. Reduction of the Commitments; Bank Additions. (a) Subject to Section 2.17(c), the Borrowers shall have the right, upon at least three (3) Business Days' notice to the Agent, to terminate in whole or reduce ratably in part the unused portions of the respective Commitments and Allocated Commitments of the Banks; provided that the aggregate amount of the Allocated Commitments of the Banks to (i) Caterpillar shall not be reduced to an amount which is less than the aggregate principal Dollar Amount of the Advances to Caterpillar then outstanding and (ii) CFSC shall not be reduced to an amount which is less than the sum of the aggregate principal Dollar Amount of the Advances to CFSC and the Local Currency Advances and Japan Local Currency Advances then outstanding, and provided, further, that each partial reduction shall be in the aggregate amount of \$5,000,000 or an integral multiple thereof. Any such reduction of each Bank's Commitment will be an automatic reduction of such Bank's Revolving Credit Commitment in an identical amount.

(b) Notwithstanding the foregoing, upon the acquisition of one Bank by another Bank, or the merger, consolidation or other combination of any two or more Banks (any such acquisition, merger, consolidation or other combination being referred to hereinafter as a “Combination” and each Bank which is a party to such Combination being hereinafter referred to as a “Combined Bank”), the Borrowers may notify the Agent that they desire to reduce the Commitment of the Bank surviving such Combination (the “Surviving Bank”) to an amount equal to the Commitment of that Combined Bank which had the largest Commitment of each of the Combined Banks party to such Combination (such largest Commitment being the “Surviving Commitment” and the Commitments of the other Combined Banks being hereinafter referred to, collectively, as the “Retired Commitments”). If the Majority Banks (determined as set forth below) and the Agent agree to such reduction in the Surviving Bank’s Commitment, then (i) the aggregate amount of the Commitments shall be reduced by the Retired Commitments effective upon the effective date of the Combination, provided, that, on or before such date the Borrowers have paid in full the outstanding principal amount of the Advances of each of the Combined Banks other than the Combined Bank whose Commitment is the Surviving Commitment, (ii) from and after the effective date of such reduction, the Surviving Bank shall have no obligation with respect to the Retired Commitments, and (iii) the Borrowers shall notify the Agent whether they wish such reduction to be a permanent reduction or a temporary reduction. If such reduction is to be a temporary reduction, then the Borrowers shall be responsible for finding one or more financial institutions (each, a “Replacement Bank”), acceptable to the Agent (such acceptance not to be unreasonably withheld or delayed), willing to assume the obligations of a Bank hereunder with aggregate Commitments up to the amount of the Retired Commitments. The Agent may require the Replacement Banks to execute such documents, instruments or agreements as the Agent deems necessary or desirable to evidence such Replacement Banks’ agreement to become parties hereunder. For purposes of this Section 2.05(b), Majority Banks shall be determined as if the reduction in the aggregate amount of the Commitments requested by the Borrowers had occurred (i.e., the Combined Banks shall be deemed to have a single Commitment equal to the Surviving Commitment and the aggregate amount of the Commitments shall be deemed to have been reduced by the Retired Commitments).

(c) The Borrowers shall have the right prior to the Revolving Credit Termination Date, upon at least five (5) Business Days’ notice to the Agent, to add one or more bank or banks as new Banks hereunder, or to increase the Commitment of any existing Bank with such existing Bank’s prior written consent, pursuant to the terms hereof (any such addition of a new Bank or increase in the Commitment of an existing Bank upon the request of the Borrowers pursuant to this Section 2.05(c) being referred to as a “Bank Addition”); provided that (i) such proposed Bank, in the case of a bank not already a Bank hereunder, is acceptable to the Agent (the acceptance of the Agent not to be unreasonably withheld or delayed); (ii) after giving effect to the proposed Bank Addition, no Bank’s Commitment would exceed 20% of the Total Commitment; and (iii) after giving effect to the proposed Bank Addition, the Total Commitment would not exceed 130% of the Total Commitment on (A) the Amendment No. 1 Effective Date, if such Bank Addition is to occur prior to any Extension Request having been made pursuant to Section 2.16(a) and (B) the date of the most recent Extension Request, if such Bank Addition is to occur after any Extension Request has been made. Each notice of a proposed Bank Addition (a “Notice of Bank Addition”) shall be by facsimile or electronic mail, confirmed immediately in writing, in substantially the form of Exhibit B-5 hereto, specifying therein (i) the name and address of the proposed Added Bank, (ii) the date on which the Borrowers wish such Bank Addition to become effective, and (iii) the amount of the Commitment such Added Bank would

have hereunder after giving effect to such Bank Addition. If the conditions set forth in the proviso contained in the first sentence of this Section 2.05(c) have been satisfied, the Agent shall forward to such Added Bank and the Borrowers for execution by such Added Bank and the Borrowers an Assumption and Acceptance. The Added Bank shall, upon such execution, return the executed Assumption and Acceptance to the Agent, for the Agent's acceptance thereof, together with a processing and recordation fee of \$3,500.

Upon such execution, delivery and acceptance, from and after the effective date specified in each Assumption and Acceptance, the Added Bank shall, in addition to the rights and obligations hereunder held by it immediately prior to such effective date (if any), have the rights and obligations hereunder that have been assumed by it pursuant to such Assumption and Acceptance and, in the case of a bank not previously a Bank hereunder, shall become a Bank hereunder.

By executing and delivering an Assumption and Acceptance, each Added Bank confirms to and agrees with each party hereto as follows: (i) neither the Agent nor any Bank makes any representation or warranty, nor assumes any responsibility with respect to, any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and (ii) neither the Agent nor any Bank makes any representation or warranty, nor assumes any responsibility with respect to, the financial condition of any Borrower or the performance or observance by any Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto.

The Agent shall maintain at its address referred to in Section 8.02 a copy of each Assumption and Acceptance delivered to and accepted by it. Such copies shall be available for inspection by the Borrowers or any Bank at any reasonable time and from time to time upon reasonable prior notice.

Upon its receipt of an Assumption and Acceptance executed by an Added Bank and the Borrowers, the Agent shall, if such Assumption and Acceptance has been completed and is in substantially the form of Exhibit C-2 hereto, (i) accept such Assumption and Acceptance, and (ii) give prompt notice thereof to the Borrowers. Within five (5) Business Days after receipt of such notice, if requested by an Added Bank, each Borrower, at its own expense, shall execute and deliver to the Agent a new Note or Notes to the order of such Added Bank. Such new Note or Notes shall be dated the effective date of such Assumption and Acceptance and shall otherwise be in substantially the form of Exhibit A hereto.

(d) If there are any Revolving Credit Advances outstanding on the effective date of any Assumption and Acceptance, the Added Bank shall purchase from the other Banks such participations in such Revolving Credit Advances as shall be necessary to cause such Added Bank to share ratably (based on the proportion that such Added Bank's Revolving Credit Commitment bears to the Total Revolving Credit Commitment after giving effect to the Bank Addition) in each such Revolving Credit Advance. To purchase such participations, the Added Bank shall before 12:00 noon (New York City time) on the effective date of its Assumption and Acceptance, make available for the account of its Applicable Lending Office to the Agent at its address referred to in Section 8.02, in the applicable Agreed Currency and in same day funds,

such Added Bank's ratable portion (based on the proportion that such Added Bank's Revolving Credit Commitment (or the increase in such Added Bank's Revolving Credit Commitment, in the case of an Added Bank which is an existing Bank hereunder) bears to the Total Revolving Credit Commitment after giving effect to the Bank Addition) of each Revolving Credit Borrowing then outstanding, together with an amount equal to such ratable portion of the interest which has accrued to such date and remains unpaid on such Revolving Credit Borrowing. After the Agent's receipt of such funds, the Agent will promptly make such same day funds available to the account of each Bank in an amount to such Bank's ratable portion of such payment by the Added Bank. In addition, if such Added Bank acquires a Local Currency Commitment or a Japan Local Currency Commitment, automatically upon and simultaneously with becoming an Added Bank, such Added Bank shall have acquired a ratable risk participation in all then outstanding Local Currency Advances or Japan Local Currency Advances, as applicable, with such ratable risk participation based on such Added Bank's Local Currency Commitment or Japan Local Currency Commitment as a fraction of the aggregate of all Local Currency Commitments or Japan Local Currency Commitments, as applicable.

SECTION II.06. Repayment of Advances. Each Borrower shall repay the principal amount (or the portion thereof remaining after giving effect to any earlier partial prepayments thereof) of each Advance made to such Borrower by each Bank on the last day of the Interest Period for such Advance. RFR Advances shall be repaid on the RFR Interest Payment Date therefor.

SECTION II.07. Interest on Advances. Each Borrower shall pay interest on the unpaid principal amount of each Advance made to such Borrower by each Bank from the date of such Advance until such principal amount shall be paid in full, at the following rates per annum:

(a) Base Rate Advances. If such Advance is a Base Rate Advance, a rate per annum equal at all times during the Interest Period for such Advance to the sum of the Base Rate in effect from time to time plus the Applicable Margin in effect from time to time, payable on the last day of such Interest Period (or, with respect to any portion thereof that shall be prepaid pursuant to Section 2.09 or otherwise in accordance with the terms of this Agreement, on the date of such prepayment); or if such Advance is a Japan Base Rate Advance, a rate per annum equal at all times during the Interest Period for such Advance to the sum of the Japan Base Rate in effect from time to time plus the Applicable Margin in effect from time to time, payable on the last day of such Interest Period (or with respect to any portion thereof that shall be prepaid pursuant to Section 2.09 or otherwise in accordance with the terms of this Agreement or the Japan Local Currency Addendum, on the date of such prepayment).

(b) Eurocurrency Rate Advances. If such Advance is a Eurocurrency Rate Advance, a rate per annum equal at all times during the Interest Period for such Advance to the sum of the Eurocurrency Rate for such Interest Period plus the Applicable Margin in effect from time to time, payable on the last day of such Interest Period (or, with respect to any portion thereof that shall be prepaid pursuant to Section 2.09 or otherwise in accordance with the terms of this Agreement, on the date of such prepayment) and, if such Interest Period has a duration of more than three months, on the day which occurs during such Interest Period three months from the first day of such Interest Period.

(c) RFR Advances. If such Advance is an RFR Advance, a rate per annum equal at all times while such Advance is outstanding to the sum of the Daily Simple RFR in effect from time to time for such RFR Advance plus the Applicable Margin in effect from time to time, payable on each RFR Interest Payment Date while such RFR Advance is outstanding (or, with respect to any portion thereof that shall be prepaid pursuant to Section 2.09 or otherwise in accordance with the terms of this Agreement, on the date of such prepayment).

(d) Post-Default Interest. Upon the occurrence, and during the continuance, of any Event of Default, the unpaid principal amount of each Advance shall bear interest at a rate per annum equal at all times to 2% per annum above the rate per annum otherwise required to be paid on such Advance in accordance with subsection (a), (b) or (c) above; provided that any amount of principal which is not paid when due (whether at stated maturity, by acceleration or otherwise) shall bear interest, from the date on which such amount is due until such amount is paid in full, payable on demand, at a rate per annum equal at all times to the greater of (x) 2% per annum above the Base Rate in effect from time to time and (y) 2% per annum above the rate per annum required to be paid on such Advance immediately prior to the date on which such amount became due.

SECTION II.08. Interest Rate Determination. The Agent shall give prompt notice to the Borrowers and the Banks (or the Local Currency Banks or Japan Local Currency Banks, as applicable) of the applicable interest rate determined by the Agent for purposes of Section 2.07(a) or (b) (or by each Japan Local Currency Bank for the purpose of determining the applicable interest rate under Section 2.07(c), if applicable).

SECTION II.09. Prepayments of Advances. (a) Any Borrower may, upon at least three (3) Business Days' prior notice to the Agent, stating (i) the proposed date and aggregate principal amount of the prepayment and (ii) the Advances (which shall be part of the same Borrowing) to which such prepayment is to be applied, and if such notice is given such Borrower shall, prepay the outstanding principal amounts of the Advances comprising part of the same Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that (x) each partial prepayment shall be in an aggregate principal Dollar Amount of not less than \$10,000,000 and in an integral Dollar Amount multiple of \$1,000,000 in excess thereof and (y) in the case of any such prepayment of a Eurocurrency Rate Advance or an RFR Advance, such Borrower shall be obligated to reimburse the applicable Banks in respect thereof pursuant to Section 8.04(b).

(b) If on any date that the Dollar Amount of (i) Eurocurrency Rate Advances or RFR Advances outstanding in an Agreed Currency, (ii) Local Currency Advances or (iii) Japan Local Currency Advances, is determined pursuant to Section 2.15 (each such date, a "Computation Date"), it is determined that as a result of currency fluctuations with respect to the Advances to which such Computation Date applies, the aggregate Dollar Amount of (x) all outstanding Advances exceeds the Total Commitment, or (y) all outstanding Revolving Credit Obligations exceeds the Total Revolving Credit Commitment, the Borrowers shall on such date prepay (without premium or penalty other than any payment required pursuant to Section 8.04(b)) an aggregate principal amount of Revolving Credit Advances ratably to the Banks in an amount equal to or, at the option of the Borrowers, greater than such excess, with accrued interest to the date of such prepayment on the principal amount prepaid. For purposes of the determination referred to in the previous sentence, if a Disqualifying Event of the type described

in clause (ii) of the definition of “Eligible Currency” exists, then such determination shall be made in consultation with Bank of America and JPMorgan using any method they deem reasonably appropriate, and such determination shall be conclusive. The Borrowers may determine which Borrowing such prepayment shall be allocated to, and any such prepayment of Eurocurrency Rate Advances or RFR Advances shall be subject to the provisions of Section 8.04(b).

SECTION II.10. Increased Costs; Capital Adequacy; Illegality. (a) If, due to either (i) the introduction of or any change (other than any change by way of imposition or increase of reserve requirements, in the case of Eurocurrency Rate Advances, to the extent already included in the Eurocurrency Rate Reserve Percentage) in or in the interpretation of any law or regulation or (ii) the compliance with any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law), there shall be any increase in the cost to any Bank of agreeing to make or making, funding or maintaining Eurocurrency Rate Advances or RFR Advances, then the applicable Borrower shall from time to time, upon written demand by such Bank (with a copy of such demand to the Agent), pay to the Agent for the account of such Bank additional amounts sufficient to compensate such Bank for such increased cost; provided, that (x) such Bank shall have certified in writing to the applicable Borrower that it is generally seeking, or intends to generally seek, comparable compensation from similarly situated borrowers under similar credit facilities (to the extent such Bank has the right under such similar credit facilities to do so) with respect to such change regarding such increased cost and (y) such additional amounts shall not be duplicative of any amounts to the extent otherwise paid by the applicable Borrower under any other provision of this Agreement (including, without limitation, any reserve requirements included in determining the Eurocurrency Rate). A certificate describing in reasonable detail the amount of such increased cost, submitted to the Borrowers and the Agent by such Bank, shall create a rebuttable presumption of such increased cost. If any such increase in cost is attributable to specific Advances made to a particular Borrower, compensation for such increased cost shall be paid by such Borrower (or if such Borrower is CIF or CFKK, by CFSC). In all other cases, compensation for such increased cost shall be paid by Caterpillar.

(b) If any Bank determines that compliance with any law or regulation or any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law) affects or would affect the amount of capital or liquidity required or expected to be maintained by such Bank or by any Person controlling such Bank and that the amount of such capital or liquidity requirement is increased by or based upon the existence of such Bank’s Advances or commitment to lend hereunder, then, upon written demand by such Bank (with a copy of such demand to the Agent), the applicable Borrower shall immediately pay to the Agent for the account of such Bank, from time to time as specified by such Bank, additional amounts sufficient to compensate such Bank (or, if applicable, such Person controlling such Bank) in the light of such circumstances, to the extent that such Bank reasonably determines such increase in capital or liquidity requirement to be allocable to the existence of such Bank’s commitment to lend hereunder; provided, that (x) such Bank shall have certified in writing to the applicable Borrower that it is generally seeking, or intends to generally seek, comparable compensation from similarly situated borrowers under similar credit facilities (to the extent such Bank has the right under such similar credit facilities to do so) with respect to such change regarding such increased cost and (y) such additional amounts shall not be duplicative of any amounts to the extent otherwise paid by the applicable Borrower under any other provision

of this Agreement (including, without limitation, any reserve requirements included in determining the Eurocurrency Rate). A certificate describing in reasonable detail such amounts submitted to the applicable Borrower by such Bank shall create a rebuttable presumption of such amounts. If any such increase in capital or liquidity requirement is attributable to specific Advances made to a particular Borrower or to the Allocated Commitments to a particular Borrower or Borrowers, compensation for such increase in capital or liquidity requirement shall be paid by such Borrower (or if such Borrower is CIF or CFKK, by CFSC). In all other cases, compensation for such increased capital or liquidity requirement shall be paid by Caterpillar.

(c) If any Bank shall notify the Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or that any central bank or other Governmental Authority asserts that it is unlawful, for such Bank or its Eurocurrency Lending Office or RFR Lending Office to perform its obligations hereunder to make Local Currency Advances, RFR Advances or Eurocurrency Rate Advances or to fund or maintain Local Currency Advances, RFR Advances or Eurocurrency Rate Advances hereunder, (i) all Local Currency Advances, RFR Advances and Eurocurrency Rate Advances of such Bank to any Borrower then outstanding shall be Redenominated into Dollars and begin bearing interest at the Base Rate (or in the case of RFR Advances denominated in Japanese Yen, be maintained in Japanese Yen but begin bearing interest at the Japan Base Rate) for the Interest Period selected by such Borrower in accordance with the procedures of Section 2.02(a), notwithstanding any prior election by such Borrower to the contrary, either (x) one Business Day after such notice, or (y) if such Bank may lawfully continue to maintain and fund such Advances at the applicable Eurocurrency Rate to a later day during such Interest Period, on such later day (in which case such Borrower shall in addition reimburse such Bank for any resulting losses as provided in Section 8.04(b)) and (ii) the obligation of such Bank to make Local Currency Advances, RFR Advances or Eurocurrency Rate Advances, as applicable, shall be suspended until such Bank shall notify the Agent that the circumstances causing such suspension no longer exist, and until such notification has been given (i) in the case of Local Currency Advances, RFR Advances or Eurocurrency Rate Advances, such Bank shall fund its Local Currency Advance made in connection with each Local Currency Borrowing and Revolving Credit Advance made in connection with each Revolving Credit Borrowing comprised of Eurocurrency Rate Advances or RFR Advances as a Base Rate Advance, and (ii) in the case of a Japan Local Currency Advance, the Japan Local Currency Banks shall fund each Japan Local Currency Borrowing with Japan Base Rate Advances.

(d) If the Majority Banks (or the Majority Local Currency Banks, as applicable) shall, at least one (1) Business Day before the requested date of, or the proposed Conversion Redenomination or continuation of the Advances comprising all or part of, any requested Revolving Credit Borrowing or Local Currency Borrowing (or on the date of such Local Currency Borrowing, in the case of a Same Day Local Currency Borrowing), notify the Agent that the Eurocurrency Rate for Eurocurrency Rate Advances or Daily Simple RFR for the RFR Advances comprising such Borrowing will not adequately reflect the cost to such Majority Banks (or such Majority Local Currency Banks, as applicable) of making or funding their respective Eurocurrency Rate Advances or RFR Advances for such Revolving Credit Borrowing or Local Currency Borrowing, the Agent shall so notify the Borrowers, and (1) each such outstanding Eurocurrency Rate Advance will automatically, on the last day of the then existing Interest Period therefor, Convert into (or if such Advance is then a Base Rate Advance, shall continue as), and with respect to a requested Advance as part of a requested Borrowing, such

Advance shall be, a Base Rate Advance, (2) each such outstanding RFR Advance will automatically, on the day such notice is delivered, Convert into, and with respect to a requested Advance as part of a requested Borrowing, such Advance shall be, a Base Rate Advance, and (3) the right of the requesting Borrower to select the Eurocurrency Rate or RFR for such Borrowing, and the right of any Borrower to Convert Advances into, or continue Advances as, Eurocurrency Rate Advances or RFR Advances, or to select the Eurocurrency Rate or RFR for any subsequent Borrowing, shall be suspended until the Agent shall notify the Borrowers and the Banks that the circumstances causing such suspension no longer exist, and each Advance comprising such Borrowing shall be a Base Rate Advance.

(e) If the Majority Japan Local Currency Banks shall, at least one (1) Business Day before the requested date of, or the proposed Conversion or continuation of the Advances comprising all or part of any requested Japan Local Currency Borrowing (or on the date of such Borrowing if it is being requested on a same-day basis), notify the Japan Local Currency Agent that TONAR for TONAR Advances comprising such Borrowing will not adequately reflect the cost to such Majority Japan Local Currency Banks of making or funding their respective TONAR Advances for such Japan Local Currency Borrowing, the Japan Local Currency Agent shall so notify CFKK and (1) each such outstanding TONAR Advance will automatically, on the day such notice is delivered, Convert (or if such Advance is then a Japan Base Rate Advance, shall continue as), and with respect to a requested Japan Local Currency Advance as part of a requested Borrowing, such Japan Local Currency Advance shall be a Japan Base Rate Advance, and (2) the right of CFKK to select TONAR for such Borrowing, and the right of CFKK to Convert Advances into, or continue Advances as, TONAR Advances, or select TONAR for any subsequent Borrowing, shall be suspended until the Japan Local Currency Agent shall notify the Borrowers and the Japan Local Currency Banks that the circumstances causing such suspension no longer exist, and each Advance comprising such Borrowing shall be a Japan Base Rate Advance.

(f) In the event that a Bank (an “Affected Bank”) either demands payment from any Borrower at any time pursuant to subsection (a) or (b) of this Section 2.10 or fails to consent to any extension of the Current Termination Date requested by the Borrowers under Section 2.16, then from such time and for so long thereafter as such Bank remains an Affected Bank, the Borrowers may either (1) terminate such Affected Bank’s Commitment hereunder or (2) replace such Affected Bank with another bank or banks acceptable to the Agent (the consent of the Agent not to be unreasonably withheld or delayed); provided that (i) no Event of Default has occurred and is continuing at such time, (ii) in the case of clause (2), the Affected Bank and the replacement bank(s) execute and deliver to the Agent an Assignment and Acceptance and such other documents, agreements and instruments as the Agent may reasonably require in order to effectuate the assumption by such replacement bank(s) of the Affected Bank’s obligations hereunder, and (iii) the Affected Bank has been paid all amounts due to it hereunder. In no event shall the replacement of an Affected Bank impair or otherwise affect the obligation of the applicable Borrower or Borrowers to make the payments demanded by such Affected Bank pursuant to this Section 2.10 and, if applicable, Section 8.04(b).

(g) Notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives relating to capital adequacy or liquidity promulgated by the Bank for International Settlements,

the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a change in law and be eligible for redress pursuant to clause (a), (b) and (c), as applicable, of this Section 2.10, regardless of the date enacted, adopted or issued.

SECTION II.11. Payments and Computations.

(a) The Borrowers shall make each payment hereunder and under the Notes (except with respect to principal of, interest on, and other amounts relating to Local Currency Advances, Japan Local Currency Advances or Advances denominated in an Agreed Currency other than Dollars), without set-off, deduction, or counterclaim, not later than 11:00 A.M. (New York City time) on the day when due in Dollars to the Agent in same day funds by deposit of such funds to the Agent's account maintained at the Payment Office for Dollars in New York City. The Borrowers shall make each payment hereunder and under the Notes with respect to principal of, interest on, and other amounts relating to Advances (other than Local Currency Advances or Japan Local Currency Advances) denominated in an Agreed Currency other than Dollars, without set-off, deduction, or counterclaim, not later than 11:00 A.M. (London time) on the day when due in such Agreed Currency to the Agent in same day funds by deposit of such funds to the Agent's account maintained at the Payment Office for such Agreed Currency. CIF shall make each payment under the Local Currency Addendum with respect to principal of, interest on, and other amounts relating to Local Currency Advances without set-off, deduction, or counterclaim, not later than 11:00 a.m. (London time) on the day when due in the applicable Local Currency to the Agent (or in the case of a Same Day Local Currency Advance, the Local Currency Agent) in same day funds by deposit of such funds to the Agent's or the Local Currency Agent's, as applicable, account maintained at the Payment Office for such Local Currency. CFKK shall make each payment under the Japan Local Currency Addendum with respect to principal of, interest on, and other amounts relating to Japan Local Currency Advances, without set-off, deduction, or counterclaim, not later than 11:00 a.m. (Tokyo time) on the day when due in Japanese Yen to the Japan Local Currency Agent in same day funds by deposit of such funds to the Japan Local Currency Agent's account at the Payment Office set forth in the Japan Local Currency Addendum. The Agent, the Local Currency Agent or the Japan Local Currency Agent, as applicable, will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest or fees ratably (other than amounts payable pursuant to Section 2.02(c), 2.05(d), 2.10, 2.12 or 8.04) to the applicable Banks for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Bank to such Bank for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. For the avoidance of doubt and notwithstanding the foregoing, if an event of the type described in clause (i) of the definition of "Eligible Currency" is continuing, any principal or interest in respect of any Advances made in such currency may be repaid in Dollars.

(b) All computations of interest based on the Base Rate determined pursuant to clause (a) or (b) of the definition thereof shall be made by the Agent on the basis of a year of 365 or 366 days, as the case may be; all computations of interest on Advances in Pounds Sterling and Japanese Yen shall be made on the basis of a year of 365 or 366 days, as the case may be; and all computations of interest based on the Eurocurrency Rate or the Federal Funds Rate, and all computations of the Commitment Fees shall be made by the Agent on the basis of a year of 360 days, in each case for the actual number of days (including the first day but excluding the

last day) occurring in the period for which such interest or Commitment Fees are payable. Each determination by the Agent, the Local Currency Agent or the Japan Local Currency Agent, as the case may be, of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(c) Whenever any payment hereunder or under the Notes shall be stated to be due on a day other than a Business Day (including any RFR Interest Payment Date), such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or Commitment Fees, as the case may be; provided, however, if such extension would cause payment of interest on or principal of Eurocurrency Rate Advances or RFR Advances to be made in the next following calendar month, such payment shall be made on the next preceding Business Day and such contraction of time shall in such case reduce the days included in the computation of payment of interest.

(d) Unless the Agent shall have received notice from a Borrower prior to the date on which any payment is due to the Banks hereunder that such Borrower will not make such payment in full, the Agent may assume that such Borrower has made such payment in full to the Agent on such date and the Agent may, in reliance upon such assumption, cause to be distributed to each Bank on such due date an amount equal to the amount then due such Bank. If and to the extent that such Borrower shall not have so made such payment in full to the Agent, each Bank shall repay to the Agent forthwith on demand such amount distributed to such Bank together with interest thereon, for each day from the date such amount is distributed to such Bank until the date such Bank repays such amount to the Agent, at the Federal Funds Rate.

SECTION II.12. Taxes. (a) Any and all payments by any of the Borrowers hereunder, under the Local Currency Addendum, under the Japan Local Currency Addendum or under each of the Notes shall be made, in accordance with Section 2.11, free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, in the case of each Bank, the Local Currency Agent, the Japan Local Currency Agent and the Agent, (i) taxes imposed on its net income, and franchise taxes imposed on it, by the jurisdiction under the laws of which such Bank, the Local Currency Agent, the Japan Local Currency Agent or the Agent (as the case may be) is organized or any political subdivision thereof and, in the case of each Bank, taxes imposed on its income, and franchise taxes imposed on it, by the jurisdiction of such Bank's Applicable Lending Office or any political subdivision thereof and (ii) any U.S. federal withholding taxes imposed under FATCA (all such non excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If any Borrower shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder, under the Local Currency Addendum, under the Japan Local Currency Addendum or under any Note to any Bank, the Local Currency Agent, the Japan Local Currency Agent or the Agent, (i) the sum payable by such Borrower shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.12) such Bank, the Local Currency Agent, the Japan Local Currency Agent or the Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) such Borrower shall make such deductions and (iii) such Borrower shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) In addition, the Borrowers agree to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies which arise from any payment made hereunder, under the Local Currency Addendum, under the Japan Local Currency Addendum or under the Notes or from the execution, delivery or registration of, or otherwise with respect to, this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or the Notes (hereinafter referred to as “Other Taxes”). If any such Other Taxes are attributable to a specific Borrower, they shall be paid by such Borrower (or in the case of CFKK or CIF, by CFSC). In all other cases, they shall be paid by Caterpillar.

(c) Each Borrower will indemnify each Bank, the Local Currency Agent, the Japan Local Currency Agent and the Agent for the full amount of Taxes or Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.12) paid by such Bank, the Local Currency Agent, the Japan Local Currency Agent or the Agent (as the case may be) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto. This indemnification shall be made within 30 days from the date such Bank, the Local Currency Agent, the Japan Local Currency Agent or the Agent (as the case may be) makes written demand therefor.

(d) Within 30 days after the date of any payment of Taxes, the Borrower paying such Taxes will furnish to the Agent, at its address referred to in Section 8.02, a copy of a receipt evidencing payment thereof; provided, however, that such copy shall be furnished solely for the purpose of enabling the Agent to verify the payment of such Taxes by such Borrower as required above. If no Taxes are payable in respect of any payment hereunder, under the Local Currency Addendum, under the Japan Local Currency Addendum or under the Notes, the Borrowers will furnish to the Agent, at such address, a certificate from each appropriate taxing authority, or an opinion of counsel acceptable to the Agent, in either case stating that such payment is exempt from or not subject to Taxes; provided, however, that if any Bank, the Agent, the Local Currency Agent or the Japan Local Currency Agent, as a recipient of payments called for hereunder, shall be exempt from or entitled to a reduced rate of any Taxes, particularly those imposed by way of withholding, whether by virtue of the provisions of a relevant treaty or otherwise, it shall be incumbent upon such Bank, the Agent, the Local Currency Agent or the Japan Local Currency Agent to (a) so inform the Borrowers, (b) furnish to the Borrowers whatever certification or other documentation may be required by law or regulation to establish such exemption or reduced rate, and (c) cooperate with the Borrowers in any and all other respects to the extent necessary to establish such exemption or eligibility for reduced rate.

(e) Any Bank whose Advances have resulted in the imposition of Taxes shall use its best efforts (consistent with its internal policy and legal and regulatory restrictions) to take such steps as would eliminate or reduce the amount of such Taxes; provided that no such steps shall be required to be taken if, in the reasonable judgment of such Bank, such steps would be disadvantageous to such Bank.

(f) Without prejudice to the survival of any other agreement of the Borrowers hereunder, the agreements and obligations of the Borrowers contained in this Section 2.12 shall survive the payment in full of principal and interest hereunder, under the Local Currency Addendum, under the Japan Local Currency Addendum and under the Notes.

(g) For purposes of determining withholding Taxes imposed under FATCA, from and after the effective date of this Agreement, the Borrowers and the Agent shall treat (and the Banks hereby authorize the Agent to treat) the Advances as not qualifying as a "grandfathered obligation" within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i).

SECTION II.13. Sharing of Payments, Etc. If any Bank shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set off, or otherwise) on account of the Revolving Credit Advances made by it (other than pursuant to Sections 2.02(c), 2.05(d), 2.10, 2.12 or 8.04) in excess of its ratable share of payments on account of the Revolving Credit Advances obtained by all the Banks, such Bank shall forthwith notify the Agent thereof and purchase from the other Banks such participations in the Revolving Credit Advances made by them as shall be necessary to cause such purchasing Bank to share the excess payment ratably with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Bank, such purchase from each Bank shall be rescinded and such Bank shall repay to the purchasing Bank the purchase price to the extent of such recovery together with an amount equal to such Bank's ratable share (according to the proportion of (i) the amount of such Bank's required repayment to (ii) the total amount so recovered from the purchasing Bank) of any interest or other amount paid or payable by the purchasing Bank in respect of the total amount so recovered. Each Borrower agrees that any Bank so purchasing a participation from another Bank pursuant to this Section 2.13 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set off) with respect to such participation as fully as if such Bank were the direct creditor of such Borrower in the amount of such participation.

SECTION II.14. Tax Forms. Each Bank that is not a United States person (as such term is defined in Section 7701(a)(30) of the Code), other than any Local Currency Bank or Japan Local Currency Bank that is an Affiliate, branch or agency of a Bank, shall submit to the Borrowers and the Agent, on or before the Closing Date (or in the case of any Person becoming a Bank hereunder pursuant to Section 2.05(c) or Section 8.07, on or before the date of acceptance by the Agent of the applicable Assumption and Acceptance or Assignment and Acceptance), duly completed and signed copies of either Form W-8BEN or Form W-8BEN-E (relating to such Bank and entitling it to a complete exemption from withholding on all amounts to be received by such Bank at any Applicable Lending Office designated by such Bank, including fees, under this Agreement) or Form W-8 ECI (relating to all amounts to be received by such Bank at any Applicable Lending Office designated by such Bank, including fees, under this Agreement) of the United States Internal Revenue Service and Form W-8BEN or Form W-8BEN-E (relating to the foreign status exemption from United States federal income tax backup withholding), or, in any such case, such successor forms as shall be adopted from time to time by the relevant United States taxing authorities. Thereafter and from time to time, each such Bank shall, to the extent that it may lawfully do so, submit to the Borrowers and the Agent such additional duly completed and signed copies of one or the other of such forms (or such successor forms as shall be adopted from time to time by the relevant United States taxing authorities) as may be (i) requested by the Borrowers or the Agent from such Bank and (ii) required under then current United States law or regulations to determine the United States withholding taxes on payment in respect of all amounts to be received by such Bank at any Applicable Lending Office designated by such Bank, including fees, under this Agreement. Upon the request of the Borrowers or the Agent, each Bank that is a United States person (as such term is defined in Section 7701(a)(30) of the Code) shall submit to the Borrowers and the

Agent a certificate to the effect that it is such a United States person. If any Bank determines that it is unable to submit to the Borrowers and the Agent any form or certificate that such Bank is obligated to submit pursuant to this Section 2.14, or that such Bank is required to withdraw or cancel any such form or certificate previously submitted, such Bank shall promptly notify the Borrower and the Agent of such fact. In addition, if a payment made to a Bank hereunder, under the Local Currency Addendum, under the Japan Local Currency Addendum or under any of the Notes would be subject to U.S. federal withholding tax imposed by FATCA if such Bank were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Bank shall deliver to the Borrowers and the Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrowers or the Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrowers or the Agent as may be necessary for the Borrowers and the Agent to comply with their obligations under FATCA and to determine that such Bank has complied with such Bank's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 2.14, "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

SECTION II.15. Market Disruption; Denomination of Amounts in Dollars.

(a) Market Disruption. Notwithstanding the satisfaction of all conditions referred to in Article III and this Article II with respect to any Borrowing in any Agreed Currency other than Dollars, if there shall occur on or prior to the date of such Borrowing, or the continuation, Conversion or Redenomination of such Borrowing in or to an Agreed Currency other than Dollars, any change in national or international financial, political or economic conditions or currency exchange rates, exchange controls or interest rate quotation sources which would (i) in the reasonable opinion of the Borrowers, the Majority Local Currency Banks (in the case of a Local Currency Borrowing), the Agent or the Banks having at least 66-2/3% of the Available Revolving Credit Commitments, in the case of a Revolving Credit Borrowing, make it impracticable for the Eurocurrency Rate Advances or RFR Advances comprising such Borrowing to be denominated in the Agreed Currency specified by the applicable Borrower, then the Agent shall forthwith give notice thereof to such Borrower, the Local Currency Banks and the Banks, or the applicable Borrower shall give notice to the Agent, the Local Currency Banks and the Banks, as the case may be, and such Eurocurrency Rate Advances or RFR Advances shall not be denominated in such currency but shall be made on the date of such Borrowing, or continued, Converted or Redenominated, as applicable, on the date of such continuation, Conversion or Redenomination, in Dollars, in an aggregate principal amount equal to the Dollar Amount of the aggregate principal amount specified in the related Notice of Borrowing, or the Dollar Amount of the Advances being continued, Converted or Redenominated, as applicable, as Base Rate Advances, unless the applicable Borrower notifies the Agent at least one (1) Business Day before such date that (x) in the case of a requested Borrowing, it elects not to borrow on such date or (y) in the case of a requested Borrowing, continuation, Conversion or Redenomination, it elects to borrow on such date in a different Agreed Currency, or continue the applicable Advances in, or Convert or Redenominate the applicable Advances to, a different Agreed Currency, in which the denomination of such Advances would in the opinion of the Agent, the Majority Local Currency Banks (in the case of a Local Currency Borrowing) or the Banks having at least 66-2/3% of the Available Revolving Credit Commitments, in the case of a

Revolving Credit Borrowing, be practicable and in an aggregate principal amount equal to the Dollar Amount of the aggregate principal amount specified in the related Notice of Borrowing, or the Dollar Amount of the Advances being continued, Converted or Redenominated, as applicable, or (ii) in the reasonable opinion of any Bank, make it impracticable for the Eurocurrency Rate Advance or RFR Advance of such Bank comprising part of such Borrowing to be denominated in the Agreed Currency specified by the applicable Borrower, then the Agent shall forthwith give notice thereof to such Borrower, and the Eurocurrency Rate Advance or RFR Advance of such Bank as part of such Borrowing shall not be denominated in such currency but shall be made on the date of such Borrowing, or continued, Converted or Redenominated, as applicable, in Dollars, in an aggregate principal amount equal to the Dollar Amount of the aggregate principal amount of such Bank's Advance, as a Base Rate Advance, unless the applicable Borrower notifies the Agent at least one (1) Business Day before such date that (x) in the case of a requested Borrowing, it elects not to borrow on such date or (y) in the case of a requested Borrowing, continuation, Conversion or Redenomination, it elects to borrow on such date in a different Agreed Currency, or continue the applicable Advances as, or Convert or Redenominate the applicable Advances to a different Agreed Currency, in which the denomination of all such Advances as part of such Borrowing would in the opinion of the Agent, the Majority Local Currency Banks (in the case of a Local Currency Borrowing) or the Banks having at least 66-2/3% of the Available Revolving Credit Commitments, in the case of a Revolving Credit Borrowing, be practicable and in an aggregate principal amount equal to the Dollar Amount of the aggregate principal amount specified in the related Notice of Borrowing or the Dollar Amount of the Advances being continued, Converted or Redenominated, as applicable.

(b) Calculation of Amounts. Except as set forth below, all amounts referenced in this Article II shall be calculated using the Dollar Amount determined based upon the Equivalent Amount in effect as of the date of any determination thereof; provided, however, that to the extent any Borrower shall be obligated hereunder to pay in Dollars any Borrowing denominated in a currency other than Dollars, such amount shall be paid in Dollars using the Dollar Amount of the Borrowing (calculated based upon the Equivalent Amount in effect on the date of payment thereof). Notwithstanding anything herein to the contrary, the full risk of currency fluctuations shall be borne by the Borrowers and the Borrowers agree to indemnify and hold harmless each Local Currency Bank, each Japan Local Currency Bank, the Agent and the Banks from and against any loss resulting from any Borrowing denominated in a currency other than in Dollars.

(c) Benchmark Replacement Setting. On March 5, 2021 the Financial Conduct Authority ("FCA"), the regulatory supervisor of USD LIBOR's administrator ("IBA"), announced in a public statement the future cessation or loss of representativeness of overnight/ Spot Next, 1-month, 3-month, 6-month and 12- month LIBOR tenor settings. Notwithstanding anything to the contrary herein or in any other Loan Document:

(i) Replacing USD LIBOR. On the earlier of (A) the date that all Available Tenors of USD LIBOR have either permanently or indefinitely ceased to be provided by IBA or have been announced by the FCA pursuant to public statement or publication of information to be no longer representative and (B) the Early Opt-in Effective Date, if the then-current Benchmark is USD LIBOR, the Benchmark Replacement will replace such Benchmark for all purposes hereunder

and under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings without any amendment to, or further action or consent of any other party to this Agreement or any other Loan Document. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a monthly basis.

(ii) Replacing Other and Future Benchmarks. Upon (A) the occurrence of a Benchmark Transition Event, the Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any such Benchmark setting at or after 5:00 p.m. on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Banks without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Banks comprising the Majority Banks or (B) an Early Opt-in Effective Date with respect to an Other Rate Early Opt-in Election, the Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings without any amendment to, or further action or consent of any other party to this Agreement or any other Loan Document. At any time that the administrator of any then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark (including, without limitation, any RFR then in effect) or such Benchmark has been announced by the regulatory supervisor for the administrator or the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative and will not be restored (including, without limitation, any RFR then in effect), (A) with respect to amounts denominated in Dollars, the Borrowers may revoke any request for a Borrowing of, Conversion to or continuation of Advances to be made, Converted or continued that would bear interest by reference to such Benchmark until the Borrowers' receipt of notice from the Agent that a Benchmark Replacement has replaced such Benchmark, and, failing that, the Borrowers will be deemed to have Converted any such request into a request for a Borrowing of or Conversion to Base Rate Advances and (B) with respect to amounts denominated in any Agreed Currency other than Dollars, the obligation of the Banks to make or maintain Advances referencing such Benchmark in the affected Agreed Currency shall be suspended (to the extent of the affected amounts or Interest Periods (as applicable)), and any outstanding Advances in such Agreed Currency shall immediately or, in the case of a term rate at the end of the applicable Interest Period, be prepaid in full or Converted to a Base Rate Advance denominated in Dollars. During the period referenced in the foregoing sentence, if a component of the Base Rate is based upon the Benchmark, such component will not be used in any determination of the Base Rate.

(iii) Benchmark Replacement Conforming Changes. In connection with the implementation and administration of any Benchmark Replacement, the Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement

Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

(iv) Notices; Standards for Decisions and Determinations. The Agent will promptly notify the Borrowers and the Banks of (A) the implementation of any Benchmark Replacement and (B) the effectiveness of any Benchmark Replacement Conforming Changes. For the avoidance of doubt, any notice required to be delivered by the Agent as set forth in this Section titled “Benchmark Replacement Setting” may be provided, at the option of the Agent (in its sole discretion), in one or more notices and may be delivered together with, or as part of any amendment which implements any Benchmark Replacement or Benchmark Replacement Conforming Changes. Any determination, decision or election that may be made by the Agent or, if applicable, any Bank (or group of Banks) pursuant to this Section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section titled “Benchmark Replacement Setting”.

(v) Unavailability of Tenor of Benchmark. At any time (including in connection with the implementation of any Benchmark Replacement), (A) if any then-current Benchmark is a term rate (including Term SOFR or LIBOR), then the Agent may remove any tenor of such Benchmark that is unavailable or non-representative for Benchmark (including Benchmark Replacement) settings and (B) the Agent may reinstate any such previously removed tenor for Benchmark (including Benchmark Replacement) settings.

SECTION II.16. Extensions of the Commitments.

(a) During the period from the date that is 60 days prior to the Current Termination Date to the date that is 32 days prior to each anniversary of the Closing Date the Borrowers may, by written notice (an “Extension Request”) given to the Agent, request that the Current Termination Date be extended. Each such Extension Request shall contemplate an extension of the Current Termination Date to a date that is one year after the Current Termination Date then in effect (or if such date is not a Business Day, the immediately preceding Business Day).

(b) The Agent shall promptly advise each Bank, including each Local Currency Bank and each Japan Local Currency Bank, of its receipt of any Extension Request. Each Bank may, in its sole discretion, consent to a requested extension by giving written notice thereof to the Agent by not later than the Business Day (the “Extension Confirmation Date”) immediately preceding the date that is 31 days after the date of the Extension Request but no more than 45 days prior to the next anniversary of the Closing Date. Failure on the part of any Bank to respond to an Extension Request by the applicable Extension Confirmation Date shall be deemed to be a denial of such request by such Bank. If Banks having at least 50% of the Commitments at the time of the issuance of any Extension Request shall consent in writing to

the requested extension, such request shall be granted with respect to each consenting Bank; provided, however, that no such consent shall be granted in connection with (i) Local Currency Advances unless Local Currency Banks having at least 50% of the Local Currency Commitments at the time of issuance of any Extension Request shall consent in writing to the requested extension and (ii) Japan Local Currency Advances unless Japan Local Currency Banks having at least 50% of the Japan Local Currency Commitments at the time of issuance of any Extension Request shall consent in writing to the requested extension. Promptly following the opening of business on the first Business Day following the applicable Extension Confirmation Date, the Agent shall notify the Borrowers in writing as to whether the requested extension has been granted (such written notice being an “Extension Confirmation Notice”) and, if granted, such extension shall become effective upon the issuance of such Extension Confirmation Notice. The Agent shall promptly thereafter provide a copy of such Extension Confirmation Notice to each Bank.

(c) Each Extension Confirmation Notice shall specify therein the date to which the Current Termination Date is to be extended in respect of each of the consenting Banks, which date shall be one year after the Current Termination Date then in effect (or if such date is not a Business Day, the immediately preceding Business Day) (such date being referred to herein as the “Extended Termination Date”). The Current Termination Date with respect to (i) any Banks which shall have denied such requested extension in writing, or which shall have failed to respond to the applicable Extension Request, and (ii) all Banks, in the event that fewer than the minimum number of Banks specified above shall consent in writing to such Extension Request, shall continue to be the then existing Current Termination Date (the “Earlier Termination Date”). The Current Termination Date with respect to those Banks which shall have consented to the applicable Extension Request, in the event that the requisite number of Banks specified above shall consent in writing to such Extension Request, shall continue to be the Earlier Termination Date until the end of the day immediately preceding the Current Termination Date then in effect at which time the Current Termination Date then in effect shall become the Extended Termination Date provided for in such Extension Confirmation Notice.

(d) If fewer than all of the Banks agree to any extension of the Current Termination Date that shall have become effective in accordance with this Section 2.16, (i) no Advance made or to be made prior to the Earlier Termination Date shall have an Interest Period which ends after the Earlier Termination Date, (ii) all Advances, Local Currency Advances, if applicable, Japan Local Currency Advances, if applicable, and all other obligations, of the Borrower to the Banks hereunder shall be repaid in full on the Earlier Termination Date (whether from proceeds of Borrowings made on the Earlier Termination Date from the Banks having agreed to such extension or from other sources) and (iii) the Commitment, Local Currency Commitment or Japan Local Currency Commitment, as applicable, of each Bank that shall not have consented to such extension shall terminate on the Earlier Termination Date, and such Bank shall have no further obligation hereunder other than in respect of obligations expressly contemplated herein to survive the termination of this Agreement. Such Bank shall also receive from the applicable Borrower all other amounts owing to it hereunder or in connection herewith on the Earlier Termination Date.

SECTION II.17. Defaulting Banks. Notwithstanding any provision of this Agreement to the contrary, if any Bank becomes a Defaulting Bank, then the following provisions shall apply for so long as such Bank is a Defaulting Bank:

(a) Such Defaulting Bank will not be entitled to any fees accruing during such period pursuant to Section 2.04 (without prejudice to the rights of the Banks other than Defaulting Banks in respect of such fees);

(b) (i) Any amount paid by the Borrowers or otherwise received by the Agent for the account of a Defaulting Bank under this Agreement other than any amounts representing principal or interest payable to such Defaulting Bank (whether on account of fees, indemnity payments or other amounts not constituting principal or interest) will not be paid or distributed to such Defaulting Bank, but will instead be retained by the Agent in a segregated non-interest bearing account until (subject to Section 2.17(d)) the termination of the Commitments and payment in full of all obligations of the Borrowers hereunder and will be applied by the Agent, to the fullest extent permitted by law, to the making of payments from time to time in the following order of priority: first to the payment of any amounts owing by such Defaulting Bank to the Agent under this Agreement, second to the payment of post-default interest and then current interest due and payable to the Non-Defaulting Banks, ratably among them in accordance with the amounts of such interest then due and payable to them, third to the payment of fees then due and payable to the Non-Defaulting Banks hereunder, ratably among them in accordance with the amounts of such fees then due and payable to them, fourth to the ratable payment of other amounts then due and payable to the Non-Defaulting Banks, and fifth after the termination of the Commitments and payment in full of all obligations of the Borrowers hereunder, to pay amounts owing under this Agreement to such Defaulting Bank or as a court of competent jurisdiction may otherwise direct. (ii) Any amount paid by the Borrowers for the account of a Defaulting Bank representing principal or interest payable to such Defaulting Bank shall be paid to such Defaulting Bank in the same amounts and in the same manner as if such Defaulting Bank were a Non-Defaulting Bank;

(c) The Borrowers may terminate the unused amount of the Commitment of a Defaulting Bank upon not less than three (3) Business Days' prior notice to the Agent (which will promptly notify the Banks thereof), and in such event the provisions of Section 2.17(b) will apply to all amounts thereafter paid by the Borrowers for the account of such Defaulting Bank under this Agreement (whether on account of principal, interest, fees, indemnity or other amounts), provided that such termination will not be deemed to be a waiver or release of any claim any Borrower, the Agent or any Bank may have against such Defaulting Bank; and

(d) In the event that the Borrowers and the Agent agree in writing in their discretion that a Bank is no longer a Defaulting Bank, the Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any amounts then held in the segregated account referred to in Section 2.17(b)), such Bank will, to the extent applicable, purchase at par such portion of outstanding Advances of the other Banks and/or make such other adjustments as the Agent may determine to be necessary to cause the Revolving Credit Obligations of the Banks to be on a pro rata basis in accordance with their respective Commitments, whereupon such Bank will cease to be a Defaulting Bank and will be a Non-Defaulting Bank (and each Bank's ratable portion of aggregate outstanding Advances will automatically be adjusted on a prospective basis to reflect the foregoing); provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while such Bank was a Defaulting Bank; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from

Defaulting Bank to Non-Defaulting Bank will constitute a waiver or release of any claim of any party hereunder arising from such Bank's having been a Defaulting Bank.

SECTION II.18. Funding Vehicle. Each Bank may, at its option, make any Borrowing available to either CFKK or CIF by causing any foreign or domestic branch or Affiliate of such Bank to make such Borrowing available; provided that any exercise of such option shall not affect the obligation of such Borrower to repay such Borrowing in accordance with the terms of this Agreement, the Local Currency Addendum and the Japan Local Currency Addendum, as applicable.

ARTICLE III CONDITIONS OF LENDING

SECTION III.01. Conditions Precedent to Initial Advances. The obligation of each Bank to make its initial Advance on or after the Closing Date is subject to the conditions precedent that (i) all principal, accrued interest, fees, expenses, costs and other amounts outstanding under the terms of the Prior 364-Day Agreement, accrued to the Closing Date, shall have been paid, and the commitments of the lenders thereunder to extend credit shall have terminated, (ii) the Prior Five-Year Agreement shall have been refinanced pursuant to the Five-Year Agreement, (iii) the Agent shall have received, for the benefit of the Banks, the one-time upfront fees due and payable on the Closing Date, (iv) each Departing Bank shall have received payment in full of all of the principal, accrued interest, fees, expenses, costs and other amounts owing to it under the Existing Credit Agreement (other than obligations to pay fees and expenses with respect to which the Borrowers have not received an invoice, contingent indemnity obligations and other contingent obligations owing to it under the Existing Credit Agreement) and (v) the Agent shall have received on or before the day of the initial Borrowing the following, each dated the Closing Date, in form and substance satisfactory to the Agent and in sufficient copies for each Bank:

(a) A fully executed copy of this Agreement, of the Local Currency Addendum and of the Japan Local Currency Addendum.

(b) Certified copies of the resolutions of the Board of Directors of each Borrower evidencing corporate authority to execute and deliver this Agreement, the Local Currency Addendum (if applicable), the Japan Local Currency Addendum (if applicable), the Notes and the other documents to be delivered hereunder, and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Agreement, the Local Currency Addendum (if applicable), the Japan Local Currency Addendum (if applicable), the Notes and the other documents to be delivered hereunder.

(c) A certificate of the Secretary or an Assistant Secretary of each Borrower certifying the names and true signatures of the officers of such Borrower authorized to sign this Agreement, the Local Currency Addendum (if applicable), the Japan Local Currency Addendum (if applicable) and the Notes and the other documents to be delivered hereunder.

(d) A favorable opinion of counsel for each of Caterpillar and CFSC, given upon their express instructions, substantially in the form of Exhibit D hereto.

(e) A favorable opinion of Mayer Brown LLP, counsel for the Borrowers, given upon their express instructions, in form and substance reasonably acceptable to the Agent.

(f) A Beneficial Ownership Certification in relation to each Borrower that qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, to the extent such documentation is requested at least five (5) Business Days prior to the Closing Date.

In addition, (i) the obligation of each Bank requesting Notes to make its initial Advance is subject to the further condition precedent that the Agent shall have received, on or before the day of the initial Borrowing, the Notes dated the Closing Date and payable to the order of such Bank, (ii) the obligation of the Local Currency Banks to make the initial Advances under the Local Currency Addendum shall be subject to any further conditions set forth in the Local Currency Addendum and (iii) the obligation of the Japan Local Currency Banks to make the initial Advances under the Japan Local Currency Addendum shall be subject to any further conditions set forth in the Japan Local Currency Addendum.

SECTION III.02. Conditions Precedent to Each Borrowing. The obligation of each Bank to make an Advance on the occasion of each Borrowing to any Borrower (including the initial Borrowing) shall be subject to the further conditions precedent that on the date of such Borrowing:

(a) the following statements shall be true (and each of the giving of the applicable Notice of Borrowing and the acceptance by a Borrower of the proceeds of such Borrowing shall constitute a representation and warranty by such Borrower that on the date of such Borrowing such statements are true):

(i) The representations and warranties contained in Section 4.01 (excluding those contained in the second sentence of subsection (e) and in subsection (f) thereof), and if such Borrowing is by CFSC, CIF or CFKK, Section 4.02, are correct on and as of the date of such Borrowing, before and after giving effect to such Borrowing and to the application of the proceeds therefrom, as though made on and as of such date, and

(ii) No event has occurred and is continuing, or would result from such Borrowing or from the application of the proceeds therefrom, which constitutes an Event of Default with respect to any Borrower; and

(b) the Agent shall have received such other approvals, opinions or documents as any Bank through the Agent may reasonably request.

SECTION III.03. Conditions Precedent to Certain Borrowings. The obligation of each Bank to make an Advance on the occasion of any Borrowing to any Borrower which would increase the aggregate outstanding amount of Advances owing to such Bank over the aggregate amount of such Advances outstanding immediately prior to the making of such Advance shall be subject to the further conditions precedent that on the date of such Borrowing the following statements shall be true (and each of the giving of the applicable Notice of Borrowing and the acceptance by a Borrower of the proceeds of such Borrowing shall constitute a representation and warranty by such Borrower that on the date of such Borrowing such statements are true): (i) the representations and warranties contained in subsection (f) of Section

4.01 are correct on and as of the date of such Borrowing, before and after giving effect to such Borrowing and to the application of the proceeds therefrom, as though made on and as of such date, and (ii) no event has occurred and is continuing, or would result from such Borrowing or from the application of the proceeds therefrom, which would constitute an Event of Default with respect to any Borrower but for the requirement that notice be given or time elapse or both.

ARTICLE IV REPRESENTATIONS AND WARRANTIES

SECTION IV.01. Representations and Warranties of the Borrowers. Each Borrower represents and warrants as of the Closing Date and on each date specified in Article III, as follows:

(a) Organization; Qualification. Such Borrower is a corporation duly organized, validly existing and in good standing (1) under the laws of the State of Delaware, in the case of Caterpillar and CFSC, (2) under the laws of Ireland, in the case of CIF and (3) under the laws of Japan, in the case of CFKK, and is duly qualified to transact business and is in good standing as a foreign corporation in every jurisdiction in which failure to qualify would reasonably be expected to materially adversely affect (i) the financial condition or operations of such Borrower and its consolidated Subsidiaries taken as a whole or (ii) the ability of such Borrower to perform its obligations under this Agreement and its Notes, under the Local Currency Addendum, in the case of CIF and CFSC, and under the Japan Local Currency Addendum, in the case of CFKK and CFSC.

(b) Authority; No Conflict. The execution, delivery and performance by such Borrower of this Agreement and its Notes, the Local Currency Addendum, in the case of CIF and CFSC, and the Japan Local Currency Addendum, in the case of CFKK and CFSC, are within such Borrower's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) such Borrower's charter or by-laws or (ii) any law or any contractual restriction binding on or affecting such Borrower.

(c) Governmental Consents. No authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body is required for the due execution, delivery and performance by such Borrower of this Agreement or its Notes, or of the Local Currency Addendum, in the case of CIF and CFSC, or of the Japan Local Currency Addendum in the case of CFKK and CFSC.

(d) Execution; Enforceability.

(i) This Agreement has been duly executed and delivered by a duly authorized officer of such Borrower. Upon execution of this Agreement by the Agent and when the Agent shall have been notified by each Bank that such Bank has executed this Agreement, this Agreement will be, and such Borrower's Notes when executed and delivered hereunder will be, legal, valid and binding obligations of such Borrower enforceable against such Borrower in accordance with their respective terms, except as enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally and by the effect of general principles of equity.

(ii) The Local Currency Addendum has been duly executed and delivered by a duly authorized officer of each of CFSC and CIF. Upon execution of the Local Currency Addendum by the Agent and the Local Currency Agent and when the Local Currency Agent or the Agent shall have been notified by each Local Currency Bank that such Local Currency Bank has executed the Local Currency Addendum, the Local Currency Addendum will be the legal, valid and binding obligation of each of CFSC and CIF enforceable against each of CFSC and CIF in accordance with its terms, except as enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally and by the effect of general principles of equity.

(iii) The Japan Local Currency Addendum has been duly executed and delivered by a duly authorized officer of each of CFSC and CFKK. Upon execution of the Japan Local Currency Addendum by the Agent and the Japan Local Currency Agent and when the Japan Local Currency Agent or the Agent shall have been notified by each Japan Local Currency Bank that such Japan Local Currency Bank has executed the Japan Local Currency Addendum, the Japan Local Currency Addendum will be the legal, valid and binding obligation of each of CFSC and CFKK enforceable against each of CFSC and CFKK in accordance with its terms, except as enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally and by the effect of general principles of equity.

(e) Accuracy of Information; Material Adverse Change. The consolidated balance sheets of Caterpillar and CFSC as at December 31, 2020 and as at June 30, 2021, and the related consolidated statements of income and changes in stockholders' equity of Caterpillar and CFSC for the fiscal year and six month period, respectively, then ended, copies of which have been furnished to each Bank, fairly present the financial condition of Caterpillar and CFSC as at such dates and the results of the operations of Caterpillar and CFSC for such periods, all in accordance with generally accepted accounting principles consistently applied. Since December 31, 2020, there has been no material adverse change in such condition or operations. As of the Closing Date, the information included in the Beneficial Ownership Certification is true and correct in all respects.

(f) Litigation. There is no pending or threatened action or proceeding affecting such Borrower or any of its Subsidiaries before any court, governmental agency or arbitrator which is reasonably likely to materially adversely affect the financial condition or operations of such Borrower and its consolidated Subsidiaries taken as a whole or which purports to affect the legality, validity or enforceability of this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or any Note or which is reasonably likely to materially adversely affect the ability of such Borrower to perform its obligations under this Agreement and its Notes or under the Local Currency Addendum, in the case of CIF and CFSC, or under the Japan Local Currency Addendum, in the case of CFKK and CFSC.

(g) Margin Stock. Such Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board of Governors of the Federal Reserve System), and no proceeds of any Advance will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock. Following the application of the proceeds

of each Advance, no more than 25% of the value of the assets of such Borrower will consist of, or be represented by, Margin Stock.

(h) ERISA. Each Plan of such Borrower or a Subsidiary of such Borrower or an ERISA Affiliate complies in all material respects with ERISA, the Code and regulations thereunder and the terms of such Plan, except for such noncompliance as would not reasonably be expected to have a materially adverse effect on the ability of such Borrower to perform its obligations under this Agreement and its Notes. Each Plan has satisfied the minimum funding standard under Section 412(a) of the Code without the need of any funding waiver under Section 412(c) of the Code. Neither such Borrower nor any ERISA Affiliate nor any fiduciary of any Plan which is not a multiemployer plan (as defined in Section 4001(a)(3) of ERISA) (i) has engaged in a nonexempt prohibited transaction described in Sections 406 of ERISA or 4975 of the Code whereby such prohibited transaction has materially adversely affected the business, financial condition or results of operations of such Borrower and any of its Subsidiaries, taken as a whole, or (ii) has taken or failed to take any action which would constitute or result in an ERISA Termination Event. During the six year period prior to the date on which this representation is made or deemed made, neither such Borrower nor any ERISA Affiliate has (i) failed to make a required contribution or payment to a multiemployer plan or (ii) made a complete or partial withdrawal under Sections 4203 or 4205 of ERISA from a multiemployer plan. During the six year period prior to the date on which this representation is made or deemed made, neither such Borrower nor any ERISA Affiliate has failed to make a required installment or any other required payment under Section 412 of the Code or Section 430 of the Code on or before the due date for such installment or other payment. Neither such Borrower nor any ERISA Affiliate has incurred any liability to the PBGC which remains outstanding other than the payment of premiums, and there are no premium payments which have become due which are unpaid. None of the Borrowers nor any of their respective Subsidiaries is an entity deemed to hold “plan assets” (within the meaning of the Plan Asset Regulations), and neither the execution, delivery or performance of the transactions contemplated under this Agreement, including the making of any Advance hereunder, will give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

(i) Taxes; Assessments. Such Borrower has paid or discharged, or caused to be paid or discharged, before the same shall have become delinquent, all taxes, assessments and governmental charges levied or imposed upon such Borrower or any Subsidiary of such Borrower or upon the income, profits or property of such Borrower or any Subsidiary of such Borrower, other than (i) such taxes, assessments and governmental charges the amount, applicability or validity of which is being contested in good faith by appropriate proceedings and for which adequate reserves have been established, or (ii) up to \$10,000,000 at any time in aggregate taxes, assessments, and governmental charges so long as no material adverse effect upon the business, financial condition or results of operations of the Borrowers and their Subsidiaries, taken as a whole, would reasonably be expected to result therefrom, and so long as, upon knowledge thereof, the applicable Borrower or Subsidiary either promptly pays the applicable delinquent amount or contests such amount as contemplated above.

(j) Sanctions Laws and Regulations. Neither any Borrower nor any of its Subsidiaries, nor, to the best of such Borrower’s knowledge, any of its or any of its Subsidiaries’ respective directors or officers is a Designated Person. Each of the Borrowers has a “Worldwide Code of Conduct” in full force and effect on the date hereof which, by its terms, applies to all

activities undertaken by all Borrowers' and Subsidiaries' employees around the world. Among the commitments in the Worldwide Code of Conduct is the commitment that each of the Borrowers and Subsidiaries, and their respective employees, follow applicable import and export control laws when conducting business around the world, including any Anti-Corruption Laws and Sanctions Laws and Regulations, and such commitment currently applies, and will apply, to all activities undertaken by each Borrower and each Subsidiary, including but not limited to, any use of the proceeds of this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or any Advance, as well as the payment of any amount due pursuant to this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum.

SECTION IV.02. Additional Representations and Warranties of CFSC, CIF and CFKK.

Each of CFSC, CIF and CFKK represents and warrants that neither it nor any of its Subsidiaries is an "investment company" or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended.

ARTICLE V
COVENANTS OF THE BORROWERS

SECTION V.01. Affirmative Covenants. So long as any Advance shall remain unpaid or any Bank shall have any Commitment hereunder, each Borrower (provided, that for purposes of Sections 5.01(f)(i), (ii), (iii), (v), (vi), (viii), (ix) and (x), the term Borrower refers to each of Caterpillar and CFSC, but not to CFKK or CIF) will, unless the Majority Banks shall otherwise consent in writing:

(a) Corporate Existence, Etc. Subject to Section 5.02(b), do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence, rights (charter and statutory) and franchises; provided, however, that such Borrower shall not be required to preserve any such right or franchise if its board of directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of such Borrower and that the loss thereof would not reasonably be expected to have a material adverse effect on its ability to perform its obligations under this Agreement and its Notes.

(b) Compliance with Laws, Etc. Comply, and cause each of its Subsidiaries to comply, in all material respects with all applicable laws, rules, regulations and orders, noncompliance with which would reasonably be expected to materially adversely affect (i) the financial condition or operations of such Borrower and its consolidated Subsidiaries taken as a whole or (ii) the ability of such Borrower to perform its obligations under this Agreement, its Notes, and, if applicable, the Local Currency Addendum or the Japan Local Currency Addendum. Each Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance by such Borrower, each of its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions Laws and Regulations.

(c) Maintenance of Properties. Cause all properties used or useful in the conduct of its business or the business of any of its Subsidiaries to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will

cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of such Borrower may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; provided, however, that nothing in this Section shall prevent such Borrower from discontinuing the operation or maintenance of any of such properties if such discontinuance is, in the reasonable judgment of such Borrower, desirable in the conduct of its business or the business of any Subsidiary of such Borrower and would not reasonably be expected to have a material adverse effect on its ability to perform its obligations under this Agreement and its Notes.

(d) Payment of Taxes and Other Claims. Pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (1) all taxes, assessments and governmental charges levied or imposed upon such Borrower or any of its Subsidiaries or upon the income, profits or property of such Borrower or any of its Subsidiaries, and (2) all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien upon the property of such Borrower or any of its Subsidiaries; provided, however, that such Borrower shall not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings; provided, further, that up to \$10,000,000 in aggregate taxes, assessments, governmental charges, and lawful claims as described above may be delinquent at any time so long as no material adverse effect upon the business, financial condition or results of operations of the Borrowers and their Subsidiaries, taken as a whole, could reasonably be expected to result therefrom, and so long as, upon knowledge thereof, the applicable Borrower or Subsidiary either promptly pays the applicable delinquent amount or contests such amount as contemplated above.

(e) Use of Proceeds. Use all proceeds of Advances solely for general corporate purposes, including, but not limited to, repaying or prepaying Advances in accordance with the terms of this Agreement. No Borrower will request any Borrowing, and no Borrower shall knowingly use, and shall ensure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not knowingly use, the proceeds of any Borrowing (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, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, to the extent such activities, businesses or transactions would be prohibited by Sanctions Laws and Regulations if conducted by a corporation incorporated in the United States, the United Kingdom, or in a European Union member state or (iii) in any manner that would result in the violation of any Sanctions Laws and Regulations applicable to any party hereto.

(f) Reporting Requirements. Furnish to the Banks:

(i) as soon as available and in any event within forty five (45) days after the end of each of the first three quarters of each fiscal year of Caterpillar and CFSC, a consolidated balance sheet of Caterpillar and CFSC as of the end of such quarter, and a consolidated statement of income and changes in stockholders' equity of Caterpillar and CFSC for the period commencing at the end of the previous fiscal year and ending with the end of such quarter;

(ii) as soon as available and in any event within ninety (90) days after the end of each fiscal year of Caterpillar and CFSC, a copy of the annual report for such year for such Borrower, containing consolidated financial statements of Caterpillar and CFSC for such year, certified (A) in a manner acceptable to the Majority Banks by PricewaterhouseCoopers L.L.P. or other independent public accountants acceptable to the Majority Banks and (B) as may be required under the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and all rules and regulations enacted under or in connection therewith;

(iii) together with each delivery of any financial statements pursuant to clauses (i) and (ii) above, a Compliance Certificate in substantially the form of Exhibit F-1 or F-2 hereto, as applicable, demonstrating in reasonable detail compliance as at the end of the applicable accounting periods with the covenants contained in Section 5.03 (in the case of Caterpillar) and Sections 5.04(a) and (b) (in the case of CFSC);

(iv) as soon as possible and in any event within five (5) days after the occurrence of each Event of Default with respect to such Borrower and each event which, with the giving of notice or lapse of time, or both, would constitute an Event of Default with respect to such Borrower, continuing on the date of such statement, a statement of the chief financial officer of such Borrower setting forth details of such Event of Default or event and the action which such Borrower has taken and proposes to take with respect thereto;

(v) promptly after the sending or filing thereof, copies of all reports which such Borrower sends to any of its security holders, and copies of all reports and registration statements (without exhibits) which such Borrower or any of its Subsidiaries (without duplication) files with the Securities and Exchange Commission or any national securities exchange, in each case without duplication of materials furnished to the Banks pursuant to clauses (i) or (ii) of this subsection (f);

(vi) promptly after the written request of the Agent or any Bank, copies of all reports and notices which such Borrower or any ERISA Affiliate or Subsidiary of such Borrower files under ERISA with the Internal Revenue Service or the PBGC or the U.S. Department of Labor or which such Borrower or any ERISA Affiliate or Subsidiary of such Borrower receives from any such Person;

(vii) promptly after (A) the occurrence thereof, notice of the institution of or any material adverse development in any action, suit or proceeding or any governmental investigation or any arbitration, before any court or arbitrator or any governmental or administrative body, agency or official, against such Borrower or any of its material property, or (B) actual knowledge thereof, notice of the threat of any such action, suit, proceeding, investigation or arbitration, and in the case of either (A) or (B), which such Borrower reasonably believes is likely to be resolved against such Borrower and, if so resolved against such Borrower, is reasonably anticipated by such Borrower to materially adversely affect (x) the financial condition of such Borrower and its consolidated Subsidiaries taken as a whole or (y) the ability of such Borrower to perform its obligations under this Agreement and its Notes, and, if applicable, the Local Currency

Addendum or the Japan Local Currency Addendum (without duplication of notices furnished to the Banks pursuant to clause (v) of this subsection (f));

(viii) promptly after (A) the occurrence thereof, notice that (1) an ERISA Termination Event or a prohibited transaction, as such term is defined in Section 4975 of the Code or Section 406 of ERISA, with respect to any Plan of such Borrower has occurred and there shall result therefrom a liability or material risk of incurring a liability to the PBGC or a Plan that will have a material adverse affect upon the business or financial condition or results of such Borrower and its Subsidiaries, taken as a whole, which notice shall specify the nature thereof and such Borrower's proposed response thereto, (2) such Borrower or an ERISA Affiliate has failed to make a required installment or any other required payment under Section 412 or Section 430 of the Code and (3) the plan administrator of any Plan has applied under Section 412(c) of the Code for a waiver of the minimum funding standards of Section 412(a) of the Code, together with copies of such waiver application, and (B) actual knowledge thereof, copies of any notice of the PBGC's intention to terminate or to have a trustee appointed to administer any Plan;

(ix) (A) on the Amendment No. 1 Effective Date, the Credit Ratings then in effect for such Borrower from S&P and Moody's and (B) within two (2) Business Days after such Borrower receives notice from S&P or Moody's of a change in any of such Borrower's Credit Ratings, such Borrower's revised Credit Ratings (or, if applicable, notice that a Credit Rating will no longer be received from such rating service);

(x) such other information respecting the condition or operations, financial or otherwise, of such Borrower or any of its Subsidiaries as any Bank through the Agent may from time to time reasonably request in writing with an indication of the reason for such request; and

(xi) together with each delivery of any financial statements pursuant to clause (ii) above, any change in the information provided in the Beneficial Ownership Certification that would result in a change to the list of beneficial owners identified in parts (c) or (d) of such certification.

Financial statements and other documents required to be furnished pursuant to Section 5.01(f)(i) or (ii) (to the extent any such financial statements or other documents are included in reports or other materials otherwise filed with the Securities and Exchange Commission) may be delivered electronically and if so delivered, shall be deemed to have been furnished on the date on which (i) the applicable Borrower posts such financial statements or other documents, or provides a link thereto, on such Borrower's website on the Internet, or (ii) such financial statements or other documents are posted on behalf of the applicable Borrower on the Approved Electronic Platform or an Internet or intranet website, if any, to which each Bank and the Agent have access (whether a commercial, third-party website or whether sponsored by the Agent or the Securities and Exchange Commission's website located at <http://www.sec.gov/edgar/searchedgar/webusers.htm>).

SECTION V.02. Negative Covenants. So long as any Advance shall remain unpaid or any Bank shall have any Commitment hereunder, no Borrower will, without the written consent of the Majority Banks:

(a) Liens, Etc. Create or suffer to exist, or permit any of its Subsidiaries to create or suffer to exist, any lien, security interest or other charge or encumbrance of any kind, (excluding Caterpillar Purchase Claims and CFSC Purchase Claims, to the extent that such Purchase Claims could be deemed to constitute liens or security interests), upon or with respect to any of its properties, whether now owned or hereafter acquired, or assign, or permit any of its Subsidiaries to assign, any right to receive income (excluding any assignment of accounts receivable arising out of or in connection with the sale or securitization by Caterpillar, CFSC or any Subsidiary of either of its accounts receivable giving rise to Caterpillar Purchase Claims or CFSC Purchase Claims), in each case to secure or provide for the payment of any Debt of any Person, if the aggregate amount of the Debt so secured (or for which payment has been provided) would at any time exceed an amount equal to 10% of Consolidated Net Tangible Assets of such Borrower.

(b) Mergers, Etc. (i) Merge or consolidate with or into any Person, or permit any of its Subsidiaries to do so, or (ii) convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to any Person, or (iii) together with one or more of its consolidated Subsidiaries, convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of the assets of such Borrower and its consolidated Subsidiaries (whether now owned or hereafter acquired) to any Person; except that any Subsidiary of such Borrower may merge or consolidate with or into, or transfer assets to, or acquire assets of, such Borrower or any other Subsidiary of such Borrower and except that any Subsidiary of such Borrower may merge into or transfer assets to such Borrower and such Borrower may merge with, and any Subsidiary of such Borrower may merge or consolidate with or into, any other Person, provided in each case that, immediately after giving effect to such proposed transaction, no Event of Default with respect to such Borrower or event which, with the giving of notice or lapse of time, or both, would constitute an Event of Default with respect to such Borrower, would exist and in the case of any such merger to which any Borrower is a party, such Borrower is the surviving corporation.

SECTION V.03. Financial Covenant of Caterpillar. So long as any Advance shall remain unpaid or any Bank shall have any Commitment hereunder, Caterpillar will, unless the Majority Banks shall otherwise consent in writing, maintain at all times during each fiscal year of Caterpillar, Consolidated Net Worth of not less than \$9,000,000,000.

SECTION V.04. Financial and Other Covenants of CFSC. So long as any Advance shall remain unpaid or any Bank shall have any Commitment hereunder, CFSC will, unless the Majority Banks shall otherwise consent in writing:

(a) Ratio of CFSC Consolidated Debt to Consolidated Net Worth.

(i) Maintain at all times a ratio (the "Leverage Ratio") of (x) CFSC Consolidated Debt to (y) CFSC's Consolidated Net Worth of not greater than 10.0 to 1. For purposes of this subsection (i), the Leverage Ratio at any time shall be equal to the average of the Leverage Ratios as determined on the last day of each of the six preceding calendar months.

(ii) Maintain a Leverage Ratio of not greater than 10.0 to 1 on each December 31, commencing December 31, 2019. For purposes of this subsection (ii), the Leverage Ratio shall be the ratio of (x) CFSC Consolidated Debt to (y) CFSC's Consolidated Net Worth on the date for which computed.

(b) Interest Coverage Ratio. Maintain a ratio of (i) profit excluding income taxes, Interest Expense and Net Gain/(Loss) From Interest Rate Derivatives to (ii) Interest Expense of not less than 1.15 to 1, in each case, calculated at the end of each calendar quarter for the rolling four-quarter period then most recently ended for CFSC and its Subsidiaries on a consolidated basis in accordance with generally accepted accounting principles.

(c) Support Agreement. CFSC will not terminate, or make any amendment or modification to, the Support Agreement which, in the determination of the Agent, adversely affects the Banks' interests pursuant to this Agreement, without giving the Agent and the Banks at least thirty (30) days prior written notice and obtaining the written consent of the Majority Banks.

ARTICLE VI EVENTS OF DEFAULT

SECTION VI.01. Events of Default. If any of the following events ("Events of Default") shall occur and be continuing with respect to any Borrower:

(a) Such Borrower shall fail to pay (i) any principal of any of the Advances when the same becomes due and payable, or (ii) any interest on any of the Advances, or any Commitment Fee, other fee or other amount payable by it hereunder (including, in the case of CFSC, any amount payable under the CFSC Guaranty) by the later of (A) five (5) Business Days after such item has become due and (B) two (2) Business Days after receipt of written notice from the Agent that such item has become due; or

(b) Any representation or warranty made by such Borrower herein, in the Local Currency Addendum or in the Japan Local Currency Addendum, or by such Borrower (or any of its officers) in connection with this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum, shall prove to have been incorrect in any material respect when made or deemed made; or

(c) Such Borrower shall fail to perform or observe (i) any covenant or agreement made by it contained in subsection (a) or (f)(iv) of Section 5.01 or in Section 5.02 or (ii) any other term, covenant or agreement contained in this Agreement, the Japan Local Currency Addendum or the Local Currency Addendum on its part to be performed or observed if the failure to perform or observe such other term, covenant or agreement shall remain unremedied for 30 days after written notice thereof shall have been received by such Borrower; provided, that should CFSC or any of its Subsidiaries fail to observe any such term, covenant or agreement referred to in subsections (i) or (ii) above, such failure shall not be attributable, except as otherwise expressly provided for in this Agreement, to Caterpillar; or

(d) Any of the following shall occur:

(i) such Borrower or any Subsidiary of such Borrower (other than CFSC and its Subsidiaries in the case of Caterpillar) shall fail to pay any principal of, premium or interest on, or other amount owing in respect of any of its Debt which is outstanding in a principal amount of at least \$100,000,000 in the aggregate, in the case of Caterpillar, or \$50,000,000 in the aggregate, in the case of each of CFSC, CIF and CFKK (but excluding, in each case, Debt consisting of such Borrower's obligations hereunder (including the Local Currency Addendum or the Japan Local Currency Addendum, if applicable) or under the Other Credit Agreements) when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt, or

(ii) such Borrower or any Subsidiary of such Borrower (other than CFSC and its Subsidiaries in the case of Caterpillar) shall fail to observe or perform any term, covenant or condition on its part to be observed or performed under any agreement or instrument relating to any such Debt which is outstanding in a principal amount of at least \$100,000,000 in the aggregate, in the case of Caterpillar, or \$50,000,000 in the aggregate, in the case of each of CFSC, CIF and CFKK (but excluding, in each case, Debt consisting of such Borrower's obligations hereunder (including the Local Currency Addendum or the Japan Local Currency Addendum, if applicable) or under the Other Credit Agreements), when required to be observed or performed, and such failure shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such failure is to accelerate, or permit the acceleration of, the maturity of such Debt or such Debt has been accelerated and such acceleration has not been rescinded, or

(iii) any amount of Debt in excess of \$100,000,000 in the aggregate, in the case of Caterpillar, or \$50,000,000 in the aggregate, in the case of each of CFSC, CIF and CFKK, shall be required to be prepaid, defeased, purchased or otherwise acquired by such Borrower or any Subsidiary of such Borrower (other than CFSC and its Subsidiaries in the case of Caterpillar), other than by a regularly scheduled required prepayment, prior to the stated maturity thereof, or

(iv) any "Event of Default" shall occur with respect to such Borrower under either of the Other Credit Agreements, or

(v) in the case of CIF or CFKK, any CFSC Event of Default shall occur, or the CFSC Guaranty shall be terminated, revoked, or declared void, voidable, invalid or unenforceable; or

(e) Such Borrower or any of its Subsidiaries (other than CFSC and its Subsidiaries in the case of Caterpillar) shall generally not pay its debts as such debts become due, or an officer or other authorized representative of such Borrower or Subsidiary shall admit in writing such Borrower's or Subsidiary's inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by such Borrower or any of its Subsidiaries (other than CFSC and its Subsidiaries in the case of Caterpillar) 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 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, or other similar official for it or for any substantial part of its property; or any such proceeding shall be instituted against such Borrower or any of its Subsidiaries (other than CFSC and its Subsidiaries in the case of Caterpillar) and either an order for relief against such Borrower or Subsidiary is entered in such proceeding or such proceeding is not dismissed within forty-five (45) days; or such Borrower or any of its Subsidiaries (other than CFSC and its Subsidiaries in the case of Caterpillar) shall take any corporate action to authorize any of the actions set forth above in this subsection (e);

provided, however, that the filing of one or more of the proceedings and/or the occurrence of one or more of the other events described in this Section 6.01(e) with respect to any Insignificant Subsidiary shall not constitute an Event of Default hereunder until such time as the aggregate of the asset values, as reasonably determined by Caterpillar in accordance with generally accepted accounting principles, of all Insignificant Subsidiaries subject to the proceedings and/or other events described in this Section 6.01(e) equals or exceeds \$250,000,000 (with each Insignificant Subsidiary's asset value being determined, for purposes of this clause (e), on the date on which such filing or other event commences or otherwise initially occurs with respect to such Insignificant Subsidiary and with such value remaining in effect for such Insignificant Subsidiary once determined); or

(f) Any judgment or order for the payment of money in excess of (i) \$100,000,000 in the case of Caterpillar, or (ii) \$50,000,000 in the case of each of CFSC, CIF and CFKK, shall be rendered against such Borrower or any of its Subsidiaries (other than CFSC and its Subsidiaries in the case of Caterpillar) and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

(g) (i) A Plan of such Borrower shall fail to satisfy the minimum funding standard required by Section 412 of the Code for any plan year or a waiver of such standard is sought or granted under Section 412(c), or (ii) an ERISA Termination Event shall have occurred with respect to such Borrower or an ERISA Affiliate or such Borrower or an ERISA Affiliate has incurred or is likely to incur a liability to or on account of a Plan under Section 4062, 4063, 4064, 4201 or 4204 of ERISA, or (iii) such Borrower or an ERISA Affiliate shall engage in any prohibited transaction described in Sections 406 of ERISA or 4975 of the Code for which a statutory or class exemption is not available or a private exemption has not been previously obtained from the Department of Labor, or (iv) such Borrower or an ERISA Affiliate shall fail to pay any required installment or any other payment required under Section 412 or Section 430 of the Code on or before the due date for such installment or other payment, or (v) such Borrower or an ERISA Affiliate shall fail to make any contribution or payment to any multiemployer plan (as defined in Section 4001(a)(3) of ERISA) which such Borrower or any ERISA Affiliate may be required to make under any agreement relating to such multiemployer plan or any law pertaining thereto, and there shall result from any such event or events either a liability or a material risk of incurring a liability to the PBGC or a Plan, which will have a material adverse effect upon the business, financial condition or results of operations of such Borrower and its Subsidiaries, taken as a whole; or

(h) With respect to CFSC, CIF or CFKK, a Change of Control shall occur; or

(i) With respect to CFSC, CIF or CFKK, the Support Agreement shall for any reason fail to be in full force and effect, or any action shall be taken by any Borrower to discontinue or to assert the invalidity or unenforceability of the Support Agreement, or CFSC or Caterpillar shall fail to comply with any of the terms or provisions of the Support Agreement;

then, and in any such event, (i) the Agent (x) shall at the request, or may with the consent, of the Majority Banks, by notice to the Borrowers, declare the obligation of each Bank to make Advances to such Borrower to be terminated, whereupon the same shall forthwith terminate, and (y) shall at the request, or may with the consent, of the Majority Banks, by notice to such Borrower, declare the Advances to such Borrower, all interest thereon and all other amounts payable under this Agreement to be forthwith due and payable, whereupon such Advances, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by such Borrower; (ii) in the case of a CFSC Event of Default or a CIF Event of Default, the Local Currency Agent, (x) shall at the request, or may with the consent, of the Majority Local Currency Banks, by notice to the Borrowers, declare the obligation of each Local Currency Bank to make Local Currency Advances to CIF to be terminated, whereupon the same shall forthwith terminate, and (y) shall at the request, or may with the consent, of the Majority Local Currency Banks, by notice to CIF, declare the Local Currency Advances to CIF, all interest thereon and all other amounts payable under this Agreement and the Local Currency Addendum to be forthwith due and payable, whereupon such Local Currency Advances, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by CIF and (iii) in the case of a CFSC Event of Default or a CFKK Event of Default, the Japan Local Currency Agent, (x) shall at the request, or may with the consent, of the Majority Japan Local Currency Banks, by notice to the Borrowers, declare the obligation of each Japan Local Currency Bank to make Japan Local Currency Advances to CFKK to be terminated, whereupon the same shall forthwith terminate, and (y) shall at the request, or may with the consent, of the Majority Japan Local Currency Banks, by notice to CFKK, declare the Japan Local Currency Advances to CFKK, all interest thereon and all other amounts payable under this Agreement and the Japan Local Currency Addendum to be forthwith due and payable, whereupon such Japan Local Currency Advances, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by CFKK; provided, however, upon the occurrence of any Event of Default with respect to any Borrower described in Section 6.01(e), (A) the obligation of each Bank to make Advances to any Borrower shall automatically be terminated and (B) the Advances to the Borrowers, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrowers. Notwithstanding anything in the foregoing to the contrary, the fact that an Event of Default exists with respect to one of the Borrowers hereunder shall not of itself constitute an Event of Default with respect to any of the other Borrowers, provided, however, that in the case of CIF and CFKK, any CFSC Event of Default shall be a CIF Event of Default and a CFKK Event of Default.

ARTICLE VII AGENCY

SECTION VII.01. Appointment and Authority. Each Bank hereby appoints Citibank to act on its behalf as the Agent hereunder and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article VII are solely for the benefit of the Agent and the Banks, and no Borrower shall have any rights as a third party beneficiary of any of such provisions.

SECTION VII.02. Agent Individually. (a) The Person serving as the Agent hereunder shall have the same rights and powers in its capacity as a Bank as any other Bank and may exercise the same as though it were not the Agent; and the term “Bank” or “Banks” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrowers or any Subsidiary or other Affiliate thereof as if such Person were not the Agent hereunder and without any duty to account therefor to the Banks.

(b) Each Bank understands that the Person serving as Agent, acting in its individual capacity, and its Affiliates (collectively, the “Agent’s Group”) are engaged in a wide range of financial services and businesses (including investment management, financing, securities trading, corporate and investment banking and research) (such services and businesses are collectively referred to in this Section 7.02 as “Activities”) and may engage in the Activities with or on behalf of one or more of the Borrowers or their respective Affiliates. Furthermore, the Agent’s Group may, in undertaking the Activities, engage in trading in financial products or undertake other investment businesses for its own account or on behalf of others (including the Borrowers and their Affiliates and including holding, for its own account or on behalf of others, equity, debt and similar positions in the Borrowers or their respective Affiliates), including trading in or holding long, short or derivative positions in securities, loans or other financial products of one or more of the Borrowers or their Affiliates. Each Bank understands and agrees that in engaging in the Activities, the Agent’s Group may receive or otherwise obtain information concerning the Borrowers or their Affiliates (including information concerning the ability of the Borrowers to perform their respective obligations hereunder, under the Local Currency Addendum, if applicable, and under the Japan Local Currency Addendum, if applicable) which information may not be available to any of the Banks that are not members of the Agent’s Group. None of the Agent nor any member of the Agent’s Group shall have any duty to disclose to any Bank or use on behalf of the Banks, and shall not be liable for the failure to so disclose or use, any information whatsoever about or derived from the Activities or otherwise (including any information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any Borrower or any Affiliate of any Borrower) or to account for any revenue or profits obtained in connection with the Activities, except that the Agent shall deliver or otherwise make available to each Bank such documents as are expressly required by this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum to be transmitted by the Agent to the Banks.

(c) Each Bank further understands that there may be situations where members of the Agent’s Group or their respective customers (including the Borrowers and their Affiliates) either now have or may in the future have interests or take actions that may conflict with the interests of any one or more of the Banks (including the interests of the Banks hereunder, under the Local

Currency Addendum and under the Japan Local Currency Addendum). Each Bank agrees that no member of the Agent's Group is or shall be required to restrict its activities as a result of the Person serving as Agent being a member of the Agent's Group, and that each member of the Agent's Group may undertake any Activities without further consultation with or notification to any Bank. None of (i) this Agreement, the Notes, the Local Currency Addendum or the Japan Local Currency Addendum, (ii) the receipt by the Agent's Group of information (including the Information Memorandum) concerning the Borrowers or their Affiliates (including information concerning the ability of the Borrowers to perform their respective obligations hereunder, under the Local Currency Addendum, if applicable, and under the Japan Local Currency Addendum, if applicable) nor (iii) any other matter shall give rise to any fiduciary, equitable or contractual duties (including without limitation any duty of trust or confidence) owing by the Agent or any member of the Agent's Group to any Bank including any such duty that would prevent or restrict the Agent's Group from acting on behalf of customers (including the Borrowers or their Affiliates) or for its own account.

SECTION VII.03. Duties of Agent; Exculpatory Provisions. (a) The Agent's duties hereunder, the Local Currency Agent's duties under the Local Currency Addendum and the Japan Local Currency Agent's duties under the Japan Local Currency Addendum are solely ministerial and administrative in nature and none of the Agent, the Local Currency Agent or the Japan Local Currency Agent shall have any duties or obligations except those expressly set forth herein, in the Local Currency Addendum or in the Japan Local Currency Addendum. Without limiting the generality of the foregoing, none of the Agent, the Local Currency Agent or the Japan Local Currency Agent shall have any duty to take any discretionary action or exercise any discretionary powers, but shall be required to act or refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the written direction of the Majority Banks, the Majority Local Currency Banks or the Majority Japan Local Currency Banks, as applicable (or such other number or percentage of the Banks as shall be expressly provided for herein, in the Local Currency Addendum or in the Japan Local Currency Addendum, as applicable), provided that none of the Agent, the Local Currency Agent or the Japan Local Currency Agent shall be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent, the Local Currency Agent, the Japan Local Currency Agent or any of their respective Affiliates to liability or that is contrary to this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or applicable law (including for the avoidance of doubt, any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Bank in violation of any Debtor Relief Law).

(b) None of the Agent, the Local Currency Agent or the Japan Local Currency Agent shall be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Banks, the Majority Local Currency Banks or the Majority Japan Local Currency Banks, as applicable (or as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 8.01 and 6.01) or (ii) in the absence of its own gross negligence or willful misconduct. The Agent shall be deemed not to have knowledge of any Event of Default or the event or events that give or may give rise to any Event of Default unless and until the Borrowers or any Bank shall have given notice to the Agent describing such Event of Default and such event or events.

(c) None of the Agent, any member of the Agent's Group, the Local Currency Agent or the Japan Local Currency Agent shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty, representation or other information made or supplied in or in connection with this Agreement, the Information Memorandum, the Local Currency Addendum or the Japan Local Currency Addendum, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith or the adequacy, accuracy and/or completeness of the information contained therein, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Event of Default or unmatured Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, the Notes, the Local Currency Addendum, the Japan Local Currency Addendum or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article III or elsewhere herein, other than (but subject to the foregoing clause (ii)) to confirm receipt of items expressly required to be delivered to the Agent.

(d) Nothing in this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum shall require the Agent or any of its Related Parties to carry out any "know your customer" or other checks in relation to any person on behalf of any Bank and each Bank confirms to the Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agent or any of its Related Parties.

SECTION VII.04. Reliance by Agent. Each of the Agent, the Local Currency Agent and the Japan Local Currency Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. Each of the Agent, the Local Currency Agent and the Japan Local Currency Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of an Advance that by its terms must be fulfilled to the satisfaction of a Bank, a Local Currency Bank or the Japan Local Currency Bank, the Agent, the Local Currency Agent and the Japan Local Currency Agent may presume that such condition is satisfactory to such Bank, Local Currency Bank or the Japan Local Currency Bank, as applicable unless an officer of the Agent, the Local Currency Agent or the Japan Local Currency Agent, as applicable, responsible for the transactions contemplated hereby shall have received notice to the contrary from such Bank, Local Currency Bank or Japan Local Currency Bank, as applicable, prior to the making of such Advance, and in the case of a Borrowing, such Bank, Local Currency Bank or such Japan Local Currency Bank, as applicable, shall not have made available to the Agent, the Local Currency Agent or the Japan Local Currency Agent, as applicable, such Bank's, Local Currency Bank's or Japan Local Currency Bank's, as applicable, ratable portion of such Borrowing. The Agent, the Local Currency Agent and the Japan Local Currency Agent may consult with legal counsel (who may be counsel for the Borrowers), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

SECTION VII.05. Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder, under the Local Currency Addendum or under the Japan Local Currency Addendum by or through any one or more sub agents appointed by the Agent. The Agent and any such sub agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. Each such sub agent and the Related Parties of the Agent and each such sub agent shall be entitled to the benefits of all provisions of this Article VII and Section 8.04 (as though such sub-agents were the “Agent” hereunder or under the Japan Local Currency Addendum) as if set forth in full herein with respect thereto.

SECTION VII.06. Resignation or Removal of Agent. (a) The Agent may at any time give notice of its resignation to the Banks and the Borrowers. Upon receipt of any such notice of resignation, the Majority Banks shall have the right, in consultation with the Borrowers, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Majority Banks and shall have accepted such appointment within 60 days after the retiring Agent gives notice of its resignation (such 60-day period, the “Bank Appointment Period”), then the retiring Agent may on behalf of the Banks, appoint a successor Agent meeting the qualifications set forth above. In addition and without any obligation on the part of the retiring Agent to appoint, on behalf of the Banks, a successor Agent, the retiring Agent may at any time upon or after the end of the Bank Appointment Period notify the Borrowers and the Banks that no qualifying Person has accepted appointment as successor Agent and the effective date of such retiring Agent’s resignation which effective date shall be no earlier than three business days after the date of such notice. Upon the resignation effective date established in such notice and regardless of whether a successor Agent has been appointed and accepted such appointment, the retiring Agent’s resignation shall nonetheless become effective and (i) the retiring Agent shall be discharged from its duties and obligations as Agent hereunder and (ii) all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Bank directly, until such time as the Majority Banks appoint a successor Agent as provided for above in this clause (a).

(b) If the Person serving as Agent is a Defaulting Bank pursuant to clause (iv) of the definition thereof (such Person, a “Defaulting Agent”), the Majority Banks may, by notice in writing to the Borrowers and such Defaulting Agent, remove such Defaulting Agent as Agent and, in consultation with the Borrowers, appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. Such Defaulting Agent’s removal shall become effective upon the earlier of (x) the date that a qualifying Person shall have been so appointed by the Majority Banks and shall have accepted such appointment and (y) 30 days after the delivery of the removal notice in writing to the Borrowers and such Defaulting Agent (such date, the “Removal Effective Date”). Upon the Removal Effective Date and regardless of whether a successor Agent has been appointed and accepted such appointment, the removal of such Defaulting Agent shall become effective and (i) such Defaulting Agent shall be discharged from its duties and obligations as Agent hereunder and (ii) all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to each Bank directly, until such time as the Majority Banks appoint a successor Agent as provided for above in this clause (b).

(c) Upon the acceptance of a successor's appointment as Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties as Agent of the retiring (or retired) or removed Agent, and the retiring or removed Agent shall be discharged from all of its duties and obligations as Agent hereunder (if not already discharged therefrom as provided above in this Section 7.06). The fees payable by the Borrowers to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrowers and such successor. After the retiring or removed Agent's resignation or removal hereunder, or any retiring Local Currency Agent's resignation or removal under the Local Currency Addendum, or any retiring Japan Local Currency Agent's resignation or removal under the Japan Local Currency Addendum, the provisions of this Article VII and Section 8.04 shall continue in effect for the benefit of such retiring or removed Agent, Local Currency Agent or Japan Local Currency Agent, its sub agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Agent was acting as Agent, the retiring Local Currency Agent was acting as Local Currency Agent or the retiring Japan Local Currency Agent was acting as Japan Local Currency Agent.

SECTION VII.07. Non-Reliance on Agents and Other Banks. (a) Each Bank confirms to the Agent, the Local Currency Agent, the Japan Local Currency Agent, each other Bank and each of their respective Related Parties that it (i) possesses (individually or through its Related Parties) such knowledge and experience in financial and business matters that it is capable, without reliance on the Agent, the Local Currency Agent, the Japan Local Currency Agent, any other Bank or any of their respective Related Parties, of evaluating the merits and risks (including tax, legal, regulatory, credit, accounting and other financial matters) of (x) entering into this Agreement, (y) making Advances and other extensions of credit hereunder and (z) taking or not taking actions hereunder and thereunder, (ii) is financially able to bear such risks and (iii) has determined that entering into this Agreement and making Advances and other extensions of credit hereunder is suitable and appropriate for it.

(b) Each Bank acknowledges that (i) it is solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with this Agreement and, to the extent such Bank is a party thereto, the Local Currency Addendum and the Japan Local Currency Addendum, (ii) that it has, independently and without reliance upon the Agent, the Local Currency Agent, the Japan Local Currency Agent, any other Bank or any of their respective Related Parties, made its own appraisal and investigation of all risks associated with, and its own credit analysis and decision to enter into, this Agreement and, to the extent such Bank is a party thereto, the Local Currency Addendum and the Japan Local Currency Addendum, based on such documents and information, as it has deemed appropriate and (iii) it will, independently and without reliance upon the Agent, the Local Currency Agent, the Japan Local Currency Agent, any other Bank or any of their respective Related Parties, continue to be solely responsible for making its own appraisal and investigation of all risks arising under or in connection with, and its own credit analysis and decision to take or not take action under, this Agreement and, to the extent such Bank is a party thereto, the Local Currency Addendum and the Japan Local Currency Addendum, based on such documents and information as it shall from time to time deem appropriate, which may include, in each case:

(A) the financial condition, status and capitalization of each Borrower;

(B) the legality, validity, effectiveness, adequacy or enforceability of this Agreement, the Notes (with respect to any Bank that has requested a Note), the Local Currency Addendum (with respect to any Bank party thereto), the Japan Local Currency Addendum (with respect to any Bank party thereto) and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection herewith or therewith;

(C) determining compliance or non-compliance with any condition hereunder to the making of an Advance hereunder and, to the extent such Bank is a party thereto, under the Local Currency Addendum or the Japan Local Currency Addendum, and the form and substance of all evidence delivered in connection with establishing the satisfaction of each such condition subject to confirmation by the Agent of its receipt of items requested to be delivered as conditions to lending pursuant to Sections 3.01 and 3.02 hereof;

(D) adequacy, accuracy and/or completeness of the Information Memorandum and any other information delivered by the Agent, any other Bank or by any of their respective Related Parties under or in connection with this Agreement, the transactions contemplated hereby and thereby or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection herewith or therewith.

SECTION VII.08. No Other Duties, etc. Anything herein to the contrary notwithstanding, none of the Persons acting as Bookrunners or Arrangers listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement, except in its capacity, as applicable, as the Agent or as a Bank hereunder.

SECTION VII.09. Indemnification. To the extent not reimbursed by the Borrowers in accordance with Section 8.4 hereof, the Banks agree to indemnify the Agent, the Local Currency Agent, the Japan Local Currency Agent, the Arrangers and the Co-Syndication Agents ratably according to the respective principal amounts of the Revolving Credit Advances, Local Currency Advances or Japan Local Currency Advances, as applicable, then held by each of them (or if no Revolving Credit Advances, Local Currency Advances or Japan Local Currency Advances are at the time outstanding, ratably according to the respective amounts of their Commitments, Local Currency Commitments or Japan Local Currency Commitments, as applicable), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent, the Local Currency Agent, the Japan Local Currency Agent, the Arrangers or the Co-Syndication Agents in any way relating to or arising out of this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum or any action taken or omitted by the Agent, the Local Currency Agent, the Japan Local Currency Agent, the Arrangers or the Co-Syndication Agents under this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum; provided that no Bank shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Agent's, the Local Currency Agent's, the Japan Local Currency Agent's, the Arrangers' or the Co-Syndication Agents' gross negligence or willful misconduct. Without limitation of the foregoing, each Bank agrees to reimburse the Agent, the Local Currency Agent, the Japan Local Currency Agent, the

Arrangers and the Co-Syndication Agents promptly upon demand for its ratable share (determined as specified in the first sentence of this Section 7.09) of any out-of-pocket expenses (including reasonable outside counsel fees) incurred by the Agent, the Local Currency Agent, the Japan Local Currency Agent, the Arrangers or the Co-Syndication Agents in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiation, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum, to the extent that the Agent, the Local Currency Agent, the Japan Local Currency Agent, the Arrangers or the Co-Syndication Agents are not reimbursed for such expenses by the Borrowers.

SECTION VII.10. Bank ERISA Matters. (a) Each Bank (x) represents and warrants, as of the date such Person became a Bank party hereto, to, and (y) covenants, from the date such Person became a Bank party hereto to the date such Person ceases being a Bank party hereto, for the benefit of, the Agent, and each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrowers, that at least one of the following is and will be true:

(i) such Bank is not using “plan assets” (within the meaning of the Plan Asset Regulations or otherwise) of one or more Benefit Plans with respect to such Bank’s entrance into, participation in, administration of and performance of the Advances, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Bank’s entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement, and the conditions for exemptive relief thereunder are and will continue to be satisfied in connection therewith,

(iii) (A) such Bank is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Bank to enter into, participate in, administer and perform the Advances, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Bank, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Bank’s entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Agent, in its sole discretion, and such Bank.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Bank or (2) a Bank has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Bank further (x) represents and warrants, as of the date such Person became a Bank party hereto, to, and (y) covenants, from the date such Person became a Bank party hereto to the date such Person ceases being a Bank party hereto, for the benefit of, the Agent, and each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrowers, that none of the Agent, or any Arranger or any of their respective Affiliates is a fiduciary with respect to the assets of such Bank involved in such Bank's entrance into, participation in, administration of and performance of the Advances, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Agent under this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or any documents related to hereto or thereto).

As used in this Section, the following terms shall have the following meanings:

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of the Plan Asset Regulations or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

SECTION VII.11. Erroneous Payments.

(a) If the Agent (x) notifies a Bank, or any Person who has received funds on behalf of a Bank (any such Bank or other recipient (and each of their respective successors and assigns), a “Payment Recipient”) that the Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds (as set forth in such notice from the Agent) received by such Payment Recipient from the 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 Bank 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 Agent pending its return or repayment as contemplated below in this Section 7.11 and held in trust for the benefit of the Agent, and such Bank 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 Agent may, in its sole discretion, specify in writing), return to the 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 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 Agent in same day funds at the greater of the Federal Funds Rate and a rate

determined by the Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Bank or any Person who has received funds on behalf of a Bank (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 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 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 Agent (or any of its Affiliates), or (z) that such Bank, 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:

(i) 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 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

(ii) such Bank 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 Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Agent pursuant to this Section 7.11(b).

For the avoidance of doubt, the failure to deliver a notice to the Agent pursuant to this Section 7.11(b) shall not have any effect on a Payment Recipient's obligations pursuant to Section 7.11(a) or on whether or not an Erroneous Payment has been made.

(c) Each Bank hereby authorizes the Agent to set off, net and apply any and all amounts at any time owing to such Bank under any Loan Document (including this Agreement), or otherwise payable or distributable by the Agent to such Bank under any such Loan Document with respect to any payment of principal, interest, fees or other amounts, against any amount that the Agent has demanded to be returned under immediately preceding clause (a).

(d) (i) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Agent for any reason, after demand therefor in accordance with immediately preceding clause (a), from any Bank 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 Agent's notice to such Bank at any time, then effective immediately (with the consideration therefor being acknowledged by the parties hereto), (A) such Bank shall be deemed to have assigned its Advances (but not its Commitments) 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 Agent may specify) (such assignment of the Advances (but not Commitments) of the Erroneous Payment Impacted Class, the “Erroneous Payment Deficiency Assignment”) (on a cashless basis and such amount calculated at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Agent in such instance)), and is hereby (together with the Borrowers) deemed to execute and deliver an Assignment and Acceptance (or, to the extent applicable, an agreement incorporating an Assignment and Acceptance by reference pursuant to an Approved Electronic Platform as to which the Agent and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Bank shall deliver any Notes evidencing such Advances to the Borrowers or the Agent (but the failure of such Person to deliver any such Notes shall not affect the effectiveness of the foregoing assignment), (B) the Agent as the assignee Bank shall be deemed to have acquired the Erroneous Payment Deficiency Assignment, (C) upon such deemed acquisition, the Agent as the assignee Bank shall become a Bank, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Bank shall cease to be a Bank, 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 and its applicable Commitments which shall survive as to such assigning Bank, (D) [RESERVED], and (E) the Agent will reflect in the Register its ownership interest in the Advances subject to the Erroneous Payment Deficiency Assignment. For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Bank and such Commitments shall remain available in accordance with the terms of this Agreement.

(ii) Subject to Section 8.07, the Agent may, in its discretion, sell any Advances (provided that no sales of such Advances shall be made to a Defaulting Bank) 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 Bank shall be reduced by the net proceeds of the sale of such Advance (or portion thereof), and the Agent shall retain all other rights, remedies and claims against such Bank (and/or against any recipient that receives funds on its respective behalf). In addition, an Erroneous Payment Return Deficiency owing by the applicable Bank (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 Agent on or with respect to any such Advances acquired from such Bank pursuant to an Erroneous Payment Deficiency Assignment (to the extent that any such Advances are then owned by the Agent) and (y) may, in the sole discretion of the Agent, be reduced by any amount specified by the Agent in writing to the applicable Bank from time to time.

(e) The parties hereto agree that (x) irrespective of whether the 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 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 Bank, to the rights and interests of such Bank, as the case may be) under this Agreement and the other Loan Documents, with respect to such amount (the “Erroneous Payment Subrogation Rights”) (provided that the Borrowers’ obligations under this Agreement and the other Loan Documents in respect of the Erroneous Payment Subrogation Rights shall not be duplicative of such obligations in respect of Advances that have been assigned to the 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 a Borrower; provided that this Section 7.11 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 Borrowers 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 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 Agent from the Borrowers for the purpose of making such Erroneous Payment.

(f) 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 Agent for the return of any Erroneous Payment received, including, without limitation, any defense based on “discharge for value” or any similar doctrine.

(g) Each party’s obligations, agreements and waivers under this Section 7.11 shall survive the resignation or replacement of the Agent, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under this Agreement or any other Loan Document.

ARTICLE VIII MISCELLANEOUS

SECTION VIII.01. Amendments, Etc.

(a) No amendment or waiver of any provision of this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or the Notes, nor consent to any departure by any Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Borrowers and the Majority Banks, the Majority Local Currency Banks or the Majority Japan Local Currency Banks, as the case may be, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no amendment, waiver or consent shall, unless in writing and signed by all the Banks, do any of the following: (a) waive any of the conditions specified in Section 3.01, 3.02, or 3.03 (if and to the extent that the Borrowing which is the subject of such waiver would involve an increase in the aggregate outstanding amount of Advances over the aggregate amount of Advances outstanding immediately prior to such Borrowing), (b) increase the Commitments of the Banks (other than pursuant to Section 2.05(c)), increase the Local Currency Commitments, increase the Japan Local Currency Commitments, or subject the Banks to any additional obligations, (c) reduce or forgive the principal of, or the rate or amount of interest on, the Advances or any fees or other amounts payable hereunder, (d) postpone any date fixed for any payment of principal of, or interest on, the Advances or any fees or other amounts payable hereunder, (e) change the definition of “Majority Banks,” “Majority Local Currency Banks” or “Majority Japan Local Currency Banks,” or the percentage of the Commitments or of the aggregate unpaid principal amount of the Advances, or the number of Banks, which shall be required for the Banks, or any of them, to take any action hereunder, under the Local Currency Addendum or under the Japan Local Currency Addendum, or the percentage of the Local

Currency Commitments or Japan Local Currency Commitments or the aggregate unpaid Local Currency Advances or Japan Local Currency Advances, or the number of Local Currency Banks or Japan Local Currency Banks, which shall be required for the Local Currency Banks or the Japan Local Currency Banks, as applicable, or any of them, to take any action hereunder, under the Local Currency Addendum or under the Japan Local Currency Addendum, as applicable, (f) amend, modify, or otherwise release CFSC from its obligations under, Article IX hereof or (g) amend this Section 8.01; and provided, further, that no amendment, waiver or consent shall, unless in writing and signed by the Agent and the Local Currency Agent or the Japan Local Currency Agent, as applicable, in addition to the Borrower and the Banks required above to take such action, affect the rights or duties of the Agent, the Local Currency Agent or the Japan Local Currency Agent, as applicable, under this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or any Note.

(b) Anything herein to the contrary notwithstanding, during such period as a Bank is a Defaulting Bank, to the fullest extent permitted by applicable law, such Bank will not be entitled to vote in respect of amendments and waivers hereunder and the Commitment and the outstanding Advances or other extensions of credit of such Bank hereunder will not be taken into account in determining whether the Majority Banks or all of the Banks, as required, have approved any such amendment or waiver (and the definition of “Majority Banks” will automatically be deemed modified accordingly for the duration of such period); provided, that any such amendment or waiver that would increase the Commitment of such Defaulting Bank or subject such Defaulting Bank to any additional obligations, postpone the date fixed for any payment of principal or interest owing to such Defaulting Bank hereunder, reduce the principal of, or interest on, the Advances or any fees or other amounts owing to such Defaulting Bank hereunder, or alter the terms of this proviso, will require the consent of such Defaulting Bank.

SECTION VIII.02. Notices; Communications, Etc.

(a) All notices, demands, requests, consents and other Communications provided for in this Agreement shall be given in writing, or by any telecommunication device capable of creating a written record (including electronic mail, except with respect to (x) service of process to any party or (y) communications to any Bank that has previously notified the Agent and the Borrowers that electronic mail is not an acceptable delivery method), and addressed to the party to be notified as follows:

(i) if to Caterpillar

Caterpillar Inc.
100 N.E. Adams Street
Peoria, Illinois 61629 5370
Attention of: Director - Corporate Finance Services
Telecopier No.: 309-636-2869
E-Mail Address: DeCamp_Rob@cat.com

with a copy to:

Caterpillar Inc.
510 Lake Cook Road, Suite 100
Deerfield, Illinois 60015-4922
Attention: Legal Services – Enterprise Governance & Finance Group

Telecopier No.: 309-992-6964
E-Mail Address: david.nimmons@cat.com

- (ii) if to CFSC, CIF or CFKK

Caterpillar Financial Services Corporation
2120 West End Avenue
Nashville, Tennessee 37203-0001
Attention of: Treasurer
Telecopier No.: 615-341-8596
E-Mail Address: Rob.DeCamp@cat.com

with a copy to:

Caterpillar Financial Services Corporation
2120 West End Avenue
Nashville, Tennessee 37203-0001
Attention: Legal Department – Securities Group
Telecopier No.: 615-341-1083
E-Mail Address: David.nimmons@cat.com

- (iii) if to the Agent

Citibank, N.A.
1615 Brett Rd., Building No. 3
New Castle, Delaware 19720
Attention of: Bank Loan Syndications
Telecopier No.: 646-274-5080
E-Mail Address: glagentofficeops@citi.com

with a copy to:

Citibank, N.A.
388 Greenwich Street
New York, New York 10013
Attention of: Lisa Stevens Harary
Telecopier No.: 212-816-3107
E-Mail Address: lisa.stevensharary@citi.com

- (iv) if to any other Bank, to its address (or telecopier number or e-mail address) set forth in its Administrative Questionnaire;

or at such other address as shall be notified in writing (x) in the case of the Borrowers or the Agent, to the other parties and (y) in the case of all other parties, to the Borrowers and the Agent.

(b) Except as otherwise provided in this Agreement, all notices, demands, requests, consents and other Communications described in clause (a) shall be effective (i) if delivered by hand, including any overnight courier service, upon personal delivery, (ii) if delivered by mail, when received by the intended recipient, (iii) if delivered by posting to an Approved Electronic Platform, an Internet website or a similar telecommunication device requiring that a user have prior access to such Approved Electronic Platform, website or other

device (to the extent permitted by this Section 8.02 to be delivered thereunder), when such notice, demand, request, consent and other communication shall have been made generally available on such Approved Electronic Platform, Internet website or similar device to the class of Person being notified (regardless of whether any such Person must accomplish, and whether or not any such Person shall have accomplished, any action prior to obtaining access to such items, including registration, disclosure of contact information, compliance with a standard user agreement or undertaking a duty of confidentiality) and such Person has been notified in respect of such posting that a communication has been posted to the Approved Electronic Platform and (iv) if delivered by electronic mail or any other telecommunications device, when received by the intended recipient; provided, however, that notices and communications to the Agent pursuant to Article II or Article VII shall not be effective until received by the Agent. If any notice, demand, request or other communication related to an Event of Default (including, without limitation, any notice of a failure to make a required payment), is delivered by the Agent or any Bank to the Borrower by electronic mail or any other telecommunications device, the Agent or such Bank, as applicable, shall promptly deliver a duplicate copy of such notice, demand, request or other communication to the Borrower by hand (including by overnight courier service) or by mail.

(c) Notwithstanding clauses (a) and (b) (unless the Agent and the Borrowers agree that the provisions of clause (a) and (b) be followed) and any other provision in this Agreement providing for the delivery of any Approved Electronic Communication by any other means, the Borrowers shall deliver all Approved Electronic Communications to the Agent by properly transmitting such Approved Electronic Communications in an electronic/soft medium in a format reasonably acceptable to the Agent to oploanswebadmin@citigroup.com or such other electronic mail address (or similar means of electronic delivery) as the Agent may notify to the Borrowers. Nothing in this clause (c) shall prejudice the right of the Agent or any Bank to deliver any Communication to any Borrower in any manner authorized in this Agreement or to request that the Borrowers effect delivery in such manner.

(d) Each of the Banks and each Borrower agree that the Agent may, but shall not be obligated to, make the Approved Electronic Communications available to the Banks by posting such Approved Electronic Communications on IntraLinks™ or a substantially similar electronic platform chosen by the Agent to be its electronic transmission system (the “Approved Electronic Platform”).

(e) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Agent from time to time (including, as of the Closing Date, a dual firewall and a User ID/ Password Authorization System) and the Approved Electronic Platform is secured through a single-user-per-deal authorization method whereby each user may access the Approved Electronic Platform only on a deal-by-deal basis, each of the Banks and each Borrower acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution. In consideration for the convenience and other benefits afforded by such distribution and for the other consideration provided hereunder, the receipt and sufficiency of which is hereby acknowledged, each of the Banks and each Borrower hereby approves distribution of the Approved Electronic Communications through the Approved Electronic Platform and, subject to subsection (f) below, understands and assumes the risks of such distribution.

(f) THE APPROVED ELECTRONIC PLATFORM AND THE APPROVED ELECTRONIC COMMUNICATIONS ARE PROVIDED “AS IS” AND “AS AVAILABLE”. NONE OF THE AGENT NOR ANY OTHER MEMBER OF THE AGENT’S GROUP WARRANTS THE ACCURACY, ADEQUACY OR COMPLETENESS OF THE APPROVED ELECTRONIC COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM AND EACH EXPRESSLY DISCLAIMS ANY LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM, EXCEPT FOR ERRORS OR OMISSIONS RESULTING FROM AGENT’S OR AGENT GROUP’S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE AGENT PARTIES IN CONNECTION WITH THE APPROVED ELECTRONIC COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM.

(g) Each of the Banks and each Borrower agree that the Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Approved Electronic Communications on the Approved Electronic Platform in accordance with the Agent’s generally-applicable document retention procedures and policies.

SECTION VIII.03. No Waiver; Remedies. No failure on the part of any party hereto to exercise, and no delay in exercising, any right hereunder, under the Local Currency Addendum, under the Japan Local Currency Addendum or under any Note shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION VIII.04. Costs, Expenses and Taxes. (a) Caterpillar agrees to pay on written demand all reasonable costs and expenses of the Agent, the Local Currency Agent, the Japan Local Currency Agent, each of the Arrangers and each of the Co-Syndication Agents in connection with the preparation, execution, delivery, administration, modification and amendment of this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum, the Notes and the other documents to be delivered hereunder, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel for the Agent, the Local Currency Agent, the Japan Local Currency Agent, each of the Arrangers and each of the Co-Syndication Agents with respect thereto and with respect to advising the Agent, the Local Currency Agent, the Japan Local Currency Agent, each of the Arrangers and each of the Co-Syndication Agents as to their rights and responsibilities under this Agreement, the Local Currency Addendum and the Japan Local Currency Addendum. The Borrowers further agree to pay all costs and expenses, if any (including, without limitation, reasonable counsel fees and expenses of the Banks), of the Agent, the Banks, the Local Currency Agent, the Japan Local Currency Agent, each of the Arrangers and each of the Co-Syndication Agents in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum, the Notes and the other documents to be delivered hereunder. If any such costs or expenses are attributable to a particular Borrower, such costs or expenses shall be paid by such Borrower. In all other cases, such costs or expenses shall be paid by Caterpillar.

(b) If any payment of principal of any Eurocurrency Rate Advance or an RFR Advance is made other than on the last day of the Interest Period for such Advance, as a result of a payment pursuant to Section 2.09 or acceleration of the maturity of the Advances pursuant to Section 6.01 or for any other reason, or if the Banks receive payments from an Added Bank in connection with the purchase of a participation in Eurocurrency Rate Advances or RFR Advances by such Added Bank pursuant to Section 2.05(d), the applicable Borrower shall, upon demand by any Bank (with a copy of such demand to the Agent), pay to the Agent for the account of such Bank any amounts as such Bank shall reasonably determine in good faith to be required to compensate such Bank for any additional losses, costs or expenses which it may reasonably incur as a result of such payment. Such indemnification shall include, without limitation, any loss, cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Bank to fund or maintain such Advance; provided, however, that any indemnification for such losses, costs and expenses shall be limited to an amount equal to (i) the principal amount of the Advance paid by such Borrower or the amount of the participation purchased by such Added Bank, as the case may be, times (ii) the number of days remaining in the Interest Period applicable to such Advance (which shall be deemed to be one month for RFR Advances), divided by (x) 360 for Eurocurrency Rate Advances and (y) 365 or 366, as applicable, for RFR Advances, times (iii) the interest differential between the interest rate applicable to such Advance and the rate of interest which would apply on an Advance to such Borrower of the same Type requested on the date of such payment by such Borrower for an Interest Period which most nearly approximates the remaining term of the Interest Period applicable to the Advance paid by such Borrower. A certificate describing in reasonable detail the amount of such losses, costs and expenses, and specifying therein the Type of loan in reference to which such Bank shall have made its calculations thereof (the “Reference Investment”), submitted to such Borrower and the Agent by such Bank, shall create a rebuttable presumption of the rate applicable to the Reference Investment identified therein. In making any determination under this Section 8.04(b), each Bank shall use reasonable efforts to minimize the amount payable by such Borrower hereunder to such Bank, provided that such action does not result in any additional cost, loss or expense for such Bank and is not otherwise disadvantageous to such Bank.

(c) The Borrowers severally agree to indemnify and hold harmless each of the Agent, the Local Currency Agent, the Japan Local Currency Agent, each Bank, each Local Currency Bank, each Japan Local Currency Bank, each Arranger and each Co-Syndication Agent and each of their Affiliates, directors, officers and employees from and against any and all claims, damages, liabilities and expenses (including, without limitation, reasonable fees and disbursements of outside counsel) which may be incurred by or asserted against the Agent, the Local Currency Agent, the Japan Local Currency Agent, such Bank, such Local Currency Bank, such Japan Local Currency Bank, such Arranger or such Co-Syndication Agent or any of its or their respective Affiliates, directors, officers, members, partners, agents, or employees in connection with or arising out of the Loan Documents or the transactions contemplated hereby, including but not limited to any investigation, litigation, or proceeding (i) related to any transaction or proposed transaction (whether or not consummated) in which any proceeds of any Borrowing are applied or proposed to be applied, directly or indirectly, by such Borrower, whether or not the Agent, the Local Currency Agent, the Japan Local Currency Agent, such Bank, such Local Currency Bank, such Japan Local Currency Bank, such Arranger or such Co-Syndication Agent or any such director, officer or employee is a party to such transactions or (ii) related to such Borrower’s entering into this Agreement, the Local Currency Addendum or

the Japan Local Currency Addendum, or to any actions or omissions of such Borrower, any of its Subsidiaries or Affiliates or any of its or their respective officers, members, partners, agents, directors or employees in connection therewith. If any such claims, damages, liabilities and expenses are attributable to a particular Borrower, such indemnity shall be provided by such Borrower. In all other cases, such indemnity shall be provided by Caterpillar. No Borrower shall be required to indemnify any such indemnified Person from or against any portion of such claims, damages, liabilities or expenses (x) arising out of the gross negligence or willful misconduct of such indemnified Person or (y) that result from the violation in any material respect by such indemnified Person of any law, regulation, ordinance, or judicial or governmental agency order.

(d) The Borrowers' obligations under this Section 8.04 shall survive the termination of this Agreement and repayment of all Advances.

SECTION VIII.05. Right of Set-off. Upon (i) the occurrence and during the continuance of any Event of Default with respect to a Borrower and (ii) the making of the request or the granting of the consent specified by Section 6.01 to authorize the Agent to declare the Advances to such Borrower due and payable pursuant to the provisions of Section 6.01, each Bank is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Bank to or for the credit or the account of such Borrower against any and all of the obligations of such Borrower now or hereafter existing under this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum, and any Note of such Borrower held by such Bank, irrespective of whether or not such Bank shall have made any demand under this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum, or such Note and although such obligations may be unmatured. Each Bank agrees to immediately notify such Borrower and the Agent by facsimile or electronic mail after any such set-off and application made by such Bank, provided that the failure to give such notice shall not affect the validity of such set off and application. The rights of each Bank under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) which such Bank may have. In the event that any Defaulting Bank exercises any such right of setoff, (x) all amounts so set off will be paid over immediately to the Agent for further application in accordance with the provisions of Section 2.17 and, pending such payment, will be segregated by such Defaulting Bank from its other funds and deemed held in trust for the benefit of the Agent and the other Banks and (y) the Defaulting Bank will provide promptly to the Agent a statement describing in reasonable detail the obligations owing to such Defaulting Bank as to which it exercised such right of setoff.

SECTION VIII.06. Binding Effect. This Agreement shall be deemed to have become effective as of September 5, 2019 when it shall have been executed by the Borrowers, the Local Currency Agent, the Japan Local Currency Agent, and the Agent and when the Agent shall have been notified by each Bank that such Bank has executed it and thereafter this Agreement shall be binding upon and inure to the benefit of the Borrowers, the Agent, the Local Currency Agent, the Japan Local Currency Agent, and each Bank and their respective successors and assigns, except that no Borrower shall have the right to assign its rights hereunder or any interest herein without the prior written consent of all the Banks.

SECTION VIII.07. Assignments and Participations.

(a) (i) Each Bank may, upon not less than one (1) Business Day's prior notice to the Agent and with the prior written consent of the Agent (which shall not be required in the case of an assignment by a Bank to another Bank or a Bank's Affiliate), Caterpillar and CFSC (in each case, which consents shall not be unreasonably withheld or delayed; provided, that each of Caterpillar and CFSC shall be deemed to have consented to any assignment unless such Borrowers shall object thereto by written notice to the Agent within ten (10) Business Days after having received notice thereof; provided, further, that no consent of Caterpillar or CFSC shall be required in connection with any assignment (x) to a Bank or a Bank's Affiliate or (y) to an Eligible Financial Institution if an Event of Default has occurred and is continuing) assign to one or more of such Bank's Affiliates or to one or more other Banks (or to any Affiliate of such Bank) or to one or more banks or other entities all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment, Revolving Credit Commitment, its Local Currency Commitment, its Japan Local Currency Commitment, if applicable, the Advances owing to it and any Note or Notes held by it); provided, however, that (A) each such assignment shall be of a constant, and not a varying, percentage of all of the assigning Bank's rights and obligations under this Agreement, and shall be in an amount not less than the lesser of (x) \$5,000,000 and (y) the remaining amount of the assigning Bank's Commitment (calculated as at the date of such assignment) or outstanding Advances (if such Bank's Commitment has been terminated), (B) no such assignment shall result in any Bank having a Commitment which is more than 20% of the Total Commitment, (C) the parties to each such assignment shall execute and deliver to the Agent, for its acceptance (but not consent), an Assignment and Acceptance, together with any Note or Notes subject to such assignment and, other than in connection with assignments to a Bank's Affiliate, a processing and recordation fee of \$3,500 (which fee may be waived by the Agent in its sole discretion), (D) no such assignment shall be made to any Borrower or any of such Borrower's Affiliates or Subsidiaries and (E) no such assignment will be made to any Defaulting Bank or any of its subsidiaries, or any Person who, upon becoming a Bank hereunder, would be a Defaulting Bank.

(ii) Upon such execution, delivery and acceptance of any such Assignment and Acceptance, from and after the effective date specified in such Assignment and Acceptance, (x) the assignee thereunder shall, in addition to the rights and obligations hereunder held by it immediately prior to such effective date (if any), have the rights and obligations hereunder that have been assigned to it pursuant to such Assignment and Acceptance and (y) the Bank assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement, the Local Currency Addendum, if applicable, and the Japan Local Currency Addendum, if applicable (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Bank's rights and obligations under this Agreement, the Local Currency Addendum, if applicable, and the Japan Local Currency Addendum, if applicable, such Bank shall cease to be a party hereto and thereto). Notwithstanding any assignment, each assigning Bank shall continue to have the benefits and obligations of a "Bank" under Section 2.12, Section 8.04 and Section 8.14 hereof to the extent of any Commitments or Advances assigned in accordance herewith.

(b) By executing and delivering an Assignment and Acceptance, the Bank assignor thereunder and the assignee thereunder confirm to and agree with each other and the

other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Bank makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum, or any other instrument or document furnished pursuant hereto or thereto; and (ii) such assigning Bank makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Borrower or the performance or observance by any Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto.

(c) The Agent, acting solely for this purpose as an agent of the Borrowers, shall maintain at its address referred to in Section 8.02 a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Banks, and the Commitments of, and principal amounts of the Advances owing to, each Bank pursuant to the terms hereof from time to time (the “Register”). The entries in the Register shall be *prima facie* evidence of such matters, and the Borrowers, the Agent, the Local Currency Agent, the Japan Local Currency Agent and the Banks may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Bank hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers or any Bank at any reasonable time and from time to time upon reasonable prior notice.

(d) Upon its receipt of an Assignment and Acceptance executed by an assigning Bank and an assignee, together with the Notes, if any, subject to such assignment, the Agent shall, if such Assignment and Acceptance has been completed and is in substantially the form of Exhibit C-1 hereto, (i) accept such Assignment and Acceptance, and (ii) give prompt notice thereof to the Borrowers. Within five (5) Business Days after its receipt of such notice, each Borrower, at its own expense, shall execute and deliver to the Agent in exchange for any surrendered Note of such Borrower a new Note, if requested, to the order of such assignee and, if the assigning Bank has retained a Commitment hereunder and requested a new Note, a new Note of such Borrower to the order of the assigning Bank. Such new Note or Notes, if requested, shall be dated the effective date of such Assignment and Acceptance and shall otherwise be in substantially the form of Exhibit A hereto.

(e) Each Bank may sell participations to one or more banks or other entities in or to all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment, Revolving Credit Commitment, Local Currency Commitment, if applicable, Japan Local Currency Commitment, if applicable, the Advances owing to it and the Notes, if any, held by it); provided, however, that (i) such Bank’s obligations under this Agreement (including, without limitation, its Commitment to the Borrowers hereunder) shall remain unchanged, (ii) such Bank shall remain solely responsible to the Borrowers, the other Banks and the Agent for the performance of such obligations, (iii) such Bank shall remain the holder of any such Notes for all purposes of this Agreement, and (iv) the Borrowers, the Agent and the other Banks shall continue to deal solely and directly with such Bank in connection with such Bank’s rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Bank sells such a participation shall provide that such Bank shall retain the sole right to enforce this Agreement and to approve any amendment,

modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Bank will not, without the consent of the participant, agree to any amendment, modification or waiver described in the first proviso to Section 8.01(a) that affects such participant.

(f) Notwithstanding the foregoing, any Bank may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including, without limitation, rights to payments of principal of and/or interest on the Advances) to secure obligations of such Bank, including any pledge or assignment to secure obligations to a Federal Reserve Bank or any central bank having jurisdiction over such Bank, without prior notice to or consent of the Borrowers or the Agent; provided that no such pledge or assignment shall release such Bank from any of its obligations hereunder or substitute any such pledgee or assignee for such Bank as a party hereto.

SECTION VIII.08. Governing Law; Submission to Jurisdiction; Service of Process.

(a) This Agreement and the Notes shall be governed by, and construed in accordance with, the law of the State of New York (without regard for conflict of law principles that would result in the application of any law other than the internal law of the State of New York).

(b) Each of the Agent, the Local Currency Agent, the Japan Local Currency Agent, each Bank, each Local Currency Bank, each Japan Local Currency Bank and each Borrower hereby (i) irrevocably waives, to the fullest extent that it may effectively do so, the defense of an inconvenient forum to the maintenance of any action or proceeding brought in accordance with Section 8.08(c); and (ii) agrees that a final judgment in any action brought in accordance with Section 8.08(c) or proceeding may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each Borrower irrevocably consents to the service of process of any of the aforesaid courts in any such action or proceeding by the mailing or delivery of a copy of such process to The Corporation Trust Company, as its agent for the purpose of accepting such process, at Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801.

(c) Each Borrower irrevocably submits to the exclusive jurisdiction (or, solely in the case of CFKK and CIF, to the non-exclusive jurisdiction) of (A) any New York State or United States federal court sitting in New York City (and any appellate court hearing appeals from any such court), (B) any Illinois State or United States federal court sitting in Chicago, Illinois (and any appellate court hearing appeals from any such court) and (C) any United States federal court sitting in Nashville, Tennessee (and any appellate court hearing appeals from any such court), in each case, in connection with any action or proceeding arising out of or relating to this Agreement and hereby irrevocably agrees that all claims in respect of any such action or proceeding shall be heard (and with respect to CFKK and CIF may be heard) and determined in any such New York State court sitting in New York City or Illinois State court sitting in Chicago, Illinois or, to the extent permitted by law, in such federal court sitting in New York City, Chicago, Illinois or Nashville, Tennessee. Each of the Agent, the Local Currency Agent, the Japan Local Currency Agent, each Bank, each Local Currency Bank and each Japan Local Currency Bank hereby submits to the non-exclusive jurisdiction of any New York State or

United States federal court sitting in New York City (and any appellate court hearing appeals from any such court).

(d) Nothing in this Section 8.08 shall affect the right of any Borrower, the Agent, the Local Currency Agent, the Japan Local Currency Agent, any Bank, any Local Currency Bank or any Japan Local Currency Bank to serve legal process in any other manner permitted by law.

(e) Nothing in this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum shall affect any right that the Agent, the Local Currency Agent, the Japan Local Currency Agent, each Bank, each Local Currency Bank and each Japan Local Currency Bank may otherwise have to bring any action or proceeding relating to this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum against any Borrower or its properties in the courts of any jurisdiction.

SECTION VIII.09. Caterpillar as Agent for the Borrowers. CFSC, CIF and CFKK hereby appoint Caterpillar as their agent for purposes of giving notice to or otherwise advising the Agent or the Banks in such instances where this Agreement calls for notice or advice from the Borrowers rather than from a specific Borrower (Caterpillar, in such capacity, being referred to herein as the “Borrower Agent”). The Banks and the Agent may assume that any advice given to them by Caterpillar in respect of the Borrowers validly represents the collective decision of the Borrowers, and the Banks and the Agent may rely upon such advice in all instances. Each of CIF and CFKK hereby irrevocably waives, to the fullest possible extent, any defense of forum non conveniens.

SECTION VIII.10. Judgment Currency. If for the purposes of obtaining judgment in any court it is necessary to convert a sum due under this Agreement, under the Local Currency Addendum, under the Japan Local Currency Addendum or under any of the Notes in any currency (the “Original Currency”) into another currency (the “Other Currency”), the parties hereto agree, to the fullest extent permitted by law, that the rate of exchange used shall be that at which, in accordance with normal banking procedures, the Agent could purchase the Original Currency with the Other Currency on the Business Day preceding that on which final judgment is given. To the fullest extent permitted by applicable law, the obligation of any Borrower in respect to any sum due in the Original Currency to the Agent or any Bank shall, notwithstanding any judgment in an Other Currency, be discharged only to the extent that on the Business Day following receipt by the Agent or such Bank, as applicable, of any sum adjudged to be so due in the Other Currency, the Agent or such Bank, as applicable, may in accordance with normal banking procedures purchase the Original Currency with the Other Currency; if the amount of the Original Currency so purchased is less than the sum originally due to the Agent or such Bank, as applicable, in the Original Currency, the applicable Borrower or Borrowers agree, as a separate obligation and notwithstanding any such judgment, to indemnify the Agent or such Bank, as applicable, against such loss, and if the amount of the Original Currency so purchased exceeds the sum originally due the Agent or such Bank in the Original Currency, the Agent or such Bank, as applicable, agrees to remit to the applicable Borrower or Borrowers such excess.

SECTION VIII.11. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken

together shall constitute one and the same agreement. A facsimile or PDF copy of any signature hereto shall have the same effect as the original of such signature. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that, in respect of documents to be signed by entities established within the European Union, the Electronic Signature qualifies as a “qualified electronic signature” within the meaning of the Regulation (EU) n°910/2014 of the European parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transaction in the internal market as amended from time to time and provided that nothing herein shall require the Agent to accept Electronic Signatures in any form or format without its prior written consent. For purposes hereof, “Electronic Signature” means electronic symbol or process attached to, or associated with, a contract or other record and adopted by a person or entity with the intent to sign, authenticate or accept such contract or record.

SECTION VIII.12. Waiver of Jury Trial. EACH BORROWER, THE AGENT, THE LOCAL CURRENCY AGENT, THE JAPAN LOCAL CURRENCY AGENT, EACH BANK, EACH LOCAL CURRENCY BANK AND EACH JAPAN LOCAL CURRENCY BANK IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, AMONG ANY OF THE PARTIES HERETO ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, THE LOCAL CURRENCY ADDENDUM, THE JAPAN LOCAL CURRENCY ADDENDUM, OR ANY NOTE. ANY PARTY HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY.

SECTION VIII.13. USA Patriot Act Notification. The following notification is provided to the Borrowers pursuant to Section 326 of the USA Patriot Act and is effective for the Agent, the Local Currency Agent, the Japan Local Currency Agent and each of the Banks:

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government of the United States of America fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each Person that opens an account, including any deposit account, treasury management account, loan, other extension of credit, or other financial services product. Accordingly, when any Borrower opens an account, the Agent and the Banks will ask for the Borrower’s name, tax identification number (if applicable), business address, and other information that will allow the Agent and the Banks to identify such Borrower. The Agent and the Banks may also ask to see such Borrower’s legal organizational documents or other identifying documents.

SECTION VIII.14. Confidentiality. Each of the Agent, the Local Currency Agent, the Japan Local Currency Agent, each Bank, each Local Currency Bank and each Japan Local Currency Bank agrees to maintain the confidentiality of the Information (as defined below) in accordance with its customary procedures, so long as such procedures provide for a reasonable standard of care (with such standard of care being at least the same standard of care as such Person would exercise to maintain the confidentiality of its own confidential information), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective managers, administrators, trustees, partners, directors, members, officers, employees, agents, advisors and other representatives who are involved in the transactions contemplated hereby or otherwise have a need to know (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent required, in the reasonable determination of the disclosing party, by any regulatory authority purporting to have jurisdiction over it or its Affiliates (including any self-regulatory authority, such as the National Association of Insurance Commissioners) including in connection with any pledge or assignment permitted under Section 8.07(f), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the administration of the facility and the exercise of any remedies hereunder, under the Local Currency Addendum, under the Japan Local Currency Addendum or under any other document related to or executed in connection herewith or therewith or any action or proceeding relating to this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or any other document related to or executed in connection herewith or therewith or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section (except that such agreement shall not contain the exceptions listed in (i) through (iv) of this clause (f)), to (i) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective party (or its managers, administrators, trustees, partners, members, directors, officers, employees, agents, advisors and other representatives), surety, reinsurer, guarantor or credit liquidity enhancer (or their advisors) to or in connection with any swap, derivative or other similar transaction under which payments are to be made by reference to this Agreement, the obligations of the Borrowers hereunder or payments hereunder, (iii) to any rating agency when required by it (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), or (iv) the CUSIP Service Bureau or any similar organization (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (g) with the consent of the Borrowers or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or any other breach of an obligation of confidentiality or (y) becomes available to the Agent, the Local Currency Agent, the Japan Local Currency Agent, any Bank, any Local Currency Bank, any Japan Local Currency Bank or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrowers.

For purposes of this Section, "Information" means all information received from the Borrowers or any of their respective Subsidiaries relating to the Borrowers or any of their respective Subsidiaries or any of their respective businesses, other than any such information that is available to the Agent, the Local Currency Agent, the Japan Local Currency Agent, any Bank, any Local Currency Bank and any Japan Local Currency Bank on a nonconfidential basis prior to disclosure by the Borrowers or any of their respective Subsidiaries, provided that, in the case of

information received from the Borrowers or any of their respective Subsidiaries after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information, but in no event less than a reasonable degree of care.

SECTION VIII.15. Treatment of Information.

(a) Certain of the Banks may enter into this Agreement, the Local Currency Addendum and/or the Japan Local Currency Addendum and take or not take action hereunder or thereunder on the basis of information that does not contain Restricting Information. Other Banks may enter into this Agreement, the Local Currency Addendum and/or the Japan Local Currency Addendum and take or not take action hereunder or thereunder on the basis of information that may contain Restricting Information. Each Bank acknowledges that United States federal and state securities laws prohibit any person from purchasing or selling securities on the basis of material, non-public information concerning an issuer of such securities or, subject to certain limited exceptions, from communicating such information to any other Person. Neither the Agent nor any of its Related Parties shall, by making any Communications (including Restricting Information) available to a Bank, by participating in any conversations or other interactions with a Bank or otherwise, make or be deemed to make any statement with regard to or otherwise warrant that any such information or Communication does or does not contain Restricting Information nor shall the Agent or any of its Related Parties be responsible or liable in any way for any decision a Bank may make to limit or to not limit its access to Restricting Information. In particular, none of the Agent nor any of its Related Parties (i) shall have, and the Agent, on behalf of itself and each of its Related Parties, hereby disclaims, any duty to ascertain or inquire as to whether or not a Bank has or has not limited its access to Restricting Information, such Bank's policies or procedures regarding the safeguarding of material, nonpublic information or such Bank's compliance with applicable laws related thereto or (ii) shall have, or incur, any liability to any Borrower or Bank or any of their respective Related Parties arising out of or relating to the Agent or any of its Related Parties providing or not providing Restricting Information to any Bank.

(b) Each Borrower agrees that (i) all Communications it provides to the Agent intended for delivery to the Banks whether by posting to the Approved Electronic Platform or otherwise shall be clearly and conspicuously marked "PUBLIC" if such Communications do not contain Restricting Information which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof, (ii) by marking Communications "PUBLIC," each Borrower shall be deemed to have authorized the Agent and the Banks to treat such Communications as either publicly available information or not material information (although, in this latter case, such Communications may contain sensitive business information and, therefore, remain subject to the confidentiality undertakings of Section 8.14) with respect to such Borrower or its securities for purposes of United States Federal and state securities laws, (iii) all Communications marked "PUBLIC" may be delivered to all Banks and may be made available through a portion of the Approved Electronic Platform designated "Public Side Information," and (iv) the Agent shall be entitled to treat any Communications that are not marked "PUBLIC" as Restricting Information and may post such Communications to a portion of the Approved Electronic Platform not designated "Public Side Information." Neither the Agent nor any of its

Affiliates shall be responsible for any statement or other designation by a Borrower regarding whether a Communication contains or does not contain material non-public information with respect to any of the Borrowers or their securities nor shall the Agent or any of its Affiliates incur any liability to any Borrower, any Bank or any other Person for any action taken by the Agent or any of its Affiliates based upon such statement or designation, including any action as a result of which Restricting Information is provided to a Bank that may decide not to take access to Restricting Information. Nothing in this Section 8.15 shall modify or limit a Bank's obligations under Section 8.14 with regard to Communications and the maintenance of the confidentiality of or other treatment of Information.

(c) Each Bank acknowledges that circumstances may arise that require it to refer to Communications that might contain Restricting Information. Accordingly, each Bank agrees that it will nominate at least one designee to receive Communications (including Restricting Information) on its behalf and identify such designee (including such designee's contact information) on such Bank's Administrative Questionnaire. Each Bank agrees to notify the Agent from time to time of such Bank's designee's e-mail address to which notice of the availability of Restricting Information may be sent by electronic transmission.

(d) Each Bank acknowledges that Communications delivered hereunder, under the Local Currency Addendum and under the Japan Local Currency Addendum may contain Restricting Information and that such Communications are available to all Banks generally. Each Bank that elects not to take access to Restricting Information does so voluntarily and, by such election, acknowledges and agrees that the Agent and other Banks may have access to Restricting Information that is not available to such electing Bank. None of the Agent nor any Bank with access to Restricting Information shall have any duty to disclose such Restricting Information to such electing Bank or to use such Restricting Information on behalf of such electing Bank, and shall not be liable for the failure to so disclose or use, such Restricting Information.

(e) The provisions of the foregoing clauses of this Section 8.15 are designed to assist the Agent, the Banks and the Borrowers, in complying with their respective contractual obligations and applicable law in circumstances where certain Banks express a desire not to receive Restricting Information notwithstanding that certain Communications hereunder, under the Local Currency Addendum or under the Japan Local Currency Addendum or other information provided to the Banks hereunder or thereunder may contain Restricting Information. Neither the Agent nor any of its Related Parties warrants or makes any other statement with respect to the adequacy of such provisions to achieve such purpose nor does the Agent or any of its Related Parties warrant or make any other statement to the effect that Borrower's or Bank's adherence to such provisions will be sufficient to ensure compliance by such Borrower or Bank with its contractual obligations or its duties under applicable law in respect of Restricting Information and each of the Banks and each Borrower assumes the risks associated therewith.

SECTION VIII.16. Amendment and Restatement; Departing Bank. The Borrowers, the Banks (including, without limitation, each Departing Bank), the Agent, the Japan Local Currency Agent and the Local Currency Agent each agree that, upon (i) the execution and delivery of this Agreement by each of the parties hereto and (ii) satisfaction (or waiver by the aforementioned parties) of the conditions precedent set forth in Section 3.01, the terms and provisions of the Existing Credit Agreement shall be and hereby are amended, superseded and

restated in their entirety by the terms and provisions of this Agreement. This Agreement is not intended to and shall not constitute a novation of the Existing Credit Agreement or the Debt created thereunder. The commitment of each Bank that is a party to the Existing Credit Agreement shall, on the Closing Date, automatically be deemed amended and the only commitments shall be those hereunder. Without limiting the foregoing, upon the effectiveness hereof: (a) all loans incurred under the Existing Credit Agreement which are outstanding on the Closing Date shall continue as Advances under (and shall be governed by the terms of) this Agreement, (b) all obligations under the Existing Credit Agreement with any Bank or any Affiliate of any Bank which are outstanding on the Closing Date shall continue as obligations under this Agreement, (c) the Agent shall have full power and authority to allocate the Commitments and Revolving Credit Commitments of the Banks as in effect immediately prior to the Closing Date such that, immediately after giving effect to such allocations on the Closing Date, each Bank (other than a Departing Bank) shall hold the "Commitment" and the "Revolving Credit Commitment" set forth next to its name on Schedule I hereto and the Banks and each Departing Bank, further agree to make all assignments and/or transfers, and hereby consent to any such assignments and transfers, which may be necessary (including, without limitation, assignments of funded obligations) to effect the allocations described in this clause (c) and (d) each Departing Bank's Commitments and Revolving Credit Commitments under the Existing Credit Agreement immediately prior to giving effect to this Agreement shall be terminated and no Departing Bank shall be a "Bank" party to this Agreement and each Departing Bank shall no longer have any rights or obligations under this Agreement (other than rights and obligations under those provisions of the Existing Credit Agreement that expressly survive termination thereof, which shall survive).

SECTION VIII.17. No Fiduciary Duty. The Agent, each Bank and their Affiliates (collectively, solely for purposes of this paragraph, the "Banks"), may have economic interests that conflict with those of the Borrowers, their stockholders and/or their affiliates. The Borrowers agree that nothing in the Agreement and the related documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Bank, on the one hand, and the Borrowers, their stockholders or their affiliates, on the other. Each Borrower acknowledges and agrees that (i) the transactions contemplated by the Agreement and the related documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Banks, on the one hand, and such Borrower, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Bank has assumed an advisory or fiduciary responsibility in favor of the Borrower, its stockholders or its affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Bank has advised, is currently advising or will advise such Borrower, its stockholders or its affiliates on other matters) or any other obligation to such Borrower except the obligations expressly set forth in the Agreement and the related documents and (y) each Bank is acting solely as principal and not as the agent or fiduciary of such Borrower, its management, stockholders, creditors or any other Person. Each Borrower acknowledges and agrees that it has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Borrower agrees that it will not claim that any Bank has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Bank, in connection with such transaction or the process leading thereto.

SECTION VIII.18. Arrangers. Any Affiliate of an Arranger may provide the services of an Arranger for the transactions contemplated hereunder.

SECTION VIII.19. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or in any other agreement, arrangement or understanding among any such parties, each party hereto and thereto acknowledges that any liability of any Affected Financial Institution arising under this Agreement, the Local Currency Addendum, or the Japan Local Currency Addendum, as applicable, may be subject to the Write-Down and Conversion Powers of an applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an applicable Resolution Authority to any such liabilities arising hereunder or thereunder which may be payable to it by any party hereto or thereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any applicable Resolution Authority.

ARTICLE IX CFSC GUARANTY

SECTION IX.01. The Guaranty. CFSC hereby unconditionally and irrevocably guarantees to the Agent, each Bank and each other holder of any obligations owing by CIF and CFKK under this Agreement, the Local Currency Addendum and the Japan Local Currency Addendum, the due and punctual payment (whether at stated maturity, upon acceleration or otherwise) of the principal of and interest on each Advance to each of CIF and CFKK, and the due and punctual payment of all other amounts payable by CIF and CFKK under this Agreement, the Local Currency Addendum and the Japan Local Currency Addendum. Upon failure by either CIF or CFKK to pay punctually any such amount, CFSC shall forthwith on demand pay the amount not so paid at the place, in the manner and with the effect otherwise specified in Article II of this Agreement. CFSC's obligations under this Article IX shall constitute a continuing guaranty of payment and performance and not merely of collection.

SECTION IX.02. Guaranty Unconditional. The obligations of CFSC under this Article IX shall be unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged or otherwise affected by:

(i) any extension, renewal, settlement, compromise, waiver or release in respect of any obligation of CIF or CFKK under this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum, by operation of law or otherwise, or the exchange, release or non-perfection of any collateral security therefor;

(ii) any modification or amendment of or supplement to this Agreement, the Local Currency Addendum, the Japan Local Currency Addendum, or any Note;

(iii) any change in the corporate existence, structure or ownership of CIF or CFKK, including the merger of CIF or CFKK, into another entity, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting CIF or its assets, or CFKK or its assets, or any resulting release or discharge of any obligation of CIF or CFKK under this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum, as applicable;

(iv) the existence of any claim, set-off or other rights which CFSC may have at any time against CIF or CFKK, the Agent, the Local Currency Agent, the Japan Local Currency Agent, any Bank or any other Person, whether in connection herewith or any unrelated transactions, provided that nothing herein shall prevent the assertion of any such claim by separate suit or compulsory counterclaim;

(v) any invalidity or unenforceability relating to or against CIF or CFKK for any reason of any provision or all of this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum, or any provision of applicable law or regulation purporting to prohibit the payment by CIF or CFKK of the principal of or interest on any Advance or any other amount payable by it under this Agreement; or

(vi) any other act or omission to act or delay of any kind by CIF, CFKK, the Agent, the Local Currency Agent, the Japan Local Currency Agent, any Bank or any other Person or any other circumstance whatsoever which might, but for the provisions of this paragraph, constitute a legal or equitable discharge of CFSC's obligations under this Article IX, of CIF's obligations under this Agreement or the Local Currency Addendum or of CFKK's obligations under this Agreement or the Japan Local Currency Addendum.

SECTION IX.03. Discharge Only Upon Payment In Full; Reinstatement in Certain Circumstances. CFSC's obligations under this Article IX shall remain in full force and effect until the Commitments are terminated and the principal of and interest on the Advances to CIF and CFKK and all other amounts payable by CFSC, CIF and CFKK under this Agreement, the Local Currency Addendum and the Japan Local Currency Addendum shall have been paid in full and shall survive the Current Termination Date and the Extended Termination Date, as applicable. If at any time any payment of the principal of or interest on any Advance to CIF or CFKK or any other amount payable by CIF or CFKK under this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum (including a payment exercised through a right of setoff) is rescinded or is or must be otherwise restored or returned upon the insolvency,

bankruptcy or reorganization of CIF or CFKK or otherwise (including pursuant to any settlement entered into by the Agent, the Local Currency Agent, the Japan Local Currency Agent or any Bank, in each case in its discretion), CFSC's obligations hereunder with respect to such payment shall be reinstated at such time as though such payment had been due but not made at such time.

SECTION IX.04. Waiver by CFSC. CFSC irrevocably waives acceptance hereof, presentment, demand, protest and any notice not provided for herein, as well as any requirement that at any time any right be exhausted or any action be taken by the Agent, the Local Currency Agent, the Japan Local Currency Agent, any Bank or any other Person against CIF or CFKK or any other Person or any collateral security. CFSC waives any benefit of the collateral, if any, which may from time to time secure the Advances to CIF or CFKK or any of CIF's or CFKK's other obligations under this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum, and authorizes the Agent, the Local Currency Agent, the Japan Local Currency Agent, or the Banks to take any action or exercise any remedy with respect thereto which the Agent, the Local Currency Agent, the Japan Local Currency Agent, or the Banks in its or their discretion shall determine, without notice to CFSC. In the event the Agent, the Local Currency Agent, the Japan Local Currency Agent, or the Banks elect to give notice of any action with respect to any such collateral, ten (10) days' written notice mailed to CFSC by certified mail at its address set forth in Section 8.02 shall be deemed reasonable notice of any matters contained in such notice.

SECTION IX.05. Subrogation. Upon making any payment hereunder, CFSC shall be subrogated to the rights of the Banks against CIF or CFKK, as applicable, with respect to such payment; provided that CFSC shall not enforce any right or demand or receive any payment by way of subrogation until all amounts of principal of and interest on the Advances to CIF and CFKK and all other amounts payable by CIF and CFKK under this Agreement, the Local Currency Addendum and the Japan Local Currency Addendum have been paid in full.

SECTION IX.06. Stay of Acceleration. In the event that acceleration of the time for payment of any amount payable by CIF or CFKK under this Agreement, the Local Currency Addendum or the Japan Local Currency Addendum is stayed upon the insolvency, bankruptcy or reorganization of CIF or CFKK, as applicable, all such amounts otherwise subject to acceleration under the terms of this Agreement shall nonetheless be payable by CFSC hereunder forthwith on demand by the Agent for the account of the Banks.

The remainder of this page is intentionally blank; signature pages follow.

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

[SIGNATURE PAGES ON FILE WITH AGENT]

SCHEDULE I
COMMITMENTS²

<u>BANK</u>	<u>COMMITMENT</u>	<u>REVOLVING CREDIT COMMITMENT</u>
Citibank, N.A.	\$221,000,000	\$194,000,000
Bank of America, N.A.	\$221,000,000	\$196,500,000
JPMorgan Chase Bank, N.A.	\$221,000,000	\$194,000,000
Barclays Bank PLC	\$221,000,000	\$195,000,000
MUFG Bank, Ltd.	\$221,000,000	\$146,000,000
Société Générale	\$221,000,000	\$198,000,000
BNP Paribas	\$110,500,000	\$106,750,000
HSBC Bank USA, N.A.	\$110,500,000	\$110,500,000
ING Bank N.V. Dublin Branch	\$110,500,000	\$110,500,000
Lloyds Bank plc	\$110,500,000	\$100,000,000
The Toronto-Dominion Bank, New York Branch	\$110,500,000	\$110,500,000
U.S. Bank National Association	\$110,500,000	\$110,500,000
Commerzbank AG, New York Branch	\$84,500,000	\$76,250,000
The Bank of Nova Scotia	\$78,000,000	\$78,000,000
The Northern Trust Company	\$71,500,000	\$71,500,000
Standard Chartered Bank	\$71,500,000	\$71,500,000

² As in effect as of the Amendment No. 1 Effective Date.

Wells Fargo Bank, National Association	\$71,500,000	\$71,500,000
Sumitomo Mitsui Banking Corporation	\$65,000,000	\$65,000,000
Industrial and Commercial Bank of China Limited, New York Branch	\$39,000,000	\$39,000,000
Australia and New Zealand Banking Group Limited	\$39,000,000	\$39,000,000
KBC Bank N.V.	\$39,000,000	\$39,000,000
Banco Santander, S.A., New York Branch	\$39,000,000	\$39,000,000
China Construction Bank Corporation, New York Branch	\$32,500,000	\$32,500,000
Westpac Banking Corporation	\$32,500,000	\$32,500,000
Banco Bilbao Vizcaya Argentaria, S.A. New York Branch	\$26,000,000	\$26,000,000
The Bank of New York Mellon	\$26,000,000	\$26,000,000
Itau Unibanco S.A., Miami Branch	\$26,000,000	\$26,000,000
Total	\$2,730,000,000	\$2,505,000,000

SCHEDULE II
COMMITMENT FEE AND APPLICABLE MARGIN TABLE³

³ As in effect as of the Amendment No. 1 Effective Date.

Basis for Pricing	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Level IV</u>	<u>Level V</u>
	If the Credit Rating for the applicable Borrower is at least AA- by Standard & Poor's <u>or</u> at least Aa3 by Moody's	If the Credit Rating for the applicable Borrower is at least A+ by Standard & Poor's <u>or</u> at least A1 by Moody's	If the Credit Rating for the applicable Borrower is at least A by Standard & Poor's <u>or</u> at least A2 by Moody's	If the Credit Rating for the applicable Borrower is at least A- by Standard & Poor's <u>or</u> at least A3 by Moody's	If the Credit Rating for the applicable Borrower is lower than Level IV by Standard & Poor's and Moody's
Commitment Fee Rate	0.050%	0.060%	0.070%	0.100%	0.150%
Applicable Margin for Eurocurrency Rate Advances	0.625%	0.750%	0.875%	1.00%	1.250%
Applicable Margin for SONIA	0.6576%	0.7826%	0.9076%	1.0326%	1.2826%
Applicable Margin for TONAR Advances	0.625%	0.750%	0.875%	1.000%	1.250%
Applicable Margin for Base Rate and Japan Prime Rate Advances	0.000%	0.000%	0.000%	0.000%	0.250%

Caterpillar: Confidential Green

SCHEDULE III
DEPARTING BANK SCHEDULE

ROYAL BANK OF CANADA

EXHIBIT A
FORM OF NOTE

Dated: _____, 20__

FOR VALUE RECEIVED, the undersigned, [Caterpillar Inc./Caterpillar Financial Services Corporation] (the “Borrower”), HEREBY PROMISES TO PAY to the order of _____

_____ (the “Bank”) for the account of its Applicable Lending Office (as defined in the Credit Agreement referred to below) the principal amount of each Advance (as defined below) made by the Bank to the Borrower pursuant to the Credit Agreement (as defined below) on the last day of the Interest Period (as defined in the Credit Agreement) for such Advance.

The Borrower promises to pay interest on the unpaid principal amount of each Advance from the date of such Advance until such principal amount is paid in full, at such interest rates, and payable at such times, as are specified in the Credit Agreement.

Both principal and interest are payable in the currency and to the office of the Agent specified pursuant to the Credit Agreement, in same day funds. Each Advance made by the Bank to the Borrower and the maturity thereof, and all payments made on account of principal thereof, shall be recorded by the Bank and, prior to any transfer hereof, endorsed on the grid attached hereto which is part of this Promissory Note.

This Promissory Note is one of the Notes referred to in, and is entitled to the benefits of, the Second Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 5, 2019, as the same may be amended, restated, supplemented or otherwise modified from time to time (the “Credit Agreement”) among the Borrower, [names of the other Borrowers under the Credit Agreement] (together with the Borrower, the “Borrowers”), the Bank and certain other banks parties thereto, Citibank Europe plc, UK Branch, as Local Currency Agent, MUFG Bank, Ltd., as Japan Local Currency Agent, and Citibank, N.A., as Agent for the Bank and such other banks. The Credit Agreement, among other things, (i) provides for the making of advances (the “Advances”) by the Bank to the Borrowers from time to time in an aggregate amount not to exceed at any time such Bank’s Commitment (as defined in the Credit Agreement) at such time (the indebtedness of the Borrower resulting from each such Advance to the Borrower being evidenced by this Promissory Note), and (ii) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events and also for prepayments on account of principal hereof prior to the maturity hereof upon the terms and conditions therein specified.

The Borrower hereby waives presentment, demand, protest and notice of any kind. No failure to exercise, and no delay in exercising, any rights hereunder on the part of the holder hereof shall operate as a waiver of such rights.

This Promissory Note shall be governed by, and construed in accordance with, the laws of the State of New York, United States (without regard for conflict of law principles that would result in the application of any law other than the internal law of the State of New York).

[CATERPILLAR INC./CATERPILLAR
FINANCIAL SERVICES CORPORATION]

By
Title:

ADVANCES, MATURITIES, AND PAYMENTS OF PRINCIPAL

<u>Date</u>	<u>Type of Advance</u>	<u>Currency and Amount of Advance</u>	<u>Maturity of Advance</u>	<u>Amount of Principal Paid or Prepaid</u>	<u>Unpaid Principal Balance</u>	<u>Notation Made By</u>
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EXHIBIT B-1

FORM OF NOTICE OF REVOLVING CREDIT BORROWING

Citibank, N.A., as Agent
for the Banks parties
to the Credit Agreement
referred to below
1615 Brett Rd., Building No. 3
New Castle, Delaware 19720
Attention: Bank Loan Syndications

Citibank, N.A.
388 Greenwich Street
New York, New York 10013
Attention: Lisa Stevens Harary

Ladies and Gentlemen:

The undersigned, [Caterpillar Inc./Caterpillar Financial Services Corporation], refers to the Second Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 5, 2019, as the same may be amended, restated, supplemented or otherwise modified from time to time (the “Credit Agreement,” the terms defined therein being used herein as therein defined), among the undersigned, [names of the other Borrowers under the Credit Agreement], certain Banks parties thereto, Citibank Europe plc, UK Branch, as Local Currency Agent, MUFG Bank, Ltd., as Japan Local Currency Agent, and Citibank, N.A., as Agent for said Banks, and hereby gives you notice, irrevocably, pursuant to Section 2.02 of the Credit Agreement that the undersigned hereby requests a Revolving Credit Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Revolving Credit Borrowing (the “Proposed Revolving Credit Borrowing”) as required by Section 2.02(a) of the Credit Agreement:

(i) The Business Day of the Proposed Revolving Credit Borrowing is _____, 20__.

(ii) The Type of Revolving Credit Advances comprising the Proposed Revolving Credit Borrowing is [Base Rate Advances] [Eurocurrency Rate Advances] [RFR Advances].

(iii) The currency of the Proposed Revolving Credit Borrowing is _____.

(iv) The aggregate amount of the Proposed Revolving Credit Borrowing is \$_____.

(v) The Interest Period (where applicable) for each Advance made as part of the Proposed Revolving Credit Borrowing is [30 days] [_____ month[s]].⁴

(vi) The proceeds of the Proposed Revolving Credit Borrowing should be remitted in same day funds to [Account Number, Bank Name, Account Name, _____].

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Revolving Credit Borrowing:

(A) the representations and warranties contained in Section 4.01 [(excluding those contained in the second sentence of subsection (e) and in subsection (f) thereof)]⁵ [(excluding those contained in the second sentence of subsection (e) thereof)]⁶ [and Section 4.02]⁷ are correct, before and after giving effect to the Proposed Revolving Credit Borrowing and to the application of the proceeds therefrom, as though made on and as of such date; and

(B) no event has occurred and is continuing, or would result from such Proposed Revolving Credit Borrowing or from the application of the proceeds therefrom, which constitutes an Event of Default with respect to any Borrower [or would constitute an Event of Default with respect to any Borrower but for the requirement that notice be given or time elapse or both]⁸.

Very truly yours,

[CATERPILLAR INC./CATERPILLAR
FINANCIAL SERVICES CORPORATION]

By
Title:

⁴ The RFR Interest Payment Date for a requested RFR Advance generally shall be thirty days after the date such RFR Advance is made (subject to the terms set forth in the definition of RFR Interest Payment Date and otherwise set forth in this Agreement).

⁵ To be included in Notices of Revolving Credit Borrowing pursuant to Section 3.02, unless Section 3.03 shall apply.

⁶ To be included in Notices of Revolving Credit Borrowing pursuant to Section 3.03.

⁷ To be included in Notices of Revolving Credit Borrowing from CFSC.

⁸ To be included in Notices of Revolving Credit Borrowing pursuant to Section 3.03.

EXHIBIT B-2

FORM OF NOTICE OF LOCAL CURRENCY BORROWING

Citibank Europe plc, UK Branch, as Local Currency Agent
Citigroup Centre
5th Floor
Canary Wharf
London, United Kingdom
E14 5LB
Attention: Karen Hall, Andrew Guthrie, Claire Crawford
Email Addresses: Karen.hall@citi.com, andrew.guthrie@citi.com, Claire.crawford@citi.com
Facsimile No. 44 20 7492 3980

Citibank, N.A., as Agent
for the Banks parties
to the Credit Agreement
referred to below
1615 Brett Road, OPS III
New Castle, Delaware 19720
Attention: Bank Loan Syndications

Citibank, N.A.
388 Greenwich Street
New York, New York 10013
Attention: Lisa Stevens Harary

Ladies and Gentlemen:

The undersigned, Caterpillar International Finance Designated Activity Company, refers to (1) the Second Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 5, 2019, as the same may be amended, restated, supplemented or otherwise modified from time to time (the "Credit Agreement," the terms defined therein being used herein as therein defined), among the undersigned, Caterpillar Inc., Caterpillar Financial Services Corporation ("CFSC"), Caterpillar Finance Kabushiki Kaisha, certain Banks parties thereto, Citibank Europe plc, UK Branch, as Local Currency Agent, MUFG Bank, Ltd., as Japan Local Currency Agent, and Citibank, N.A., as Agent for said Banks, and (2) the Local Currency Addendum dated as of September 5, 2019, among the undersigned, CFSC, the Local Currency Banks party thereto, and Citibank Europe plc, UK Branch as the Local Currency Agent (the "Addendum"). The undersigned hereby gives you notice, irrevocably, pursuant to Section 2.03B of the Credit Agreement and the Addendum that the undersigned hereby requests a Local Currency Borrowing under the Credit Agreement and the Addendum, and in that connection sets forth below the information relating to such Local Currency Borrowing (the "Proposed Borrowing") as required by Section 2.03B of the Credit Agreement:

- (i) The Business Day of the Proposed Borrowing is _____, 20__.

- (ii) The currency of the Proposed Borrowing is _____.
- (iii) The aggregate amount of the Proposed Borrowing is _____.
- (iv) The Interest Period (where applicable) for each Advance made as part of the Proposed Borrowing is _____ month[s].⁹

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Borrowing:

(A) the representations and warranties contained in Section 4.01 [(excluding those contained in the second sentence of subsection (e) and in subsection (f) thereof)]¹⁰ [(excluding those contained in the second sentence of subsection (e) thereof)]¹¹ and Section 4.02 are correct, before and after giving effect to the Proposed Borrowing and to the application of the proceeds therefrom, as though made on and as of such date; and

(B) no event has occurred and is continuing, or would result from such Proposed Borrowing or from the application of the proceeds therefrom, which constitutes an Event of Default with respect to any Borrower [or would constitute an Event of Default with respect to any Borrower but for the requirement that notice be given or time elapse or both]¹².

Very truly yours,

CATERPILLAR INTERNATIONAL FINANCE
DESIGNATED ACTIVITY COMPANY

By
Title:

⁹ The RFR Interest Payment Date for a requested RFR Advance generally shall be thirty days after the date such RFR Advance is made (subject to the terms set forth in the definition of RFR Interest Payment Date and otherwise set forth in this Agreement).

¹⁰ To be included in Notices of Borrowing pursuant to Section 3.02, unless Section 3.03 shall apply.

¹¹ To be included in Notices of Borrowing pursuant to Section 3.03.

¹² To be included in Notices of Borrowing pursuant to Section 3.03.

EXHIBIT B-3

FORM OF NOTICE OF JAPAN LOCAL CURRENCY BORROWING

MUFG Bank, Ltd.,
as Japan Local Currency Agent
Osaka Corporate Banking Group
Osaka Corporate Banking Division No. 3, Corporate Banking Department No. 3
3-5-6, Fushimimachi, Chuo-ku, Osaka-shi, Osaka 541-8530, Japan
Attention: Mr. Kazuki Takehara

Citibank, N.A., as Agent
for the Banks parties
to the Credit Agreement
referred to below
1615 Brett Rd., Building No. 3
New Castle, Delaware 19720
Attention: Bank Loan Syndications

Citibank, N.A.
388 Greenwich Street
New York, New York 10013
Attention: Lisa Stevens Harary

Ladies and Gentlemen:

The undersigned, Caterpillar Finance Kabushiki Kaisha, refers to (1) the Second Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 5, 2019, as the same may be amended, restated, supplemented or otherwise modified from time to time (the “Credit Agreement,” the terms defined therein being used herein as therein defined), among the undersigned, Caterpillar Inc., Caterpillar Financial Services Corporation (“CFSC”), Caterpillar International Finance Designated Activity Company, certain Banks parties thereto, Citibank Europe plc, UK Branch, as Local Currency Agent, MUFG Bank, Ltd., as Japan Local Currency Agent, and Citibank, N.A., as Agent for said Banks, and (2) the Japan Local Currency Addendum dated as of September 5, 2019, among the undersigned, CFSC, the Japan Local Currency Banks party thereto, and MUFG Bank, Ltd., as Japan Local Currency Agent (the “Addendum”). The undersigned hereby gives you notice, irrevocably, pursuant to Section 2.03D of the Credit Agreement and the Addendum that the undersigned hereby requests a Japan Local Currency Borrowing under the Credit Agreement and the Addendum, and in that connection sets forth below the information relating to such Japan Local Currency Borrowing (the “Proposed Borrowing”) as required by Section 2.03D of the Credit Agreement:

(i) The Business Day of the Proposed Borrowing is _____, 20___. This [is] [is not] a same-day Borrowing request.¹³

¹³ The RFR Interest Payment Date for a requested RFR Advance generally shall be thirty days after the date such RFR Advance is made (subject to the terms set forth in the definition of RFR Interest Payment Date and otherwise set forth in this Agreement).

(ii) The Type of Japan Local Currency Advances comprising the Proposed Borrowing is [Japan Base Rate Advances] [TONAR Advances].

(iii) The aggregate amount of the Proposed Borrowing is \$_____.

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the Proposed Borrowing:

(A) the representations and warranties contained in Section 4.01 [(excluding those contained in the second sentence of subsection (e) and in subsection (f) thereof)]¹⁴ [(excluding those contained in the second sentence of subsection (e) thereof)]¹⁵ and Section 4.02 are correct, before and after giving effect to the Proposed Borrowing and to the application of the proceeds therefrom, as though made on and as of such date; and

(B) no event has occurred and is continuing, or would result from such Proposed Borrowing or from the application of the proceeds therefrom, which constitutes an Event of Default with respect to any Borrower [or would constitute an Event of Default with respect to any Borrower but for the requirement that notice be given or time elapse or both]¹⁶.

Very truly yours,

CATERPILLAR FINANCE KABUSHIKI
KAISHA

By
Title:

¹⁴ To be included in Notices of Borrowing pursuant to Section 3.02, unless Section 3.03 shall apply.

¹⁵ To be included in Notices of Borrowing pursuant to Section 3.03.

¹⁶ To be included in Notices of Borrowing pursuant to Section 3.03.

EXHIBIT B-4

FORM OF NOTICE OF ALLOCATION

Citibank, N.A., as Agent
for the Banks parties
to the Credit Agreement
referred to below
1615 Brett Rd., Building No. 3
New Castle, Delaware 19720
Attention: Bank Loan Syndications

Citibank, N.A.
388 Greenwich Street
New York, New York 10013
Attention: Lisa Stevens Harary

Ladies and Gentlemen:

The undersigned, Caterpillar Inc., as Borrower Agent on behalf of itself, Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company and Caterpillar Finance Kabushiki Kaisha (the “Borrowers”), refers to the Second Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 5, 2019, as the same may be amended, restated, supplemented or otherwise modified from time to time (the “Credit Agreement,” the terms defined therein being used herein as therein defined), among the Borrowers, certain Banks parties thereto, Citibank Europe plc, UK Branch, as Local Currency Agent, MUFG Bank, Ltd., as Japan Local Currency Bank, and Citibank, N.A., as Agent for said Banks, and hereby gives you notice, pursuant to Section 2.01(b) of the Credit Agreement that the Borrowers request a re-allocation of the Total Commitment, and in that connection sets forth below the information relating to such re-allocation as required by Section 2.01(b) of the Credit Agreement:

- (i) The Business Day of the proposed re-allocation is _____, 20__.
- (ii) The Allocation for each of Caterpillar Inc. and Caterpillar Financial Services Corporation after giving effect to such re-allocation is as follows:

<u>Borrower</u>	<u>Allocation</u>
Caterpillar Inc.	\$ _____
Caterpillar Financial Services Corporation	\$ _____

Very truly yours,

CATERPILLAR INC.

By:

Title:

EXHIBIT B-5

FORM OF NOTICE OF BANK ADDITION

Citibank, N.A., as Agent
for the Banks parties
to the Credit Agreement
referred to below
1615 Brett Rd., Building No. 3
New Castle, Delaware 19720
Attention: Bank Loan Syndications

Citibank, N.A.
388 Greenwich Street
New York, New York 10013
Attention: Lisa Stevens Harary

Ladies and Gentlemen:

The undersigned, Caterpillar Inc., Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company and Caterpillar Finance Kabushiki Kaisha (the “Borrowers”), refer to the Second Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 5, 2019, as the same may be amended, restated, supplemented or otherwise modified from time to time (the “Credit Agreement,” the terms defined therein being used herein as therein defined), among the Borrowers, certain Banks parties thereto, Citibank Europe plc, UK Branch, as Local Currency Agent, MUFG Bank, Ltd., as Japan Local Currency Agent, and Citibank, N.A., as Agent for said Banks, and hereby give you notice, pursuant to Section 2.05(c) of the Credit Agreement that the Borrowers request a Bank Addition, and in that connection set forth below the information relating to such proposed Bank Addition (the “Proposed Bank Addition”) as required by Section 2.05(c) of the Credit Agreement:

- (i) The Business Day of the Proposed Bank Addition is _____, 20__.
- (ii) The name and address of the proposed Added Bank are as follows:

- (iii)

(iv) The amount of the Commitment of the proposed Added Bank, after giving effect to the Proposed Bank Addition, would be \$ _____.

Very truly yours,

CATERPILLAR INC.

By: _____
Title:

CATERPILLAR FINANCIAL SERVICES
CORPORATION

By: _____
Title:

CATERPILLAR INTERNATIONAL FINANCE
DESIGNATED ACTIVITY COMPANY

By: _____
Title:

CATERPILLAR FINANCE KABUSHIKI
KAISHA

By: _____
Title:

EXHIBIT C-1

FORM OF ASSIGNMENT AND ACCEPTANCE

Dated _____, 20__

Reference is made to the Second Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 5, 2019, as the same may be amended, restated, supplemented or otherwise modified from time to time (the “Credit Agreement”) among Caterpillar Inc., Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company, and Caterpillar Finance Kabushiki Kaisha (the “Borrowers”), the Banks (as defined in the Credit Agreement), Citibank Europe plc, UK Branch, as Local Currency Agent, MUFG Bank, Ltd., as Japan Local Currency Agent, and Citibank, N.A., as Agent for the Banks (the “Agent”). Unless otherwise defined herein, terms defined in the Credit Agreement are used herein with the same meaning.

_____ (the “Assignor”) and _____ (the “Assignee”) agree as follows:

1. The Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, the percentage interest specified on Schedule 1 hereto in and to all of the Assignor’s rights and obligations under the Credit Agreement as of the date hereof (after giving effect to any other assignments thereof made prior to the date hereof, whether or not such assignments have become effective, but without giving effect to any other assignments thereof also made on the date hereof), including, without limitation, such percentage interest in (i) the Assignor’s Commitment and Revolving Credit Commitment, which on the date hereof (after giving effect to any other assignments thereof made prior to the date hereof, whether or not such assignments have become effective, but without giving effect to any other assignments thereof also made on the date hereof) are in the dollar amounts specified as the Assignor’s Commitment and Revolving Credit Commitment on Schedule 1 hereto, which Commitment is allocated between Caterpillar and CFSC, the Assignor’s Allocated Commitment for each such Borrower as of the date hereof being set forth on Schedule 1 hereto; [(ii) the Assignor’s [Local Currency Commitment] [Japan Local Currency Commitment], which on the date hereof (after giving effect to any other assignments thereof made prior to the date hereof, whether or not such assignments have become effective, but without giving effect to any other assignments thereof also made on the date hereof) is in the dollar amount specified as the Assignor’s [Local Currency Commitment] [Japan Local Currency Commitment] on Schedule 1 hereto;]¹⁷ [(ii)/(iii)] the aggregate outstanding principal amount of Advances owing to the Assignor by each Borrower, which on the date hereof (after giving effect to any other assignments thereof made prior to the date hereof, whether or not such assignments have become effective, but without giving effect to any other assignments thereof also made on the date hereof) is in the dollar amount specified as the aggregate outstanding principal amount of Advances owing to the Assignor from such Borrower on Schedule 1 hereto; and [(iii)/(iv)] the Notes, if any, held by the Assignor.

¹⁷ Applicable if Assignor is a Local Currency Bank or a Japan Local Currency Bank.

2. The Assignor (i) represents and warrants that it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or any other instrument or document furnished pursuant thereto; (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Borrower or the performance or observance by any Borrower of any of its obligations under the Credit Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or any other instrument or document furnished pursuant thereto; and (iv) attaches the Notes, if any, referred to in paragraph 1 above and requests that the Agent exchange each such Note from each Borrower for a new Note executed by such Borrower payable to the order of the Assignee or new Notes executed by such Borrower payable to the order of the Assignee and the Assignor, as applicable.

3. Following the execution of this Assignment and Acceptance by the Assignor and the Assignee, it will be delivered to the Agent for acceptance by the Agent. The effective date of this Assignment and Acceptance shall be the date of acceptance thereof by the Agent, unless a later date therefor is specified on Schedule 1 hereto (the “Effective Date”).

4. Upon such acceptance by the Agent, as of the Effective Date, (i) the Assignee shall, in addition to the rights and obligations under the Credit Agreement [and the [Local Currency Addendum] [Japan Local Currency Addendum]]¹⁸ held by it immediately prior to the Effective Date, have the rights and obligations under the Credit Agreement [and the [Local Currency Addendum] [Japan Local Currency Addendum]]¹⁹ that have been assigned to it pursuant to this Assignment and Acceptance and (ii) the Assignor shall, to the extent provided in this Assignment and Acceptance, relinquish its rights and be released from its obligations under the Credit Agreement [and the [Local Currency Addendum] [Japan Local Currency Addendum]]²⁰.

5. Upon such acceptance by the Agent, from and after the Effective Date, the Agent [and the [Local Currency Agent] [Japan Local Currency Agent]]²¹ shall make all payments under the Credit Agreement [,the [Local Currency Addendum] [Japan Local Currency Addendum]]²² and the Notes, if any, in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest, and Commitment Fees with respect thereto) to the Assignee. The Assignor and Assignee shall make all appropriate adjustments in payments under the Credit Agreement [, the [Local Currency Addendum] [Japan Local Currency Addendum]]²³ and the Notes, if any, for periods prior to the Effective Date directly between themselves.

¹⁸ Applicable if Assignor is a Local Currency Bank or a Japan Local Currency Bank.

¹⁹ Applicable if Assignor is a Local Currency Bank or a Japan Local Currency Bank.

²⁰ Applicable if Assignor is a Local Currency Bank or a Japan Local Currency Bank.

²¹ Applicable if Assignor is a Local Currency Bank or a Japan Local Currency Bank.

²² Applicable if Assignor is a Local Currency Bank or a Japan Local Currency Bank.

²³ Applicable if Assignor is a Local Currency Bank or a Japan Local Currency Bank.

6. This Assignment and Acceptance shall be governed by, and construed in accordance with, the law of the State of New York (without regard for conflict of law principles that would result in the application of any law other than the internal law of the State of New York).

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Acceptance to be executed by their respective officers thereunto duly authorized, as of the date first above written, such execution being made on Schedule 1 hereto.

Schedule 1
to
Assignment and Acceptance
Dated _____, 20__

Section 1.

Percentage Interest:	_____ %
Assignor's Commitment:	\$ _____
Assignor's Revolving Credit Commitment:	\$ _____
[Assignor's Local Currency Commitment:]	\$ _____
[Assignor's Japan Local Currency Commitment:]	\$ _____

(a) Allocated Commitment to Caterpillar \$ _____

(b) Allocated Commitment to CFSC \$ _____

Aggregate Outstanding Principal

Amount of Revolving Credit Advances owing to the Assignor by:

(a) Caterpillar \$ _____
(b) CFSC \$ _____

[Amount of Local Currency Advances owing to the Assignor] \$ _____

[Amount of Japan Local Currency Advances owing to the Assignor] \$ _____

Section 2.

Notes, if any, payable to the order of the Assignee

(a) Borrower: Caterpillar
Dated: _____, 20__

(b) Borrower: CFSC
Dated: _____, 20__

Notes, if any, payable to the order of the Assignor

(a) Borrower: Caterpillar

Dated: _____, 20__

(b) Borrower: CFSC

Dated: _____, 20__

Section 3.

Effective Date ²⁴: _____, 20__

Section 4.

Domestic Lending Office _____

Eurocurrency Lending Office _____

[NAME OF ASSIGNOR]

By: _____

Title:

[NAME OF ASSIGNEE]

By: _____

Title:

²⁴ This date should be no earlier than the date of acceptance by the Agent.

Consented to and Accepted this _____ day
of _____, 20__

[NAME OF AGENT], as Agent

By: _____
Title:

[NAME OF LOCAL CURRENCY AGENT], as Local Currency Agent

By: _____
Title:

[NAME OF JAPAN LOCAL CURRENCY AGENT], as Japan Local Currency Agent

By: _____
Title:

Agreed to this _____ day
of _____, 20__²⁵

CATERPILLAR INC.

By: _____
Title:

CATERPILLAR FINANCIAL SERVICES CORPORATION

By: _____
Title:

²⁵ To be included when consent of the Borrowers is required pursuant to Section 8.07(a)(i).

EXHIBIT C-2

FORM OF ASSUMPTION AND ACCEPTANCE

Dated _____, 20__

Reference is made to the Second Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 5, 2019, as the same may be amended, restated, supplemented or otherwise modified from time to time (the “Credit Agreement”) among Caterpillar Inc., Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company and Caterpillar Finance Kabushiki Kaisha (the “Borrowers”), the Banks (as defined in the Credit Agreement), Citibank Europe plc, UK Branch, as Local Currency Agent, MUFG Bank, Ltd., as Japan Local Currency Bank and Citibank, N.A., as Agent for the Banks (the “Agent”). Unless otherwise defined herein, terms defined in the Credit Agreement are used herein with the same meaning.

The Borrowers and _____ (the “Added Bank”) agree as follows:

1. The Borrowers have requested the Added Bank to [become a Bank under the Credit Agreement and to accept and make a Commitment and Revolving Credit Commitment [and [Local Currency Commitment] [Japan Local Currency Commitment]] under the Credit Agreement in the amounts set forth on Schedule 1 hereto]²⁶ [increase its Commitment and Revolving Credit Commitment [and [Local Currency Commitment] [Japan Local Currency Commitment]] under the Credit Agreement to the amounts set forth on Schedule 1 hereto]²⁷ and the Added Bank has agreed to so [become a Bank and accept and make a Commitment and Revolving Credit Commitment [and [Local Currency Commitment] [Japan Local Currency Commitment]] under the Credit Agreement in such amounts]²⁸ [increase its Commitment and Revolving Credit Commitment [and [Local Currency Commitment] [Japan Local Currency Commitment]] under the Credit Agreement to such amounts].²⁹ The Added Bank agrees, upon the Effective Date of this Assumption and Acceptance, to purchase a participation in any Revolving Credit Advances [[Local Currency Advances] [Japan Local Currency Advances]] which are outstanding on the Effective Date in the amount determined pursuant to Section 2.05(d) of the Credit Agreement.

2. The Added Bank hereby acknowledges and agrees that neither the Agent nor any Bank (i) has made any representation or warranty, nor assumed any responsibility, with respect to any statements, warranties or representations made in or in connection with the Credit Agreement, the Local Currency Addendum, the Japan Local Currency Addendum, or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or any other instrument or document furnished pursuant thereto; or (ii) has made any representation or warranty, nor assumed any responsibility, with respect to the financial condition of any Borrower or the performance or observance by any Borrower of any of its obligations under the Credit

²⁶ To be used if the Added Bank is not already a Bank under the Credit Agreement.

²⁷ To be used if the Added Bank is already a Bank under the Credit Agreement.

²⁸ To be used if the Added Bank is not already a Bank under the Credit Agreement.

²⁹ To be used if the Added Bank is already a Bank under the Credit Agreement.

Agreement, the Local Currency Addendum, the Japan Local Currency Addendum or any other instrument or document furnished pursuant thereto.

3. Following the execution of this Assumption and Acceptance by the Added Bank and the Borrowers, it will be delivered to the Agent for acceptance by the Agent. The effective date of this Assumption and Acceptance shall be the date of acceptance thereof by the Agent, unless a later date therefor is specified on Schedule 1 hereto (the “Effective Date”).

4. Upon such acceptance by the Agent, as of the Effective Date, (i) the Added Bank shall, in addition to the rights and obligations under the Credit Agreement held by it immediately prior to the Effective Date, if any, have the rights and obligations under the Credit Agreement that have been assumed by it pursuant to this Assumption and Acceptance.

5. Upon such acceptance by the Agent, from and after the Effective Date, the Agent shall make all payments under the Credit Agreement and the Notes, if any, in respect of the Commitment and Revolving Credit Commitment [and Local Currency Commitment] [and Japan Local Currency Commitment] assumed hereby (including, without limitation, all payments of principal, interest and Commitment Fees with respect thereto) to the Added Bank.

6. This Assumption and Acceptance shall be governed by, and construed in accordance with, the law of the State of New York (without regard for conflict of law principles that would result in the application of any law other than the internal law of the State of New York).

IN WITNESS WHEREOF, the Added Bank and the Borrowers have caused this Assumption and Acceptance to be executed by their respective officers thereunto duly authorized, as of the date first above written, such execution being made on Schedule 1 hereto.

Schedule 1
to
Assumption and Acceptance
Dated _____, 20__

Section 1.

Added Bank's Commitment after giving effect to this Assumption and Acceptance: \$ _____

Added Bank's Revolving Credit Commitment after giving effect to this Assumption and Acceptance: \$ _____

[Added Bank's Local Currency Commitment after giving effect to this Assumption and Acceptance: \$ _____]

[Added Bank's Japan Local Currency Commitment after giving effect to this Assumption and Acceptance: \$ _____]

Section 2.

Effective Date ³⁰: _____, 20__

Section 3.

Domestic Lending Office _____

Eurocurrency Lending Office _____

RFR Lending Office _____

[Local Currency Lending Office _____]

[Japan Local Currency Lending Office _____]

CATERPILLAR INC.

By: _____
Title:

CATERPILLAR FINANCIAL
SERVICES CORPORATION

By: _____

Title:

CATERPILLAR INTERNATIONAL FINANCE
DESIGNATED ACTIVITY COMPANY

By: _____

Title:

CATERPILLAR FINANCE KABUSHIKI
KAISHA

By: _____

Title:

[NAME OF ADDED BANK]

By: _____
Title:

Accepted this _____ day
of _____, 20__

[NAME OF AGENT]

By: _____
Title:

EXHIBIT D

FORM OF OPINION OF COUNSEL
FOR EACH OF CATERPILLAR AND CFSC

[Closing Date]

To the Banks listed on Schedule I hereto
and to Citibank, N.A., as Agent[, Citibank
Europe plc, UK Branch, as Local Currency Agent,
and MUFG Bank, Ltd.,
as Japan Local Currency Agent]

Re: [Name of Applicable Borrower]

Ladies and Gentlemen:

I am in-house counsel for [Name of Applicable Borrower], a Delaware corporation (the “Borrower”), and give this opinion pursuant to Section 3.01(d) of the Second Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 5, 2019 (the “Credit Agreement”), among the Borrower, [Caterpillar Inc./Caterpillar Financial Services Corporation], Caterpillar International Finance Designated Activity Company, Caterpillar Finance Kabushiki Kaisha, the Banks parties thereto, Citibank Europe plc, UK Branch, as Local Currency Agent, MUFG Bank, Ltd., as Japan Local Currency Agent, and Citibank, N.A., as Agent for said Banks. Terms defined in the Credit Agreement are used herein as therein defined.

I have examined the Credit Agreement; [the Local Currency Addendum; the Japan Local Currency Addendum;] the documents furnished by the Borrower pursuant to Article III of the Credit Agreement; the [[Restated] Certificate of Incorporation] of the Borrower and any amendments thereto, as currently in effect (the “Charter”); and the [bylaws] of the Borrower and any amendments thereto, as currently in effect (the “Bylaws”). In addition, I have examined the originals, or copies certified to my satisfaction, of such other corporate records of the Borrower, certificates of public officials, and agreements, instruments and other documents, and have conducted such other investigations of fact and law, as I have deemed necessary or advisable for purposes of this opinion letter.

In rendering my opinion, I have assumed the due authorization, execution and delivery of each document referred to herein by all parties to such document other than the Borrower.

Based upon the foregoing, and subject to the comments and qualifications set forth below, it is my opinion that:

1. The Borrower is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and is duly qualified to transact business and is in good standing as a foreign corporation in each of the jurisdictions listed in Schedule II to this opinion letter.

2. The execution, delivery and performance by the Borrower of the Credit Agreement [, the Local Currency Addendum, the Japan Local Currency Addendum]³¹ and the Notes to be executed by it are within the Borrower's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene, or constitute a default under (i) the Charter or the Bylaws or (ii) in any material respect, the General Corporation Law of the State of Delaware or any United States Federal or [New York State][Tennessee] law, rule or regulation applicable to the Borrower (I express no opinion relating to the United States federal securities laws or any state securities or Blue Sky laws), (iii) any agreement filed as an exhibit to the Borrower's annual report on Form 10-K, filed with the U.S. Securities and Exchange Commission (the "Commission") on February 14, 2019, or any agreement filed or incorporated by reference as an exhibit to a filing of the Borrower under Section 13 or Section 15(d) of the Securities Exchange Act of 1934, as amended, with the Commission from February 14, 2019 up to and including the date hereof, or (iv) any material judgment, injunction order or decree binding upon the Borrower.

3. No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body of the United States[,][or] the State of Delaware [or the State of New York] that in my experience would normally be applicable to general business entities is required for the execution, delivery and performance by the Borrower of the Credit Agreement [, the Local Currency Addendum, the Japan Local Currency Addendum]³² and the Notes to be executed by it (but I express no opinion relating to any state securities or Blue Sky laws).

4. The Credit Agreement [, the Local Currency Addendum, the Japan Local Currency Addendum]³³ and its Notes have been duly executed and delivered by a duly authorized officer of the Borrower. Assuming that the Agent, the Local Currency Agent, the Japan Local Currency Agent, and each Bank party to the Credit Agreement as of the date hereof have duly executed and delivered the Credit Agreement and that each such Bank has notified the Agent that such Bank has executed the Credit Agreement, [, and assuming that (x) the Local Currency Agent and each Local Currency Bank party to the Local Currency Addendum as of the date hereof have duly executed and delivered the Local Currency Addendum and that each such Local Currency Bank has notified the Agent that such Local Currency Bank has executed the Local Currency Addendum and (y) the Japan Local Currency Agent and each Japan Local Currency Bank party to the Japan Local Currency Addendum as of the date hereof have duly executed and delivered the Japan Local Currency Addendum and that each such Japan Local Currency Bank has notified the Agent that such Japan Local Currency Bank has executed the Japan Local Currency Addendum] the Credit Agreement is, [the Local Currency Addendum is, the Japan Local Currency Addendum is,] the Notes executed and delivered by the Borrower on

³¹ For CFSC opinion.

³² For CFSC opinion.

³³ For CFSC opinion.

or prior to the date hereof are, and any other Notes when executed and delivered by the Borrower pursuant to the terms of the Credit Agreement will be, the valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their respective terms.

5. There is no pending or, to my actual knowledge, threatened action or proceeding affecting the Borrower or any of its Subsidiaries before any court, governmental agency or arbitrator, which purports to affect the legality, validity or enforceability of the Credit Agreement [, the Local Currency Addendum, the Japan Local Currency Addendum,] or any Note or which is reasonably likely to materially adversely affect (i) the financial condition or operations of the Borrower and its consolidated Subsidiaries taken as a whole or (ii) the ability of the Borrower to perform its obligations under the Credit Agreement [, the Local Currency Addendum, the Japan Local Currency Addendum] and the Notes to be executed by it.

Insofar as the foregoing opinions relate to the valid existence and good standing of the Borrower, they are based solely on the certificates from public officials attached hereto as Exhibit A. Insofar as the foregoing opinions relate to the validity, binding effect or enforceability of any agreement or obligation of the Borrower, such opinions are subject to (i) applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and to general principles of equity and (ii) limitations under applicable law or public policy on waivers of rights or defenses.

I express no opinion as to (i) Sections 2.13 and 8.05 of the Credit Agreement, insofar as they provide that any Bank purchasing a participation from another Bank pursuant thereto may exercise set-off or similar rights with respect to such participation or that any Affiliate of a Bank may exercise set-off or similar rights with respect to such Bank's claims under the Credit Agreement or the Notes; (ii) Section 2.12(c), 7.09 or 8.04(c), to the extent that any such section may be construed as requiring indemnification with respect to a claim, damage, liability or expense incurred as a result of any violation of law by a Bank[,][or] the Agent [the Local Currency Agent or the Japan Local Currency Agent]; (iii) Section 8.08(c) of the Credit Agreement [or any comparable provisions of the Japan Local Currency Addendum or the Local Currency Addendum], insofar as [any] such provision relates to the subject matter jurisdiction of the United States District Court to adjudicate any controversy related to the Credit Agreement; or (iv) Sections 8.10 or 8.12, [or]the last sentence of Section 8.08(b) of the Credit Agreement[or any comparable provisions of the Japan Local Currency Addendum or the Local Currency Addendum] or (v) clauses (B) and (C) of Section 8.08(c) of the Credit Agreement, insofar as either such clause relates to the submission to jurisdiction in any Illinois State or United States federal court sitting in Chicago, Illinois (and any appellate court hearing appeals from any such court) or any United States federal court sitting in Nashville, Tennessee (and any appellate court hearing appeals from any such court), as applicable.

For the purposes of my opinion above as it pertains to the enforceability of the provisions contained in Section 8.08 of the Credit Agreement (and any similar provisions contained in the Local Currency Addendum or the Japanese Local Currency Addendum) pursuant to which the parties thereto agree that the laws of the State of New York shall govern such documents, I have assumed that the parties did not enter into any of the agreements described herein with knowledge or deliberate ignorance of the illegality of such document in its place of performance.

[For Cat Financial:] [I am qualified to practice law in the State of Tennessee and do not purport to be an expert on, or to express any opinion concerning, any laws other than the law of the State of Tennessee, the General Corporation Law of the State of Delaware and the federal law of the United States. Insofar as the opinions expressed in paragraphs 2, 3 and 4 above relate to matters which are governed by the laws of the State of New York, I have assumed for purposes of rendering such opinions that the applicable laws of the State of New York are substantially identical to the laws of the State of Tennessee.]

[For Caterpillar Inc.:] [In rendering the opinion in numbered paragraph 2, I have assumed that to the extent any document referred to in clause (iii) of numbered paragraph 2 is governed by the law of a jurisdiction other than those referred to in the following paragraph, such document would be interpreted in accordance with its plain meaning.]

[The foregoing opinions are limited to the federal law of the United States of America, the law of the State of [New York][Tennessee] and the General Corporation Law of the State of Delaware.]

This opinion letter is limited to the matters expressly set forth herein, and no opinion is implied or may be inferred beyond the matters expressly set forth herein. The opinions expressed herein are being delivered to you as of the date hereof in connection with the transactions described hereinabove and are solely for your benefit in connection with the transactions described hereinabove and may not be relied on, used, circulated, quoted or otherwise referred to in any manner or for any purpose by any other Person, nor any copies published, communicated or otherwise made available in whole or in part to any other Person without my specific prior written consent, except that (A) you may furnish copies hereof, (i) to your independent auditors and attorneys, (ii) upon the request of any state or federal authority or official having regulatory jurisdiction over you, (iii) pursuant to order or legal process of any court or governmental agency and (iv) to any of your permitted or prospective assigns and/or participants in respect of the Credit Agreement, the Japan Local Currency Addendum and the Local Currency Addendum and (B) assignees that become Banks party to the Credit Agreement pursuant to Section 8.07 thereof may rely on this opinion as if addressed to them on the date hereof, on the condition and understanding that (i) this opinion letter speaks only as of the date hereof as described below and (ii) any such reliance by a future assignee must be actual and reasonable under the circumstances existing at the time such person becomes an assignee, including any changes in law, facts or any other developments known to or reasonably knowable by such person at such time. I assume no obligation to advise you or any other person, or to make any investigations, as to any legal developments or factual matters arising subsequent to the date hereof that might affect the opinions expressed herein.

Very truly yours,

Schedule I

Schedule II

[Caterpillar Inc.

Alabama
Arizona
California
Georgia
Illinois
Indiana
Kentucky
Minnesota
Mississippi
Nebraska
North Carolina
South Carolina
Tennessee
Texas
Virginia
Wisconsin]

[Cat Financial

Tennessee]

Exhibit A

Good Standing Certificates

See attached.

EXHIBIT E
[RESERVED]

EXHIBIT F-1

FORM OF COMPLIANCE CERTIFICATE
CATERPILLAR INC.

To: The Banks which are parties to the
Credit Agreement described below

This Compliance Certificate is furnished pursuant to that certain Second Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 5, 2019, as the same may be amended, restated, supplemented or otherwise modified from time to time (the "Agreement") among Caterpillar Inc., Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company and Caterpillar Finance Kabushiki Kaisha (collectively, the "Borrowers"), the Banks party thereto, Citibank Europe plc, UK Branch, as Local Currency Agent, MUFG Bank, Ltd., as Japan Local Currency Agent and Citibank, N.A., as agent for the Banks. Capitalized terms used and not otherwise defined herein shall have the meanings attributed to such terms in the Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly elected _____ of Caterpillar Inc. (the "Borrower").

2. I have reviewed the terms of the Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Borrower and its Subsidiaries during the accounting period covered by the attached financial statements.

3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes an Event of Default with respect to the Borrower during or at the end of the accounting period covered by the attached financial statements or as of the date hereof.

4. As required pursuant to Section 5.03 of the Agreement, the Borrower's Consolidated Net Worth, as of the end of the accounting period covered by the attached financial statements, is at least \$9,000,000,000 as shown below.

a.	Consolidated Net Worth	\$ _____
(i)	Stockholders' equity	\$ _____
(ii)	Accumulated Other Comprehensive Income	\$ _____
(iii)	Pension and other post-retirement benefits balance within Accumulated Other Comprehensive Income	\$ _____

The foregoing certifications and the financial statements delivered with this Certificate in support hereof, are made and delivered this ____ day of _____, 20__.

CATERPILLAR INC.

By: _____
Name:
Title:

EXHIBIT F-2

FORM OF COMPLIANCE CERTIFICATE
CATERPILLAR FINANCIAL SERVICES CORPORATION

To: The Banks which are parties to the
Credit Agreement described below

This Compliance Certificate is furnished pursuant to that certain Second Amended and Restated Credit Agreement (Three-Year Facility) dated as of September 5, 2019, as the same may be amended, restated, supplemented or otherwise modified from time to time (the "Agreement") among Caterpillar Inc., Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company and Caterpillar Finance Kabushiki Kaisha (collectively, the "Borrowers"), the Banks party thereto, Citibank Europe plc, UK Branch, as Local Currency Agent, MUFG Bank, Ltd., as Japan Local Currency Agent, Citibank, N.A., as agent for the Banks. Capitalized terms used and not otherwise defined herein shall have the meanings attributed to such terms in the Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly elected _____ of Caterpillar Financial Services Corporation (the "Borrower").

2. I have reviewed the terms of the Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Borrower and its Subsidiaries during the accounting period covered by the attached financial statements.

3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes an Event of Default with respect to the Borrower during or at the end of the accounting period covered by the attached financial statements or as of the date hereof.

4. As required pursuant to Section 5.04(a) of the Agreement, the Borrower's ratio (the "Leverage Ratio") of CFSC Consolidated Debt to CFSC's Consolidated Net Worth, equal to the average of the Leverage Ratios as determined on the last day of each of the six preceding calendar months, as of the end of the accounting period covered by the attached financial statements, is not greater than 10.0 to 1, as shown below.³⁴

a.	CFSC Consolidated Debt*	\$ _____
b.	CFSC's Consolidated Net Worth*	\$ _____
c.	Leverage Ratio (6-month moving average)	_____

³⁴ It being understood that rounding may cause minor discrepancies with the previous three Compliance Certificates delivered.

d. Leverage Ratio (at December 31, 20__) _____

* At end of current accounting period

5. As required pursuant to Section 5.04(b) of the Agreement, the ratio of (1) the Borrower's profit excluding income taxes, Interest Expense and Net Gain/(Loss) From Interest Rate Derivatives to (2) Interest Expense, computed as of the end of the calendar quarter covered by the attached financial statements for the rolling four-quarter period then most recently ended, is not less than 1.15 to 1, as shown below.³⁵

a.	Profit excluding income taxes, Interest Expense and excluding Net Gain/(Loss) From Interest Rate Derivatives	\$ _____
b.	Interest Expense	\$ _____
c.	Ratio of profit excluding income taxes, Interest Expense and Net Gain/(Loss) From Interest Rate Derivatives to Interest Expenses (a÷b)	_____

The foregoing certifications and the financial statements delivered with this Certificate in support hereof, are made and delivered this _____ day of _____, 20__.

CATERPILLAR FINANCIAL SERVICES
CORPORATION

By: _____
Name:
Title:

³⁵ It being understood that rounding may cause minor discrepancies with the previous three Compliance Certificates delivered.

EXHIBIT G-1

FORM OF LOCAL CURRENCY ADDENDUM (THREE-YEAR FACILITY)

LOCAL CURRENCY ADDENDUM, dated as of September 5, 2019, to the Credit Agreement (as defined below), among Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company, the Local Currency Banks (as defined below), Citibank, N.A., as Agent, and Citibank Europe plc, UK Branch, as Local Currency Agent.

ARTICLE I

Definitions

SECTION 1.01. Defined Terms. As used in this Addendum, the following terms shall have the meanings specified below:

“Credit Agreement” means the Second Amended and Restated Credit Agreement (Three-Year Facility) dated as of September 5, 2019, among Caterpillar Inc., Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company, Caterpillar Finance Kabushiki Kaisha, the financial institutions from time to time party thereto as Banks, Citibank, N.A., as Agent, MUFG Bank, Ltd., as Japan Local Currency Agent, and Citibank Europe plc, UK Branch, as Local Currency Agent, as the same may be amended, waived, modified or restated from time to time.

“Local Currency Advance” means any Advance, denominated in Pounds Sterling, Euro, or any other Agreed Currency which CIF requests the Local Currency Banks to include as a Local Currency and which is reasonably acceptable to the Local Currency Banks, made to CIF pursuant to Sections 2.03A and 2.03B of the Credit Agreement and this Addendum. A Local Currency Advance shall bear interest at the rate specified in Schedule II.

“Local Currency Bank” means each Bank listed on the signature pages of this Addendum or which becomes a party hereto pursuant to an Assignment and Acceptance or an Assumption and Acceptance.

SECTION 1.02. Terms Generally. Unless otherwise defined herein, terms defined in the Credit Agreement shall have the same meanings in this Addendum. Wherever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. All references herein to Sections and Schedules shall be deemed references to Sections of and Schedules to this Addendum unless the context shall otherwise require.

ARTICLE II

The Credits

SECTION 2.01. Local Currency Advances. (a) This Addendum (as the same may be amended, waived, modified or restated from time to time) is the “Local Currency Addendum” as defined in the Credit Agreement and is, together with the borrowings made hereunder, subject in all respects to the terms and provisions of the Credit Agreement except to the extent that the terms and provisions of the Credit Agreement are modified by or are inconsistent with this Addendum, in which case this Addendum shall control.

(b) Any modifications to the interest payment dates, Interest Periods, interest rates and any other special provisions applicable to Local Currency Advances under this Addendum are set forth on Schedule II. If Schedule II states “None” or “Same as Credit Agreement” with respect to any item listed thereon, then the corresponding provisions of the Credit Agreement, without modification, shall govern this Addendum and the Local Currency Advances made pursuant to this Addendum.

(c) Any special borrowing procedures or funding arrangements for Local Currency Advances under this Addendum, any provisions for the issuance of promissory notes to evidence the Local Currency Advances made hereunder and any additional information requirements applicable to Local Currency Advances under this Addendum are set forth on Schedule III. If no such special procedures, funding arrangements, provisions or additional requirements are set forth on Schedule III, then the corresponding procedures, funding arrangements, provisions and information requirements set forth in the Credit Agreement shall govern this Addendum.

SECTION 2.02. Maximum Borrowing Amounts. (a) The Total Local Currency Commitment, and the Local Currency Commitment and the Same Day Local Currency Commitment for each Local Currency Bank party to this Addendum as of the date hereof, are set forth on Schedule I.

(b) Upon at least five (5) Business Days prior irrevocable written notice to the Agent, the Local Currency Agent and the Local Currency Banks, CIF may from time to time permanently reduce the Total Local Currency Commitment under this Addendum in whole, or in part ratably among the Local Currency Banks, in an aggregate minimum Dollar Amount of \$10,000,000, and integral multiples of \$1,000,000 in excess thereof; provided, however, that the amount of the Total Local Currency Commitment may not be reduced below the aggregate principal amount of the outstanding Local Currency Advances with respect thereto. Any such reduction shall be allocated pro rata among all the Local Currency Banks party to this Addendum by reference to their Local Currency Commitments.

ARTICLE III

Representations and Warranties

Each of CFSC and CIF makes and confirms each representation and warranty applicable to it or any of its Subsidiaries contained in Article IV of the Credit Agreement. Each

of CFSC and CIF represents and warrants to each of the Local Currency Banks party to this Addendum that no Event of Default, or event which would constitute an Event of Default but for the requirement that notice be given or time elapse or both, has occurred and is continuing, and no Event of Default, or event which would constitute an Event of Default but for the requirement that notice be given or time elapse or both, shall arise as a result of the making of Local Currency Advances hereunder or any other transaction contemplated hereby.

ARTICLE IV

Miscellaneous Provisions

SECTION 4.01. Amendment; Termination. (a) This Addendum (including the Schedules hereto) may not be amended without the prior written consent of the Majority Local Currency Banks hereunder and subject to the provisions of Section 8.01 of the Credit Agreement.

(b) This Addendum may not be terminated without the prior written consent of each Local Currency Bank party hereto, CFSC and CIF unless there are no Local Currency Advances or any other amounts outstanding hereunder, in which case no such consent of any Local Currency Bank shall be required; provided, however, that this Addendum shall terminate on the date that the Credit Agreement terminates in accordance with its terms.

SECTION 4.02. Assignments. Section 8.07 of the Credit Agreement shall apply to assignments by Local Currency Banks of obligations, Local Currency Commitments and Advances hereunder; provided, however, that a Local Currency Bank may not assign any obligations, Local Currency Commitments or rights hereunder to any Person which is not (or does not simultaneously become) a Bank under the Credit Agreement.

SECTION 4.03. Notices, Etc. Except as otherwise provided herein, all notices, demands, requests, consents and other communications provided for hereunder shall be given in writing or by any telecommunication device capable of creating a written record (including electronic mail), and addressed to the party to be notified as follows:

(a) if to CIF, at Caterpillar International Finance Designated Activity Company, 2120 West End Avenue, Nashville, Tennessee 37203-0001, Attention Caterpillar International Finance Designated Activity Company c/o Treasurer (Facsimile No. 615-341-8596) with a copy to CFSC at its address and facsimile number or electronic mail address referenced in Section 8.02 of the Credit Agreement;

(b) if to CFSC, at its address and facsimile number or electronic mail address referenced in Section 8.02 of the Credit Agreement;

(c) if to the Local Currency Agent, at Citibank Europe plc, UK Branch, Citigroup Centre, 5th Floor, Canary Wharf, London, United Kingdom, E14 5LB, Facsimile No. 44 20 7492 3980 with a copy to the Agent at its address and facsimile number or electronic mail address referenced in Section 8.02 of the Credit Agreement;

(d) if to a Local Currency Bank, at its address (and facsimile number or electronic mail address) set forth in Schedule I or in the Assignment and Acceptance or

Assumption and Acceptance pursuant to which such Local Currency Bank became a party hereto; and

(e) if to the Agent, at its address at Bank Loan Syndications, 1615 Brett Rd., Building No. 3, New Castle, Delaware 19720, Attention: Bank Loan Syndications, Telecopier No. 646-274-5080 (glagentofficeops@citi.com), with a copy to Citibank, N.A., 388 Greenwich Street, New York, New York 10013, Attention: Lisa Stevens Harary (E-Mail Address: lisa.stevensharary@citi.com);

or as to each party, at such other address as shall be designated by such party in a written notice to the other parties. All notices, demands, requests, consents and other communications described in this Section 4.03 shall be effective (i) if delivered by hand, including any overnight courier service, upon personal delivery, (ii) if delivered by mail, when deposited in the mails and (iii) if delivered by electronic mail or any other telecommunications device, when transmitted to an electronic mail address (or by another means of electronic delivery) as provided in this Section 4.03; provided, however, that notices and communications to the Local Currency Agent pursuant to Article II or V hereof or Article II of the Credit Agreement shall not be effective until received by the Local Currency Agent.

SECTION 4.04. Ratification of Guaranty. By its execution of this Addendum, CFSC ratifies and confirms its guaranty contained in Article IX of the Credit Agreement with respect to the Local Currency Advances made pursuant to this Addendum which Guaranty remains in full force and effect.

SECTION 4.05. Sharing of Payments, Etc. If any Local Currency Bank shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the Local Currency Advances made by it (other than pursuant to Section 2.02(c), 2.05(d), 2.10, 2.12 or 8.04 of the Credit Agreement) in excess of its ratable share of payments on account of the Local Currency Advances obtained by all the Local Currency Banks, such Local Currency Bank shall forthwith purchase from the other Local Currency Banks such participations in the Local Currency Advances made by them as shall be necessary to cause such purchasing Local Currency Bank to share the excess payment ratably with each of them, provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Local Currency Bank, such purchase from each other Local Currency Bank shall be rescinded and each such other Local Currency Bank shall repay to the purchasing Local Currency Bank the purchase price to the extent of such recovery together with an amount equal to such other Local Currency Bank's ratable share (according to the proportion of (i) the amount of such other Local Currency Bank's required repayment to (ii) the total amount so recovered from the purchasing Local Currency Bank) of any interest or other amount paid or payable by the purchasing Local Currency Bank in respect of the total amount so recovered. CIF agrees that any Local Currency Bank so purchasing a participation from another Local Currency Bank pursuant to this Section 4.05 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Local Currency Bank were the direct creditor of CIF in the amount of such participation.

SECTION 4.06. Applicable Law. THIS ADDENDUM SHALL BE GOVERNED BY AND INTERPRETED AND ENFORCED IN ACCORDANCE WITH THE

LAW OF THE STATE OF NEW YORK (WITHOUT REGARD FOR CONFLICT OF LAW PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE INTERNAL LAW OF THE STATE OF NEW YORK).

SECTION 4.07 Execution in Counterparts. This Addendum may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

ARTICLE V

The Local Currency Agent

SECTION 5.01 Appointment; Nature of Relationship. Citibank Europe plc, UK Branch is appointed by the Local Currency Banks as the Local Currency Agent hereunder and under the Credit Agreement, and each of the Local Currency Banks irrevocably authorizes the Local Currency Agent to act as the contractual representative of such Local Currency Bank with the rights and duties expressly set forth herein and in the Credit Agreement applicable to the Local Currency Agent. The Local Currency Agent agrees to act as such contractual representative upon the express conditions contained in this Article V. Notwithstanding the use of the defined term “Local Currency Agent,” it is expressly understood and agreed that the Local Currency Agent shall not have any fiduciary responsibilities to any Local Currency Bank or other Bank by reason of this Addendum and that the Local Currency Agent is merely acting as the representative of the Local Currency Banks with only those duties as are expressly set forth in this Addendum and the Credit Agreement. In its capacity as the Local Currency Banks’ contractual representative, the Local Currency Agent (i) does not assume any fiduciary duties to any of the Banks, (ii) is a “representative” of the Local Currency Banks within the meaning of Section 9-102 of the Uniform Commercial Code and (iii) is acting as an independent contractor, the rights and duties of which are limited to those expressly set forth in this Addendum and the Credit Agreement. Each of the Local Currency Banks agrees to assert no claim against the Local Currency Agent on any agency theory or any other theory of liability for breach of fiduciary duty, all of which claims each Bank waives.

SECTION 5.02 Powers. The Local Currency Agent shall have and may exercise such powers under this Addendum and the Credit Agreement as are specifically delegated to the Local Currency Agent by the terms of each thereof, together with such powers as are reasonably incidental thereto. The Local Currency Agent shall have neither any implied duties or fiduciary duties to the Local Currency Banks or the Banks, nor any obligation to the Local Currency Banks or the Banks to take any action hereunder or under the Credit Agreement except any action specifically provided by this Addendum or the Credit Agreement required to be taken by the Local Currency Agent.

SECTION 5.03 General Immunity. Neither the Local Currency Agent nor any of its respective directors, officers, agents or employees shall be liable to any of the Borrowers or any Bank for any action taken or omitted to be taken by it or them hereunder or under the Credit Agreement or in connection herewith or therewith except to the extent such action or inaction is

found in a final non-appealable judgment by a court of competent jurisdiction to have arisen from the gross negligence or willful misconduct of such Person.

SECTION 5.04 No Responsibility for Advances, Creditworthiness, Collateral, Recitals, Etc. [Intentionally Omitted. See Sections 7.03 and 7.04 of the Credit Agreement for these provisions.]

SECTION 5.05 Action on Instructions of Local Currency Banks. The Local Currency Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder and under the Credit Agreement in accordance with written instructions signed by Majority Local Currency Banks (except with respect to actions that require the consent of all of the Banks as provided in the Credit Agreement, including, without limitation, Section 8.01 thereof), and such instructions and any action taken or failure to act pursuant thereto shall be binding on all of the Local Currency Banks. The Local Currency Agent shall be fully justified in failing or refusing to take any action hereunder and under the Credit Agreement unless it shall first be indemnified to its satisfaction by the Local Currency Banks pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action.

SECTION 5.06 Employment of Agents and Counsel. The Local Currency Agent may execute any of its duties hereunder and under the Credit Agreement by or through employees, agents, and attorneys-in-fact, and shall not be answerable to the Banks or the Local Currency Banks, except as to money or securities received by it or its authorized agents, for the default or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care. The Local Currency Agent shall be entitled to advice of counsel concerning the contractual arrangement among the Local Currency Agent and the Local Currency Banks, as the case may be, and all matters pertaining to its duties hereunder and under the Credit Agreement.

SECTION 5.07 Reliance on Documents; Counsel. [Intentionally Omitted. See Section 7.03 of the Credit Agreement for these provisions.]

SECTION 5.08 Other Transactions. The Local Currency Agent may accept deposits from, lend money to, and generally engage in any kind of trust, debt, equity or other transaction, in addition to those contemplated by this Addendum or the Credit Agreement, with CFSC, CIF or any of their respective Subsidiaries in which the Local Currency Agent is not prohibited hereby from engaging with any other Person.

SECTION 5.09 Bank Credit Decision. [Intentionally Omitted. See Section 7.07 of the Credit Agreement for these provisions.]

SECTION 5.10 Successor Local Currency Agent. The Local Currency Agent (i) may resign at any time by giving written notice thereof to the Agent, the Local Currency Banks and the Borrowers, and may appoint one of its affiliates as successor Local Currency Agent and (ii) may be removed at any time with or without cause by the Majority Local Currency Banks. Upon any such resignation or removal, the Majority Local Currency Banks, with the consent of the Agent, shall have the right to appoint (unless, in the case of the resignation of the Local Currency Agent, the resigning Local Currency Agent has appointed one of its affiliates as successor Local Currency Agent), on behalf of the Borrowers and the Local Currency Banks, a

successor Local Currency Agent. If no successor Local Currency Agent shall have been so appointed and shall have accepted such appointment within thirty days after the retiring Local Currency Agent's giving notice of resignation or the Majority Local Currency Banks' removal of the retiring Local Currency Agent, then the retiring Local Currency Agent may appoint, on behalf of the Borrowers and the Local Currency Banks, a successor Local Currency Agent, which need not be one of its affiliates. Notwithstanding anything herein to the contrary, so long as no Event of Default, or event which would constitute an Event of Default but for the requirement that notice be given, time elapse or both, has occurred and is continuing, each such successor Local Currency Agent shall be subject to written approval by CFSC and CIF, which approval shall not be unreasonably withheld. Such successor Local Currency Agent shall be a commercial bank having capital and retained earnings of at least \$500,000,000. Upon the acceptance of any appointment as the Local Currency Agent hereunder by a successor Local Currency Agent, such successor Local Currency Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Local Currency Agent, and the retiring Local Currency Agent shall be discharged from its duties and obligations hereunder and under the Credit Agreement. After any retiring Local Currency Agent's resignation hereunder as Local Currency Agent, the provisions of this Article V shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Local Currency Agent hereunder and under the Credit Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be duly executed as a deed by their duly authorized officers, all as of the date and year first above written.

[SIGNATURE PAGES ON FILE WITH AGENT]

Signature Page to
Local Currency Addendum
(Three-Year Facility)

SCHEDULE I
to Local Currency Addendum

Local Currency Banks

Local Currency Commitments

Total Local Currency Commitment³⁶

Applicable Lending Office

Local Currency Bank Name	Local Currency Commitment	Same Day Local Currency Commitment
Citibank, N.A.	\$181,000,000	\$27,000,000
JPMorgan Chase Bank, N.A.	\$170,000,000	\$27,000,000
Barclays Bank PLC	\$160,000,000	\$26,000,000
Bank of America, N.A., London Branch (formerly Bank of America Merrill Lynch International Designated Activity Company)	\$160,000,000	\$24,500,000
Société Générale	\$160,000,000	\$23,000,000
BNP Paribas London Branch	\$21,250,000	\$3,750,000
Commerzbank AG, New York Branch	\$54,750,000	\$8,250,000
Lloyds Bank plc	\$67,500,000	\$10,500,000
KBC Bank N.V.	\$25,000,000	\$0

Total Local Currency Commitment: US \$1,000,000,000	Total Same Day Local Currency Sub- Facility: US \$150,000,000
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Local Currency Bank Name

Applicable Local Currency Lending Office

Citibank, N.A.

Citibank, N.A.
1615 Brett Rd., Building No. 3
New Castle, Delaware 19720
Attention of: Bank Loan Syndications
Telecopier No.: 212-994-0961

³⁶ Local Currency and Same Day Local Currency Commitments as of the Amendment No. 1 Effective Date.

JPMorgan Chase Bank, N.A.

JPMorgan Chase Bank, N.A.
Platina Block 3
Floor 4
Bengaluru, India 560103
Attention: Vithal Giri
(+91-80) 67905186 ext.75186

Bank of America, N.A., London Branch, (formerly
Merrill Lynch International Designated Activity
Company)

Bank of America, N.A., London Branch
(formerly Bank of America Merrill Lynch
International Designated Activity
Company)
26 Elmfield Road,
Bromley, Kent, BR1 1LR,
United Kingdom
+44-208-313-2655 / 44 208 695 3389
+44 208 313 2140
emealoanoperations@baml.com

Barclays Bank PLC

Barclays Bank PLC
745 7th Avenue
New York, NY 10019

Société Générale

Société Générale
29 Boulevard Haussmann
75009 Paris
France

BNP Paribas London Branch

BNP Paribas London Branch
10 Harewood Avenue
London NW1 6AA
Attention: Gary Mobley
Tel: +44 (0)20 7595 6422
Attention: Loans and Agency Desk
Tel: +44 (0)20 7595 6887

Commerzbank AG, New York Branch

Commerzbank AG, New York Branch
225 Liberty Street
New York, NY 10281-1050
Attention: Patrick Hartweger

Lloyds Bank plc

Lloyds Bank plc
Wholesale Loans Servicing,
Bank House,
Wine Street,
Bristol BS1 2AN
Attention: Mike Wilson

KBC Bank N.V.

KBC Bank N.V.
1177 Avenue of the Americas
New York, NY 10036
Attention: Joanne Gatto
Phone: (212) 541-0720
Fax: (212) 956-5581

MODIFICATIONS

1. Business Day Definition:

“Business Day”: Same as Credit Agreement.

2. Interest Payment Dates: Same as Credit Agreement. (See Section 2.07 of Credit Agreement).

3. Interest Periods: Same as Credit Agreement. (See definition of “Interest Period”, Section 1.01, and Section 2.07(d) of Credit Agreement).

4. Interest Rates:

Each Local Currency Advance (other than those also constituting RFR Advances) shall bear interest from and including the first day of the Interest Period applicable thereto to (but not including) the last day of such Interest Period at a rate per annum equal to the sum of the Eurocurrency Rate for such Interest Period plus the Applicable Margin as in effect from time to time during such Interest Period; provided, however, after the occurrence and during the continuance of an Event of Default or an event that would constitute an Event of Default but for the requirement that notice be given or time elapse or both, the provisions of Section 2.07(d) of the Credit Agreement shall be applicable. Local Currency Advances constituting RFR Advances shall be governed by the provisions set forth in the Credit Agreement that govern RFR Advances.

5. Other:

Additional Conditions Precedent: None

Current Termination Date for Addendum: The “Current Termination Date” under the Credit Agreement.

Extended Termination Date for Addendum: The “Extended Termination Date” under the Credit Agreement.

Prepayment Notices: CIF shall be permitted to prepay a Local Currency Advance subject to the provisions of Section 8.04(b) of the Credit Agreement, on any Business Day, provided, in the case of any prepayment, notice thereof is given to the Local Currency Agent not later than 10:00 a.m. (London time) at least three (3) Business Days prior to the date of such prepayment.

OTHER PROVISIONS

1. Borrowing Procedures:

(a) Notice of Local Currency Borrowing shall be given by CIF to the Agent and the Local Currency Agent not later than 11:00 a.m. (London time) on the third Business Day prior to the date of the proposed Local Currency Borrowing (or not later than 10:00 a.m. (London time)) on the Business Day of the proposed Local Currency Borrowing, in the case of a Local Currency Borrowing consisting of Same Day Local Currency Advances), and the Agent (or the Local Currency Agent, in the case of a Local Currency Borrowing consisting of Same Day Local Currency Advances) shall give each Local Currency Bank prompt notice thereof in accordance with Section 4.03.

(b) Each Notice of Local Currency Borrowing shall be addressed to the Agent and the Local Currency Agent at its address set forth in Section 4.03 and shall specify the bank account to which the Local Currency Advances are to be made.

2. Funding Arrangements:

Minimum amounts/increments for Local Currency Borrowings, repayments and prepayments:

Same as Credit Agreement.

3. Promissory Notes: None required.

EXHIBIT G-2

FORM OF JAPAN LOCAL CURRENCY ADDENDUM (THREE-YEAR FACILITY)

JAPAN LOCAL CURRENCY ADDENDUM, dated as of September 5, 2019, to the Credit Agreement (as defined below), among Caterpillar Financial Services Corporation, Caterpillar Finance Kabushiki Kaisha, the Japan Local Currency Banks (as defined below), Citibank, N.A., as Agent, and MUFG Bank, Ltd., as Japan Local Currency Agent.

ARTICLE I

Definitions

SECTION 1.01. Defined Terms. As used in this Addendum, the following terms shall have the meanings specified below:

“Credit Agreement” means the Second Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 5, 2019, among Caterpillar Inc., Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company, Caterpillar Finance Kabushiki Kaisha, the financial institutions from time to time party thereto as Banks, Citibank, N.A., as Agent, Citibank Europe plc, UK Branch, as Local Currency Agent, and MUFG Bank, Ltd., as Japan Local Currency Agent, as the same may be amended, waived, modified or restated from time to time.

“Japan Local Currency Advance” means any Advance, denominated in Japanese Yen, made to CFKK pursuant to Sections 2.03C and 2.03D of the Credit Agreement and this Addendum. A Japan Local Currency Advance shall bear interest at the rate specified in Schedule II.

“Japan Local Currency Bank” means each Bank listed on the signature pages of this Addendum or which becomes a party hereto pursuant to an Assignment and Acceptance or an Assumption and Acceptance.

SECTION 1.02. Terms Generally. Unless otherwise defined herein, terms defined in the Credit Agreement shall have the same meanings in this Addendum. Wherever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. All references herein to Sections and Schedules shall be deemed references to Sections of and Schedules to this Addendum unless the context shall otherwise require.

ARTICLE II

The Credits

SECTION 2.01. Japan Local Currency Advances. (a) This Addendum (as the same may be amended, waived, modified or restated from time to time) is the “Japan Local Currency Addendum” as defined in the Credit Agreement and is, together with the borrowings made hereunder, subject in all respects to the terms and provisions of the Credit Agreement except to the extent that the terms and provisions of the Credit Agreement are modified by or are inconsistent with this Addendum, in which case this Addendum shall control.

(b) Any modifications to the interest payment dates, Interest Periods, interest rates and any other special provisions applicable to Japan Local Currency Advances under this Addendum are set forth on Schedule II. If Schedule II states “None” or “Same as Credit Agreement” with respect to any item listed thereon, then the corresponding provisions of the Credit Agreement, without modification, shall govern this Addendum and the Japan Local Currency Advances made pursuant to this Addendum.

(c) Any special borrowing procedures or funding arrangements for Japan Local Currency Advances under this Addendum, any provisions for the issuance of promissory notes to evidence the Japan Local Currency Advances made hereunder and any additional information requirements applicable to Japan Local Currency Advances under this Addendum are set forth on Schedule III. If no such special procedures, funding arrangements, provisions or additional requirements are set forth on Schedule III, then the corresponding procedures, funding arrangements, provisions and information requirements set forth in the Credit Agreement shall govern this Addendum.

SECTION 2.02. Maximum Borrowing Amounts. (a) The Total Japan Local Currency Commitment, and the Japan Local Currency Commitment for each Japan Local Currency Bank party to this Addendum as of the date hereof, are set forth on Schedule I.

(b) Upon at least five (5) Business Days prior irrevocable written notice to the Agent, the Japan Local Currency Agent and the Japan Local Currency Banks, CFKK may from time to time permanently reduce the Total Japan Local Currency Commitment under this Addendum in whole, or in part ratably among the Japan Local Currency Banks, in an aggregate minimum Dollar Amount of \$10,000,000, and integral multiples of \$1,000,000 in excess thereof; provided, however, that the amount of the Total Japan Local Currency Commitment may not be reduced below the aggregate principal amount of the outstanding Japan Local Currency Advances with respect thereto. Any such reduction shall be allocated pro rata among all the Japan Local Currency Banks party to this Addendum by reference to their Japan Local Currency Commitments.

ARTICLE III

Representations and Warranties

Each of CFSC and CFKK makes and confirms each representation and warranty applicable to it or any of its Subsidiaries contained in Article IV of the Credit Agreement. Each

of CFSC and CFKK represents and warrants to each of the Japan Local Currency Banks party to this Addendum that no Event of Default, or event which would constitute an Event of Default but for the requirement that notice be given or time elapse or both, has occurred and is continuing, and no Event of Default, or event which would constitute an Event of Default but for the requirement that notice be given or time elapse or both, shall arise as a result of the making of Japan Local Currency Advances hereunder or any other transaction contemplated hereby.

ARTICLE IV

Miscellaneous Provisions

SECTION 4.01. Amendment; Termination. (a) This Addendum (including the Schedules hereto) may not be amended without the prior written consent of the Majority Japan Local Currency Banks hereunder and subject to the provisions of Section 8.01 of the Credit Agreement.

(b) This Addendum may not be terminated without the prior written consent of each Japan Local Currency Bank party hereto, CFSC and CFKK unless there are no Japan Local Currency Advances or any other amounts outstanding hereunder, in which case no such consent of any Japan Local Currency Bank shall be required; provided, however, that this Addendum shall terminate on the date that the Credit Agreement terminates in accordance with its terms.

SECTION 4.02. Assignments. Section 8.07 of the Credit Agreement shall apply to assignments by Japan Local Currency Banks of obligations, Japan Local Currency Commitments and Japan Local Currency Advances hereunder; provided, however, that a Japan Local Currency Bank may not assign any obligations, Japan Local Currency Commitments or rights hereunder to any Person which is not (or does not simultaneously become) a Bank under the Credit Agreement.

SECTION 4.03. Notices, Etc. Except as otherwise provided herein, all notices, demands, requests, consents and other communications provided for hereunder shall be given in writing or by any telecommunication device capable of creating a written record (including electronic mail), and addressed to the party to be notified as follows:

(a) if to CFKK, at Caterpillar Finance Kabushiki Kaisha, SBS Tower 14F, 4-10-1 Yoga, Setagaya-ku, Tokyo 158-0097, Japan, Attention: Managing Director (Facsimile No. 813-5797-4522), with a copy to CFSC at its address and facsimile number or electronic mail address referenced in Section 8.02 of the Credit Agreement;

(b) if to CFSC, at its address and facsimile number or electronic mail address referenced in Section 8.02 of the Credit Agreement;

(c) if to the Japan Local Currency Agent, at MUFG Bank, Ltd., Osaka Corporate Banking Group, Osaka Corporate Banking Division No. 3, Corporate Banking Department No. 3, 3-5-6, Fushimimachi, Chuo-ku, Osaka-shi, Osaka 541-8530, Japan, Attention: Mr. Kazuki Takehara (Telecopy No.: 06-6206-9039 / 81-06-6206-9039) (Telephone No.: 06-6206-9036 / 81-06-6206-9036) with a copy to the Agent at its

address and facsimile number or electronic mail address referenced in Section 8.02 of the Credit Agreement;

(d) if to a Japan Local Currency Bank, at its address (and facsimile number or electronic mail address) set forth in Schedule I or in the Assignment and Acceptance or Assumption and Acceptance pursuant to which such Japan Local Currency Bank became a party hereto;

(e) if to the Agent, at its address at Bank Loan Syndications, 1615 Brett Rd., Building No. 3, New Castle, Delaware 19720, Attention: Bank Loan Syndications, Telecopier No. 646-274-5080 (glagentofficeops@citi.com), with a copy to Citibank, N.A., 388 Greenwich Street, New York, New York, 10013, Attention: Lisa Stevens Harary (E-Mail Address: lisa.stevensharary@citi.com);

or as to each party, at such other address as shall be designated by such party in a written notice to the other parties.

All notices, demands, requests, consents and other communications described in this Section 4.03 shall be effective (i) if delivered by hand, including any overnight courier service, upon personal delivery, (ii) if delivered by mail, when deposited in the mails and (iii) if delivered by electronic mail or any other telecommunications device, when transmitted to an electronic mail address (or by another means of electronic delivery) as provided in this Section 4.03; provided, however, that notices and communications to the Japan Local Currency Agent pursuant to Article II or V hereof or Article II of the Credit Agreement shall not be effective until received by the Japan Local Currency Agent.

SECTION 4.04. Ratification of Guaranty. By its execution of this Addendum, CFSC ratifies and confirms its guaranty contained in Article IX of the Credit Agreement with respect to the Japan Local Currency Advances made pursuant to this Addendum which Guaranty remains in full force and effect.

SECTION 4.05. Sharing of Payments, Etc. If any Japan Local Currency Bank shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the Japan Local Currency Advances made by it (other than pursuant to Section 2.02(c), 2.05(d), 2.10, 2.12 or 8.04 of the Credit Agreement) in excess of its ratable share of payments on account of the Japan Local Currency Advances obtained by all the Japan Local Currency Banks, such Japan Local Currency Bank shall forthwith purchase from the other Japan Local Currency Banks such participations in the Japan Local Currency Advances made by them as shall be necessary to cause such purchasing Japan Local Currency Bank to share the excess payment ratably with each of them, provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Japan Local Currency Bank, such purchase from each other Japan Local Currency Bank shall be rescinded and each such other Japan Local Currency Bank shall repay to the purchasing Japan Local Currency Bank the purchase price to the extent of such recovery together with an amount equal to such other Japan Local Currency Bank's ratable share (according to the proportion of (i) the amount of such other Japan Local Currency Bank's required repayment to (ii) the total amount so recovered from the purchasing Japan Local Currency Bank) of any interest or other amount paid or payable by

the purchasing Japan Local Currency Bank in respect of the total amount so recovered. CFKK agrees that any Japan Local Currency Bank so purchasing a participation from another Japan Local Currency Bank pursuant to this Section 4.05 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Japan Local Currency Bank were the direct creditor of CFKK in the amount of such participation.

SECTION 4.06. Applicable Law. THIS ADDENDUM SHALL BE GOVERNED BY AND INTERPRETED AND ENFORCED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK (WITHOUT REGARD FOR CONFLICT OF LAW PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE INTERNAL LAW OF THE STATE OF NEW YORK).

SECTION 4.07 Execution in Counterparts. This Addendum may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

ARTICLE V

The Japan Local Currency Agent

SECTION 5.01 Appointment; Nature of Relationship. MUFG Bank, Ltd. is appointed by the Japan Local Currency Banks as the Japan Local Currency Agent hereunder and under the Credit Agreement, and each of the Japan Local Currency Banks irrevocably authorizes the Japan Local Currency Agent to act as the contractual representative of such Japan Local Currency Bank with the rights and duties expressly set forth herein and in the Credit Agreement applicable to the Japan Local Currency Agent. The Japan Local Currency Agent agrees to act as such contractual representative upon the express conditions contained in this Article V. Notwithstanding the use of the defined term “Japan Local Currency Agent,” it is expressly understood and agreed that the Japan Local Currency Agent shall not have any fiduciary responsibilities to any Japan Local Currency Bank or other Bank by reason of this Addendum and that the Japan Local Currency Agent is merely acting as the representative of the Japan Local Currency Banks with only those duties as are expressly set forth in this Addendum and the Credit Agreement. In its capacity as the Japan Local Currency Banks’ contractual representative, the Japan Local Currency Agent (i) does not assume any fiduciary duties to any of the Banks, (ii) is a “representative” of the Japan Local Currency Banks within the meaning of Section 9-102 of the Uniform Commercial Code and (iii) is acting as an independent contractor, the rights and duties of which are limited to those expressly set forth in this Addendum and the Credit Agreement. Each of the Japan Local Currency Banks agrees to assert no claim against the Japan Local Currency Agent on any agency theory or any other theory of liability for breach of fiduciary duty, all of which claims each Bank waives.

SECTION 5.02 Powers. The Japan Local Currency Agent shall have and may exercise such powers under this Addendum and the Credit Agreement as are specifically delegated to the Japan Local Currency Agent by the terms of each thereof, together with such powers as are reasonably incidental thereto. The Japan Local Currency Agent shall have neither

any implied duties or fiduciary duties to the Japan Local Currency Banks or the Banks, nor any obligation to the Japan Local Currency Banks or the Banks to take any action hereunder or under the Credit Agreement except any action specifically provided by this Addendum or the Credit Agreement required to be taken by the Japan Local Currency Agent.

SECTION 5.03 General Immunity. Neither the Japan Local Currency Agent nor any of its respective directors, officers, agents or employees shall be liable to any of the Borrowers or any Bank for any action taken or omitted to be taken by it or them hereunder or under the Credit Agreement or in connection herewith or therewith except to the extent such action or inaction is found in a final non-appealable judgment by a court of competent jurisdiction to have arisen from the gross negligence or willful misconduct of such Person.

SECTION 5.04 No Responsibility for Advances, Creditworthiness, Collateral, Recitals, Etc. [Intentionally Omitted. See Sections 7.03 and 7.04 of the Credit Agreement for these provisions.]

SECTION 5.05 Action on Instructions of Japan Local Currency Banks. The Japan Local Currency Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder and under the Credit Agreement in accordance with written instructions signed by Majority Japan Local Currency Banks (except with respect to actions that require the consent of all of the Banks as provided in the Credit Agreement, including, without limitation, Section 8.01 thereof), and such instructions and any action taken or failure to act pursuant thereto shall be binding on all of the Japan Local Currency Banks. The Japan Local Currency Agent shall be fully justified in failing or refusing to take any action hereunder and under the Credit Agreement unless it shall first be indemnified to its satisfaction by the Japan Local Currency Banks pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action.

SECTION 5.06 Employment of Agents and Counsel. The Japan Local Currency Agent may execute any of its duties hereunder and under the Credit Agreement by or through employees, agents, and attorneys-in-fact, and shall not be answerable to the Banks or the Japan Local Currency Banks, except as to money or securities received by it or its authorized agents, for the default or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care. The Japan Local Currency Agent shall be entitled to advice of counsel concerning the contractual arrangement among the Japan Local Currency Agent and the Japan Local Currency Banks, as the case may be, and all matters pertaining to its duties hereunder and under the Credit Agreement.

SECTION 5.07 Reliance on Documents; Counsel. [Intentionally Omitted. See Section 7.03 of the Credit Agreement for these provisions.]

SECTION 5.08 Other Transactions. The Japan Local Currency Agent may accept deposits from, lend money to, and generally engage in any kind of trust, debt, equity or other transaction, in addition to those contemplated by this Addendum or the Credit Agreement, with CFSC, CFKK or any of their respective Subsidiaries in which the Japan Local Currency Agent is not prohibited hereby from engaging with any other Person.

SECTION 5.09 Bank Credit Decision. [Intentionally Omitted. See Section 7.07 of the Credit Agreement for these provisions.]

SECTION 5.10 Successor Japan Local Currency Agent. The Japan Local Currency Agent (i) may resign at any time by giving written notice thereof to the Agent, the Japan Local Currency Banks and the Borrowers, and may appoint one of its Affiliates as successor Japan Local Currency Agent and (ii) may be removed at any time with or without cause by the Majority Japan Local Currency Banks. Upon any such resignation or removal, the Majority Japan Local Currency Banks, with the consent of the Agent, shall have the right to appoint (unless, in the case of the resignation of the Japan Local Currency Agent, the resigning Japan Local Currency Agent has appointed one of its Affiliates as successor Japan Local Currency Agent), on behalf of the Borrowers and the Japan Local Currency Banks, a successor Japan Local Currency Agent. If no successor Japan Local Currency Agent shall have been so appointed and shall have accepted such appointment within thirty days after the retiring Japan Local Currency Agent's giving notice of resignation or the Majority Japan Local Currency Banks' removal of the retiring Japan Local Currency Agent, then the retiring Japan Local Currency Agent may appoint, on behalf of the Borrowers and the Japan Local Currency Banks, a successor Japan Local Currency Agent, which need not be one of its Affiliates. Notwithstanding anything herein to the contrary, so long as no Event of Default, or event which would constitute an Event of Default but for the requirement that notice be given, time elapse or both, has occurred and is continuing, each such successor Japan Local Currency Agent shall be subject to written approval by CFSC and CFKK, which approval shall not be unreasonably withheld. Such successor Japan Local Currency Agent shall be a commercial bank having capital and retained earnings of at least \$500,000,000. Upon the acceptance of any appointment as the Japan Local Currency Agent hereunder by a successor Japan Local Currency Agent, such successor Japan Local Currency Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Japan Local Currency Agent, and the retiring Japan Local Currency Agent shall be discharged from its duties and obligations hereunder and under the Credit Agreement. After any retiring Japan Local Currency Agent's resignation hereunder as Japan Local Currency Agent, the provisions of this Article V shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Japan Local Currency Agent hereunder and under the Credit Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be duly executed as a deed by their duly authorized officers, all as of the date and year first above written.

[SIGNATURE PAGES ON FILE WITH AGENT]

Signature Page to
Japan Local Currency Addendum
(Three-Year Facility)

SCHEDULE I
to Japan Local Currency Addendum

Japan Local Currency Banks

Japan Local Currency Commitments

Total Japan Local Currency Commitment

Applicable Lending Office

Japan Local Currency Bank Name	Japan Local Currency Commitment
MUFG Bank, Ltd.	US \$75,000,000

**Total Japan Local Currency
Commitment: US \$75,000,000**

Japan Local Currency Bank Name

Applicable Japan Local Currency Lending Office

MUFG Bank, Ltd.

MUFG Bank, Ltd.,
Osaka Corporate Banking Group
Osaka Corporate Banking Division No. 3
Corporate Banking Department No. 3
3-5-6, Fushimimachi, Chuo-ku, Osaka-shi, Osaka
541-8530, Japan
Attention: Mr. Kazuki Takehara
(Telephone No.: 06-6206-9036 / 81-06-6206-9036)
(Facsimile No.: 06-6206-9039 / 81-06-6206-9039)

MODIFICATIONS

1. Business Day Definition:

“Business Day”: Same as Credit Agreement.

2. Interest Payment Dates: Same as Credit Agreement. (See Section 2.07 of Credit Agreement).

3. Interest Periods: Same as Credit Agreement. (See definition of “Interest Period”, Section 1.01, and Section 2.07(d) of Credit Agreement).

4. Interest Rates:

Each Japan Local Currency Advance that is a TONAR Advance shall bear interest at a rate per annum equal to the sum of (i) TONAR for such Japan Local Currency Advance plus (ii) the Applicable Margin as in effect from time to time during such Interest Period; provided, however, after the occurrence and during the continuance of an Event of Default or an event that would constitute an Event of Default but for the requirement that notice be given or time elapse or both, the provisions of Section 2.07(d) of the Credit Agreement shall be applicable. Each Japan Local Currency Advance that is a Japan Base Rate Advance shall bear interest during any Interest Period at a per annum rate equal to the sum of (i) the Japan Base Rate plus (ii) the Applicable Margin in effect from time to time during such Interest Period. The terms of Section 2.07 and the other provisions of the Credit Agreement shall otherwise govern the accrual and payment of interest on Japan Local Currency Advances.

5. Other:

Additional Conditions Precedent: None

Current Termination Date for Addendum: The “Current Termination Date” under the Credit Agreement.

Extended Termination Date for Addendum: The “Extended Termination Date” under the Credit Agreement.

Prepayment Notices: CFKK shall be permitted to prepay a Japan Local Currency Advance subject to the provisions of Section 8.04(b) of the Credit Agreement, on any Business Day, provided, in the case of any prepayment, notice thereof is given to the Japan Local Currency Agent (with a copy to the Agent) not later than 10:00 a.m. (Tokyo time) at least three (3) Business Days prior to the date of such prepayment.

OTHER PROVISIONS

1. Borrowing Procedures:

(a) Notice of Japan Local Currency Borrowing shall be given by CFKK to the Japan Local Currency Agent (with a copy to the Agent) not later than 10:00 a.m. (Tokyo time) on the third Business Day prior to the date of the proposed Japan Local Currency Borrowing (or not later than 10:00 a.m. (Tokyo time) on the Business Day of the proposed Japan Local Currency Borrowing if such proposed Japan Local Currency Borrowing is requested on a same-day basis), and the Japan Local Currency Agent shall give each Japan Local Currency Bank prompt notice thereof in accordance with Section 4.03.

(b) Each Notice of Japan Local Currency Borrowing shall be addressed to the Japan Local Currency Agent at its address set forth in Section 4.03 and shall specify the bank account to which the Japan Local Currency Advances are to be made.

2. Funding Arrangements:

Minimum amounts/increments for Japan Local Currency Borrowings, repayments and prepayments:

Same as Credit Agreement.

3. Promissory Notes: None required.

Annex II

Existing Local Currency Addendum, as modified

Attached

LOCAL CURRENCY ADDENDUM (THREE-YEAR FACILITY)

LOCAL CURRENCY ADDENDUM, dated as of September 5, 2019, to the Credit Agreement (as defined below), among Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company, the Local Currency Banks (as defined below), Citibank, N.A., as Agent, and Citibank Europe plc, UK Branch, as Local Currency Agent.

ARTICLE I

Definitions

SECTION 1.01. Defined Terms. As used in this Addendum, the following terms shall have the meanings specified below:

“Credit Agreement” means the Second Amended and Restated Credit Agreement (Three-Year Facility) dated as of September 5, 2019, among Caterpillar Inc., Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company, Caterpillar Finance Kabushiki Kaisha, the financial institutions from time to time party thereto as Banks, Citibank, N.A., as Agent, MUFG Bank, Ltd., as Japan Local Currency Agent, and Citibank Europe plc, UK Branch, as Local Currency Agent, as the same may be amended, waived, modified or restated from time to time.

“Local Currency Advance” means any Advance, denominated in Pounds Sterling, Euro, or any other Agreed Currency which CIF requests the Local Currency Banks to include as a Local Currency and which is reasonably acceptable to the Local Currency Banks, made to CIF pursuant to Sections 2.03A and 2.03B of the Credit Agreement and this Addendum. A Local Currency Advance shall bear interest at the rate specified in Schedule II.

“Local Currency Bank” means each Bank listed on the signature pages of this Addendum or which becomes a party hereto pursuant to an Assignment and Acceptance or an Assumption and Acceptance.

SECTION 1.02. Terms Generally. Unless otherwise defined herein, terms defined in the Credit Agreement shall have the same meanings in this Addendum. Wherever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. All references herein to Sections and Schedules shall be deemed references to Sections of and Schedules to this Addendum unless the context shall otherwise require.

ARTICLE II

The Credits

SECTION 2.01. Local Currency Advances. (a) This Addendum (as the same may be amended, waived, modified or restated from time to time) is the “Local Currency Addendum” as defined in the Credit Agreement and is, together with the borrowings made

hereunder, subject in all respects to the terms and provisions of the Credit Agreement except to the extent that the terms and provisions of the Credit Agreement are modified by or are inconsistent with this Addendum, in which case this Addendum shall control.

(b) Any modifications to the interest payment dates, Interest Periods, interest rates and any other special provisions applicable to Local Currency Advances under this Addendum are set forth on Schedule II. If Schedule II states “None” or “Same as Credit Agreement” with respect to any item listed thereon, then the corresponding provisions of the Credit Agreement, without modification, shall govern this Addendum and the Local Currency Advances made pursuant to this Addendum.

(c) Any special borrowing procedures or funding arrangements for Local Currency Advances under this Addendum, any provisions for the issuance of promissory notes to evidence the Local Currency Advances made hereunder and any additional information requirements applicable to Local Currency Advances under this Addendum are set forth on Schedule III. If no such special procedures, funding arrangements, provisions or additional requirements are set forth on Schedule III, then the corresponding procedures, funding arrangements, provisions and information requirements set forth in the Credit Agreement shall govern this Addendum.

SECTION 2.02. Maximum Borrowing Amounts. (a) The Total Local Currency Commitment, and the Local Currency Commitment and the Same Day Local Currency Commitment for each Local Currency Bank party to this Addendum as of the date hereof, are set forth on Schedule I.

(b) Upon at least five (5) Business Days prior irrevocable written notice to the Agent, the Local Currency Agent and the Local Currency Banks, CIF may from time to time permanently reduce the Total Local Currency Commitment under this Addendum in whole, or in part ratably among the Local Currency Banks, in an aggregate minimum Dollar Amount of \$10,000,000, and integral multiples of \$1,000,000 in excess thereof; provided, however, that the amount of the Total Local Currency Commitment may not be reduced below the aggregate principal amount of the outstanding Local Currency Advances with respect thereto. Any such reduction shall be allocated pro rata among all the Local Currency Banks party to this Addendum by reference to their Local Currency Commitments.

ARTICLE III

Representations and Warranties

Each of CFSC and CIF makes and confirms each representation and warranty applicable to it or any of its Subsidiaries contained in Article IV of the Credit Agreement. Each of CFSC and CIF represents and warrants to each of the Local Currency Banks party to this Addendum that no Event of Default, or event which would constitute an Event of Default but for the requirement that notice be given or time elapse or both, has occurred and is continuing, and no Event of Default, or event which would constitute an Event of Default but for the requirement that notice be given or time elapse or both, shall arise as a result of the making of Local Currency Advances hereunder or any other transaction contemplated hereby.

ARTICLE IV

Miscellaneous Provisions

SECTION 4.01. Amendment; Termination. (a) This Addendum (including the Schedules hereto) may not be amended without the prior written consent of the Majority Local Currency Banks hereunder and subject to the provisions of Section 8.01 of the Credit Agreement.

(b) This Addendum may not be terminated without the prior written consent of each Local Currency Bank party hereto, CFSC and CIF unless there are no Local Currency Advances or any other amounts outstanding hereunder, in which case no such consent of any Local Currency Bank shall be required; provided, however, that this Addendum shall terminate on the date that the Credit Agreement terminates in accordance with its terms.

SECTION 4.02. Assignments. Section 8.07 of the Credit Agreement shall apply to assignments by Local Currency Banks of obligations, Local Currency Commitments and Advances hereunder; provided, however, that a Local Currency Bank may not assign any obligations, Local Currency Commitments or rights hereunder to any Person which is not (or does not simultaneously become) a Bank under the Credit Agreement.

SECTION 4.03. Notices, Etc. Except as otherwise provided herein, all notices, demands, requests, consents and other communications provided for hereunder shall be given in writing or by any telecommunication device capable of creating a written record (including electronic mail), and addressed to the party to be notified as follows:

(a) if to CIF, at Caterpillar International Finance Designated Activity Company, 2120 West End Avenue, Nashville, Tennessee 37203-0001, Attention Caterpillar International Finance Designated Activity Company c/o Treasurer (Facsimile No. 615-341-8596) with a copy to CFSC at its address and facsimile number or electronic mail address referenced in Section 8.02 of the Credit Agreement;

(b) if to CFSC, at its address and facsimile number or electronic mail address referenced in Section 8.02 of the Credit Agreement;

(c) if to the Local Currency Agent, at Citibank Europe plc, UK Branch, Citigroup Centre, 5th Floor, Canary Wharf, London, United Kingdom, E14 5LB, Facsimile No. 44 20 7492 3980 with a copy to the Agent at its address and facsimile number or electronic mail address referenced in Section 8.02 of the Credit Agreement;

(d) if to a Local Currency Bank, at its address (and facsimile number or electronic mail address) set forth in Schedule I or in the Assignment and Acceptance or Assumption and Acceptance pursuant to which such Local Currency Bank became a party hereto; and

(e) if to the Agent, at its address at Bank Loan Syndications, 1615 Brett Rd., Building No. 3, New Castle, Delaware 19720, Attention: Bank Loan Syndications, Telecopier No. 646-274-5080 (glagentofficeops@citi.com), with a copy to Citibank,

N.A., 388 Greenwich Street, New York, New York 10013, Attention: Lisa Stevens Harary (E-Mail Address: lisa.stevensharary@citi.com);

or as to each party, at such other address as shall be designated by such party in a written notice to the other parties. All notices, demands, requests, consents and other communications described in this Section 4.03 shall be effective (i) if delivered by hand, including any overnight courier service, upon personal delivery, (ii) if delivered by mail, when deposited in the mails and (iii) if delivered by electronic mail or any other telecommunications device, when transmitted to an electronic mail address (or by another means of electronic delivery) as provided in this Section 4.03; provided, however, that notices and communications to the Local Currency Agent pursuant to Article II or V hereof or Article II of the Credit Agreement shall not be effective until received by the Local Currency Agent.

SECTION 4.04. Ratification of Guaranty. By its execution of this Addendum, CFSC ratifies and confirms its guaranty contained in Article IX of the Credit Agreement with respect to the Local Currency Advances made pursuant to this Addendum which Guaranty remains in full force and effect.

SECTION 4.05. Sharing of Payments, Etc. If any Local Currency Bank shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the Local Currency Advances made by it (other than pursuant to Section 2.02(c), 2.05(d), 2.10, 2.12 or 8.04 of the Credit Agreement) in excess of its ratable share of payments on account of the Local Currency Advances obtained by all the Local Currency Banks, such Local Currency Bank shall forthwith purchase from the other Local Currency Banks such participations in the Local Currency Advances made by them as shall be necessary to cause such purchasing Local Currency Bank to share the excess payment ratably with each of them, provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Local Currency Bank, such purchase from each other Local Currency Bank shall be rescinded and each such other Local Currency Bank shall repay to the purchasing Local Currency Bank the purchase price to the extent of such recovery together with an amount equal to such other Local Currency Bank's ratable share (according to the proportion of (i) the amount of such other Local Currency Bank's required repayment to (ii) the total amount so recovered from the purchasing Local Currency Bank) of any interest or other amount paid or payable by the purchasing Local Currency Bank in respect of the total amount so recovered. CIF agrees that any Local Currency Bank so purchasing a participation from another Local Currency Bank pursuant to this Section 4.05 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Local Currency Bank were the direct creditor of CIF in the amount of such participation.

SECTION 4.06. Applicable Law. THIS ADDENDUM SHALL BE GOVERNED BY AND INTERPRETED AND ENFORCED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK (WITHOUT REGARD FOR CONFLICT OF LAW PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE INTERNAL LAW OF THE STATE OF NEW YORK).

SECTION 4.07 Execution in Counterparts. This Addendum may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of

which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

ARTICLE V

The Local Currency Agent

SECTION 5.01 Appointment; Nature of Relationship. Citibank Europe plc, UK Branch is appointed by the Local Currency Banks as the Local Currency Agent hereunder and under the Credit Agreement, and each of the Local Currency Banks irrevocably authorizes the Local Currency Agent to act as the contractual representative of such Local Currency Bank with the rights and duties expressly set forth herein and in the Credit Agreement applicable to the Local Currency Agent. The Local Currency Agent agrees to act as such contractual representative upon the express conditions contained in this Article V. Notwithstanding the use of the defined term “Local Currency Agent,” it is expressly understood and agreed that the Local Currency Agent shall not have any fiduciary responsibilities to any Local Currency Bank or other Bank by reason of this Addendum and that the Local Currency Agent is merely acting as the representative of the Local Currency Banks with only those duties as are expressly set forth in this Addendum and the Credit Agreement. In its capacity as the Local Currency Banks’ contractual representative, the Local Currency Agent (i) does not assume any fiduciary duties to any of the Banks, (ii) is a “representative” of the Local Currency Banks within the meaning of Section 9-102 of the Uniform Commercial Code and (iii) is acting as an independent contractor, the rights and duties of which are limited to those expressly set forth in this Addendum and the Credit Agreement. Each of the Local Currency Banks agrees to assert no claim against the Local Currency Agent on any agency theory or any other theory of liability for breach of fiduciary duty, all of which claims each Bank waives.

SECTION 5.02 Powers. The Local Currency Agent shall have and may exercise such powers under this Addendum and the Credit Agreement as are specifically delegated to the Local Currency Agent by the terms of each thereof, together with such powers as are reasonably incidental thereto. The Local Currency Agent shall have neither any implied duties or fiduciary duties to the Local Currency Banks or the Banks, nor any obligation to the Local Currency Banks or the Banks to take any action hereunder or under the Credit Agreement except any action specifically provided by this Addendum or the Credit Agreement required to be taken by the Local Currency Agent.

SECTION 5.03 General Immunity. Neither the Local Currency Agent nor any of its respective directors, officers, agents or employees shall be liable to any of the Borrowers or any Bank for any action taken or omitted to be taken by it or them hereunder or under the Credit Agreement or in connection herewith or therewith except to the extent such action or inaction is found in a final non-appealable judgment by a court of competent jurisdiction to have arisen from the gross negligence or willful misconduct of such Person.

SECTION 5.04 No Responsibility for Advances, Creditworthiness, Collateral, Recitals, Etc. [Intentionally Omitted. See Sections 7.03 and 7.04 of the Credit Agreement for these provisions.]

SECTION 5.05 Action on Instructions of Local Currency Banks. The Local Currency Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder and under the Credit Agreement in accordance with written instructions signed by Majority Local Currency Banks (except with respect to actions that require the consent of all of the Banks as provided in the Credit Agreement, including, without limitation, Section 8.01 thereof), and such instructions and any action taken or failure to act pursuant thereto shall be binding on all of the Local Currency Banks. The Local Currency Agent shall be fully justified in failing or refusing to take any action hereunder and under the Credit Agreement unless it shall first be indemnified to its satisfaction by the Local Currency Banks pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action.

SECTION 5.06 Employment of Agents and Counsel. The Local Currency Agent may execute any of its duties hereunder and under the Credit Agreement by or through employees, agents, and attorneys-in-fact, and shall not be answerable to the Banks or the Local Currency Banks, except as to money or securities received by it or its authorized agents, for the default or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care. The Local Currency Agent shall be entitled to advice of counsel concerning the contractual arrangement among the Local Currency Agent and the Local Currency Banks, as the case may be, and all matters pertaining to its duties hereunder and under the Credit Agreement.

SECTION 5.07 Reliance on Documents; Counsel. [Intentionally Omitted. See Section 7.03 of the Credit Agreement for these provisions.]

SECTION 5.08 Other Transactions. The Local Currency Agent may accept deposits from, lend money to, and generally engage in any kind of trust, debt, equity or other transaction, in addition to those contemplated by this Addendum or the Credit Agreement, with CFSC, CIF or any of their respective Subsidiaries in which the Local Currency Agent is not prohibited hereby from engaging with any other Person.

SECTION 5.09 Bank Credit Decision. [Intentionally Omitted. See Section 7.07 of the Credit Agreement for these provisions.]

SECTION 5.10 Successor Local Currency Agent. The Local Currency Agent (i) may resign at any time by giving written notice thereof to the Agent, the Local Currency Banks and the Borrowers, and may appoint one of its affiliates as successor Local Currency Agent and (ii) may be removed at any time with or without cause by the Majority Local Currency Banks. Upon any such resignation or removal, the Majority Local Currency Banks, with the consent of the Agent, shall have the right to appoint (unless, in the case of the resignation of the Local Currency Agent, the resigning Local Currency Agent has appointed one of its affiliates as successor Local Currency Agent), on behalf of the Borrowers and the Local Currency Banks, a successor Local Currency Agent. If no successor Local Currency Agent shall have been so appointed and shall have accepted such appointment within thirty days after the retiring Local Currency Agent's giving notice of resignation or the Majority Local Currency Banks' removal of the retiring Local Currency Agent, then the retiring Local Currency Agent may appoint, on behalf of the Borrowers and the Local Currency Banks, a successor Local Currency Agent, which need not be one of its affiliates. Notwithstanding anything herein to the contrary, so long

as no Event of Default, or event which would constitute an Event of Default but for the requirement that notice be given, time elapse or both, has occurred and is continuing, each such successor Local Currency Agent shall be subject to written approval by CFSC and CIF, which approval shall not be unreasonably withheld. Such successor Local Currency Agent shall be a commercial bank having capital and retained earnings of at least \$500,000,000. Upon the acceptance of any appointment as the Local Currency Agent hereunder by a successor Local Currency Agent, such successor Local Currency Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Local Currency Agent, and the retiring Local Currency Agent shall be discharged from its duties and obligations hereunder and under the Credit Agreement. After any retiring Local Currency Agent's resignation hereunder as Local Currency Agent, the provisions of this Article V shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Local Currency Agent hereunder and under the Credit Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be duly executed as a deed by their duly authorized officers, all as of the date and year first above written.

[SIGNATURE PAGES ON FILE WITH AGENT]

Signature Page to
Local Currency Addendum
(Three-Year Facility)

SCHEDULE I
to Local Currency Addendum

Local Currency Banks

Local Currency Commitments

Total Local Currency Commitment³⁷

Applicable Lending Office

Local Currency Bank Name	Local Currency Commitment	Same Day Local Currency Commitment
Citibank, N.A.	\$181,000,000	\$27,000,000
JPMorgan Chase Bank, N.A.	\$170,000,000	\$27,000,000
Barclays Bank PLC	\$160,000,000	\$26,000,000
Bank of America, N.A., London Branch (formerly Bank of America Merrill Lynch International Designated Activity Company)	\$160,000,000	\$24,500,000
Société Générale	\$160,000,000	\$23,000,000
BNP Paribas London Branch	\$21,250,000	\$3,750,000
Commerzbank AG, New York Branch	\$54,750,000	\$8,250,000
Lloyds Bank plc	\$67,500,000	\$10,500,000
KBC Bank N.V.	\$25,000,000	\$0

Total Local Currency Commitment: US \$1,000,000,000	Total Same Day Local Currency Sub- Facility: US \$150,000,000
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Local Currency Bank Name

Applicable Local Currency Lending Office

Citibank, N.A.

Citibank, N.A.
1615 Brett Rd., Building No. 3
New Castle, Delaware 19720
Attention of: Bank Loan Syndications
Telecopier No.: 212-994-0961

³⁷ Local Currency and Same Day Local Currency Commitments as of the Amendment No. 1 Effective Date.

JPMorgan Chase Bank, N.A.

JPMorgan Chase Bank, N.A.
Platina Block 3
Floor 4
Bengaluru, India 560103
Attention: Vithal Giri
(+91-80) 67905186 ext.75186

Bank of America, N.A., London Branch, (formerly
Merrill Lynch International Designated Activity
Company)

Bank of America, N.A., London Branch
(formerly Bank of America Merrill Lynch
International Designated Activity
Company)
26 Elmfield Road,
Bromley, Kent, BR1 1LR,
United Kingdom
+44-208-313-2655 / 44 208 695 3389
+44 208 313 2140
emealoanoperations@baml.com

Barclays Bank PLC

Barclays Bank PLC
745 7th Avenue
New York, NY 10019

Société Générale

Société Générale
29 Boulevard Haussmann
75009 Paris
France

BNP Paribas London Branch

BNP Paribas London Branch
10 Harewood Avenue
London NW1 6AA
Attention: Gary Mobley
Tel: +44 (0)20 7595 6422
Attention: Loans and Agency Desk
Tel: +44 (0)20 7595 6887

Commerzbank AG, New York Branch

Commerzbank AG, New York Branch
225 Liberty Street
New York, NY 10281-1050
Attention: Patrick Hartweger

Lloyds Bank plc

Lloyds Bank plc
Wholesale Loans Servicing,
Bank House,
Wine Street,
Bristol BS1 2AN
Attention: Mike Wilson

KBC Bank N.V.

KBC Bank N.V.
1177 Avenue of the Americas
New York, NY 10036
Attention: Joanne Gatto
Phone: (212) 541-0720
Fax: (212) 956-5581

MODIFICATIONS

1. Business Day Definition:

“Business Day”: Same as Credit Agreement.

2. Interest Payment Dates: Same as Credit Agreement. (See Section 2.07 of Credit Agreement).

3. Interest Periods: Same as Credit Agreement. (See definition of “Interest Period”, Section 1.01, and Section 2.07(d) of Credit Agreement).

4. Interest Rates:

Each Local Currency Advance (other than those also constituting RFR Advances) shall bear interest from and including the first day of the Interest Period applicable thereto to (but not including) the last day of such Interest Period at a rate per annum equal to the sum of the Eurocurrency Rate for such Interest Period plus the Applicable Margin as in effect from time to time during such Interest Period; provided, however, after the occurrence and during the continuance of an Event of Default or an event that would constitute an Event of Default but for the requirement that notice be given or time elapse or both, the provisions of Section 2.07(d) of the Credit Agreement shall be applicable. Local Currency Advances constituting RFR Advances shall be governed by the provisions set forth in the Credit Agreement that govern RFR Advances.

5. Other:

Additional Conditions Precedent: None

Current Termination Date for Addendum: The “Current Termination Date” under the Credit Agreement.

Extended Termination Date for Addendum: The “Extended Termination Date” under the Credit Agreement.

Prepayment Notices: CIF shall be permitted to prepay a Local Currency Advance subject to the provisions of Section 8.04(b) of the Credit Agreement, on any Business Day, provided, in the case of any prepayment, notice thereof is given to the Local Currency Agent not later than 10:00 a.m. (London time) at least three (3) Business Days prior to the date of such prepayment.

OTHER PROVISIONS

1. Borrowing Procedures:

(a) Notice of Local Currency Borrowing shall be given by CIF to the Agent and the Local Currency Agent not later than 11:00 a.m. (London time) on the third Business Day prior to the date of the proposed Local Currency Borrowing (or not later than 10:00 a.m. (London time)) on the Business Day of the proposed Local Currency Borrowing, in the case of a Local Currency Borrowing consisting of Same Day Local Currency Advances), and the Agent (or the Local Currency Agent, in the case of a Local Currency Borrowing consisting of Same Day Local Currency Advances) shall give each Local Currency Bank prompt notice thereof in accordance with Section 4.03.

(b) Each Notice of Local Currency Borrowing shall be addressed to the Agent and the Local Currency Agent at its address set forth in Section 4.03 and shall specify the bank account to which the Local Currency Advances are to be made.

2. Funding Arrangements:

Minimum amounts/increments for Local Currency Borrowings, repayments and prepayments:

Same as Credit Agreement.

3. Promissory Notes: None required.

Annex III

Existing Japan Local Currency Addendum, as modified

Attached

JAPAN LOCAL CURRENCY ADDENDUM (THREE-YEAR FACILITY)

JAPAN LOCAL CURRENCY ADDENDUM, dated as of September 5, 2019, to the Credit Agreement (as defined below), among Caterpillar Financial Services Corporation, Caterpillar Finance Kabushiki Kaisha, the Japan Local Currency Banks (as defined below), Citibank, N.A., as Agent, and MUFG Bank, Ltd., as Japan Local Currency Agent.

ARTICLE I

Definitions

SECTION 1.01. Defined Terms. As used in this Addendum, the following terms shall have the meanings specified below:

“Credit Agreement” means the Second Amended and Restated Credit Agreement (Three-Year Facility), dated as of September 5, 2019, among Caterpillar Inc., Caterpillar Financial Services Corporation, Caterpillar International Finance Designated Activity Company, Caterpillar Finance Kabushiki Kaisha, the financial institutions from time to time party thereto as Banks, Citibank, N.A., as Agent, Citibank Europe plc, UK Branch, as Local Currency Agent, and MUFG Bank, Ltd., as Japan Local Currency Agent, as the same may be amended, waived, modified or restated from time to time.

“Japan Local Currency Advance” means any Advance, denominated in Japanese Yen, made to CFKK pursuant to Sections 2.03C and 2.03D of the Credit Agreement and this Addendum. A Japan Local Currency Advance shall bear interest at the rate specified in Schedule II.

“Japan Local Currency Bank” means each Bank listed on the signature pages of this Addendum or which becomes a party hereto pursuant to an Assignment and Acceptance or an Assumption and Acceptance.

SECTION 1.02. Terms Generally. Unless otherwise defined herein, terms defined in the Credit Agreement shall have the same meanings in this Addendum. Wherever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. All references herein to Sections and Schedules shall be deemed references to Sections of and Schedules to this Addendum unless the context shall otherwise require.

ARTICLE II

The Credits

SECTION 2.01. Japan Local Currency Advances. (a) This Addendum (as the same may be amended, waived, modified or restated from time to time) is the “Japan Local Currency Addendum” as defined in the Credit Agreement and is, together with the borrowings made hereunder, subject in all respects to the terms and provisions of the Credit Agreement except to the extent that the terms and provisions of the Credit Agreement are modified by or are inconsistent with this Addendum, in which case this Addendum shall control.

(b) Any modifications to the interest payment dates, Interest Periods, interest rates and any other special provisions applicable to Japan Local Currency Advances under this Addendum are set forth on Schedule II. If Schedule II states “None” or “Same as Credit Agreement” with respect to any item listed thereon, then the corresponding provisions of the Credit Agreement, without modification, shall govern this Addendum and the Japan Local Currency Advances made pursuant to this Addendum.

(c) Any special borrowing procedures or funding arrangements for Japan Local Currency Advances under this Addendum, any provisions for the issuance of promissory notes to evidence the Japan Local Currency Advances made hereunder and any additional information requirements applicable to Japan Local Currency Advances under this Addendum are set forth on Schedule III. If no such special procedures, funding arrangements, provisions or additional requirements are set forth on Schedule III, then the corresponding procedures, funding arrangements, provisions and information requirements set forth in the Credit Agreement shall govern this Addendum.

SECTION 2.02. Maximum Borrowing Amounts. (a) The Total Japan Local Currency Commitment, and the Japan Local Currency Commitment for each Japan Local Currency Bank party to this Addendum as of the date hereof, are set forth on Schedule I.

(b) Upon at least five (5) Business Days prior irrevocable written notice to the Agent, the Japan Local Currency Agent and the Japan Local Currency Banks, CFKK may from time to time permanently reduce the Total Japan Local Currency Commitment under this Addendum in whole, or in part ratably among the Japan Local Currency Banks, in an aggregate minimum Dollar Amount of \$10,000,000, and integral multiples of \$1,000,000 in excess thereof; provided, however, that the amount of the Total Japan Local Currency Commitment may not be reduced below the aggregate principal amount of the outstanding Japan Local Currency Advances with respect thereto. Any such reduction shall be allocated pro rata among all the Japan Local Currency Banks party to this Addendum by reference to their Japan Local Currency Commitments.

ARTICLE III

Representations and Warranties

Each of CFSC and CFKK makes and confirms each representation and warranty applicable to it or any of its Subsidiaries contained in Article IV of the Credit Agreement. Each

of CFSC and CFKK represents and warrants to each of the Japan Local Currency Banks party to this Addendum that no Event of Default, or event which would constitute an Event of Default but for the requirement that notice be given or time elapse or both, has occurred and is continuing, and no Event of Default, or event which would constitute an Event of Default but for the requirement that notice be given or time elapse or both, shall arise as a result of the making of Japan Local Currency Advances hereunder or any other transaction contemplated hereby.

ARTICLE IV

Miscellaneous Provisions

SECTION 4.01. Amendment; Termination. (a) This Addendum (including the Schedules hereto) may not be amended without the prior written consent of the Majority Japan Local Currency Banks hereunder and subject to the provisions of Section 8.01 of the Credit Agreement.

(b) This Addendum may not be terminated without the prior written consent of each Japan Local Currency Bank party hereto, CFSC and CFKK unless there are no Japan Local Currency Advances or any other amounts outstanding hereunder, in which case no such consent of any Japan Local Currency Bank shall be required; provided, however, that this Addendum shall terminate on the date that the Credit Agreement terminates in accordance with its terms.

SECTION 4.02. Assignments. Section 8.07 of the Credit Agreement shall apply to assignments by Japan Local Currency Banks of obligations, Japan Local Currency Commitments and Japan Local Currency Advances hereunder; provided, however, that a Japan Local Currency Bank may not assign any obligations, Japan Local Currency Commitments or rights hereunder to any Person which is not (or does not simultaneously become) a Bank under the Credit Agreement.

SECTION 4.03. Notices, Etc. Except as otherwise provided herein, all notices, demands, requests, consents and other communications provided for hereunder shall be given in writing or by any telecommunication device capable of creating a written record (including electronic mail), and addressed to the party to be notified as follows:

(a) if to CFKK, at Caterpillar Finance Kabushiki Kaisha, SBS Tower 14F, 4-10-1 Yoga, Setagaya-ku, Tokyo 158-0097, Japan, Attention: Managing Director (Facsimile No. 813-5797-4522), with a copy to CFSC at its address and facsimile number or electronic mail address referenced in Section 8.02 of the Credit Agreement;

(b) if to CFSC, at its address and facsimile number or electronic mail address referenced in Section 8.02 of the Credit Agreement;

(c) if to the Japan Local Currency Agent, at MUFG Bank, Ltd., Osaka Corporate Banking Group, Osaka Corporate Banking Division No. 3, Corporate Banking Department No. 3, 3-5-6, Fushimimachi, Chuo-ku, Osaka-shi, Osaka 541-8530, Japan, Attention: Mr. Kazuki Takehara (Telecopy No.: 06-6206-9039 / 81-06-6206-9039) (Telephone No.: 06-6206-9036 / 81-06-6206-9036) with a copy to the Agent at its

address and facsimile number or electronic mail address referenced in Section 8.02 of the Credit Agreement;

(d) if to a Japan Local Currency Bank, at its address (and facsimile number or electronic mail address) set forth in Schedule I or in the Assignment and Acceptance or Assumption and Acceptance pursuant to which such Japan Local Currency Bank became a party hereto;

(e) if to the Agent, at its address at Bank Loan Syndications, 1615 Brett Rd., Building No. 3, New Castle, Delaware 19720, Attention: Bank Loan Syndications, Telecopier No. 646-274-5080 (glagentofficeops@citi.com), with a copy to Citibank, N.A., 388 Greenwich Street, New York, New York, 10013, Attention: Lisa Stevens Harary (E-Mail Address: lisa.stevensharary@citi.com);

or as to each party, at such other address as shall be designated by such party in a written notice to the other parties.

All notices, demands, requests, consents and other communications described in this Section 4.03 shall be effective (i) if delivered by hand, including any overnight courier service, upon personal delivery, (ii) if delivered by mail, when deposited in the mails and (iii) if delivered by electronic mail or any other telecommunications device, when transmitted to an electronic mail address (or by another means of electronic delivery) as provided in this Section 4.03; provided, however, that notices and communications to the Japan Local Currency Agent pursuant to Article II or V hereof or Article II of the Credit Agreement shall not be effective until received by the Japan Local Currency Agent.

SECTION 4.04. Ratification of Guaranty. By its execution of this Addendum, CFSC ratifies and confirms its guaranty contained in Article IX of the Credit Agreement with respect to the Japan Local Currency Advances made pursuant to this Addendum which Guaranty remains in full force and effect.

SECTION 4.05. Sharing of Payments, Etc. If any Japan Local Currency Bank shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of the Japan Local Currency Advances made by it (other than pursuant to Section 2.02(c), 2.05(d), 2.10, 2.12 or 8.04 of the Credit Agreement) in excess of its ratable share of payments on account of the Japan Local Currency Advances obtained by all the Japan Local Currency Banks, such Japan Local Currency Bank shall forthwith purchase from the other Japan Local Currency Banks such participations in the Japan Local Currency Advances made by them as shall be necessary to cause such purchasing Japan Local Currency Bank to share the excess payment ratably with each of them, provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Japan Local Currency Bank, such purchase from each other Japan Local Currency Bank shall be rescinded and each such other Japan Local Currency Bank shall repay to the purchasing Japan Local Currency Bank the purchase price to the extent of such recovery together with an amount equal to such other Japan Local Currency Bank's ratable share (according to the proportion of (i) the amount of such other Japan Local Currency Bank's required repayment to (ii) the total amount so recovered from the purchasing Japan Local Currency Bank) of any interest or other amount paid or payable by

the purchasing Japan Local Currency Bank in respect of the total amount so recovered. CFKK agrees that any Japan Local Currency Bank so purchasing a participation from another Japan Local Currency Bank pursuant to this Section 4.05 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Japan Local Currency Bank were the direct creditor of CFKK in the amount of such participation.

SECTION 4.06. Applicable Law. THIS ADDENDUM SHALL BE GOVERNED BY AND INTERPRETED AND ENFORCED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK (WITHOUT REGARD FOR CONFLICT OF LAW PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE INTERNAL LAW OF THE STATE OF NEW YORK).

SECTION 4.07 Execution in Counterparts. This Addendum may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

ARTICLE V

The Japan Local Currency Agent

SECTION 5.01 Appointment; Nature of Relationship. MUFG Bank, Ltd. is appointed by the Japan Local Currency Banks as the Japan Local Currency Agent hereunder and under the Credit Agreement, and each of the Japan Local Currency Banks irrevocably authorizes the Japan Local Currency Agent to act as the contractual representative of such Japan Local Currency Bank with the rights and duties expressly set forth herein and in the Credit Agreement applicable to the Japan Local Currency Agent. The Japan Local Currency Agent agrees to act as such contractual representative upon the express conditions contained in this Article V. Notwithstanding the use of the defined term “Japan Local Currency Agent,” it is expressly understood and agreed that the Japan Local Currency Agent shall not have any fiduciary responsibilities to any Japan Local Currency Bank or other Bank by reason of this Addendum and that the Japan Local Currency Agent is merely acting as the representative of the Japan Local Currency Banks with only those duties as are expressly set forth in this Addendum and the Credit Agreement. In its capacity as the Japan Local Currency Banks’ contractual representative, the Japan Local Currency Agent (i) does not assume any fiduciary duties to any of the Banks, (ii) is a “representative” of the Japan Local Currency Banks within the meaning of Section 9-102 of the Uniform Commercial Code and (iii) is acting as an independent contractor, the rights and duties of which are limited to those expressly set forth in this Addendum and the Credit Agreement. Each of the Japan Local Currency Banks agrees to assert no claim against the Japan Local Currency Agent on any agency theory or any other theory of liability for breach of fiduciary duty, all of which claims each Bank waives.

SECTION 5.02 Powers. The Japan Local Currency Agent shall have and may exercise such powers under this Addendum and the Credit Agreement as are specifically delegated to the Japan Local Currency Agent by the terms of each thereof, together with such powers as are reasonably incidental thereto. The Japan Local Currency Agent shall have neither

any implied duties or fiduciary duties to the Japan Local Currency Banks or the Banks, nor any obligation to the Japan Local Currency Banks or the Banks to take any action hereunder or under the Credit Agreement except any action specifically provided by this Addendum or the Credit Agreement required to be taken by the Japan Local Currency Agent.

SECTION 5.03 General Immunity. Neither the Japan Local Currency Agent nor any of its respective directors, officers, agents or employees shall be liable to any of the Borrowers or any Bank for any action taken or omitted to be taken by it or them hereunder or under the Credit Agreement or in connection herewith or therewith except to the extent such action or inaction is found in a final non-appealable judgment by a court of competent jurisdiction to have arisen from the gross negligence or willful misconduct of such Person.

SECTION 5.04 No Responsibility for Advances, Creditworthiness, Collateral, Recitals, Etc. [Intentionally Omitted. See Sections 7.03 and 7.04 of the Credit Agreement for these provisions.]

SECTION 5.05 Action on Instructions of Japan Local Currency Banks. The Japan Local Currency Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder and under the Credit Agreement in accordance with written instructions signed by Majority Japan Local Currency Banks (except with respect to actions that require the consent of all of the Banks as provided in the Credit Agreement, including, without limitation, Section 8.01 thereof), and such instructions and any action taken or failure to act pursuant thereto shall be binding on all of the Japan Local Currency Banks. The Japan Local Currency Agent shall be fully justified in failing or refusing to take any action hereunder and under the Credit Agreement unless it shall first be indemnified to its satisfaction by the Japan Local Currency Banks pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action.

SECTION 5.06 Employment of Agents and Counsel. The Japan Local Currency Agent may execute any of its duties hereunder and under the Credit Agreement by or through employees, agents, and attorneys-in-fact, and shall not be answerable to the Banks or the Japan Local Currency Banks, except as to money or securities received by it or its authorized agents, for the default or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care. The Japan Local Currency Agent shall be entitled to advice of counsel concerning the contractual arrangement among the Japan Local Currency Agent and the Japan Local Currency Banks, as the case may be, and all matters pertaining to its duties hereunder and under the Credit Agreement.

SECTION 5.07 Reliance on Documents; Counsel. [Intentionally Omitted. See Section 7.03 of the Credit Agreement for these provisions.]

SECTION 5.08 Other Transactions. The Japan Local Currency Agent may accept deposits from, lend money to, and generally engage in any kind of trust, debt, equity or other transaction, in addition to those contemplated by this Addendum or the Credit Agreement, with CFSC, CFKK or any of their respective Subsidiaries in which the Japan Local Currency Agent is not prohibited hereby from engaging with any other Person.

SECTION 5.09 Bank Credit Decision. [Intentionally Omitted. See Section 7.07 of the Credit Agreement for these provisions.]

SECTION 5.10 Successor Japan Local Currency Agent. The Japan Local Currency Agent (i) may resign at any time by giving written notice thereof to the Agent, the Japan Local Currency Banks and the Borrowers, and may appoint one of its Affiliates as successor Japan Local Currency Agent and (ii) may be removed at any time with or without cause by the Majority Japan Local Currency Banks. Upon any such resignation or removal, the Majority Japan Local Currency Banks, with the consent of the Agent, shall have the right to appoint (unless, in the case of the resignation of the Japan Local Currency Agent, the resigning Japan Local Currency Agent has appointed one of its Affiliates as successor Japan Local Currency Agent), on behalf of the Borrowers and the Japan Local Currency Banks, a successor Japan Local Currency Agent. If no successor Japan Local Currency Agent shall have been so appointed and shall have accepted such appointment within thirty days after the retiring Japan Local Currency Agent's giving notice of resignation or the Majority Japan Local Currency Banks' removal of the retiring Japan Local Currency Agent, then the retiring Japan Local Currency Agent may appoint, on behalf of the Borrowers and the Japan Local Currency Banks, a successor Japan Local Currency Agent, which need not be one of its Affiliates. Notwithstanding anything herein to the contrary, so long as no Event of Default, or event which would constitute an Event of Default but for the requirement that notice be given, time elapse or both, has occurred and is continuing, each such successor Japan Local Currency Agent shall be subject to written approval by CFSC and CFKK, which approval shall not be unreasonably withheld. Such successor Japan Local Currency Agent shall be a commercial bank having capital and retained earnings of at least \$500,000,000. Upon the acceptance of any appointment as the Japan Local Currency Agent hereunder by a successor Japan Local Currency Agent, such successor Japan Local Currency Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Japan Local Currency Agent, and the retiring Japan Local Currency Agent shall be discharged from its duties and obligations hereunder and under the Credit Agreement. After any retiring Japan Local Currency Agent's resignation hereunder as Japan Local Currency Agent, the provisions of this Article V shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Japan Local Currency Agent hereunder and under the Credit Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be duly executed as a deed by their duly authorized officers, all as of the date and year first above written.

[SIGNATURE PAGES ON FILE WITH AGENT]

Signature Page to
Japan Local Currency Addendum
(Three-Year Facility)

SCHEDULE I
to Japan Local Currency Addendum

Japan Local Currency Banks

Japan Local Currency Commitments

Total Japan Local Currency Commitment

Applicable Lending Office

Japan Local Currency Bank Name	Japan Local Currency Commitment
MUFG Bank, Ltd.	US \$75,000,000

**Total Japan Local Currency
Commitment: US \$75,000,000**

<u>Japan Local Currency Bank Name</u>	<u>Applicable Japan Local Currency Lending Office</u>
MUFG Bank, Ltd.	MUFG Bank, Ltd., Osaka Corporate Banking Group Osaka Corporate Banking Division No. 3 Corporate Banking Department No. 3 3-5-6, Fushimimachi, Chuo-ku, Osaka-shi, Osaka 541-8530, Japan Attention: Mr. Kazuki Takehara (Telephone No.: 06-6206-9036 / 81-06-6206-9036) (Facsimile No.: 06-6206-9039 / 81-06-6206-9039)

MODIFICATIONS

1. Business Day Definition:

“Business Day”: Same as Credit Agreement.

2. Interest Payment Dates: Same as Credit Agreement. (See Section 2.07 of Credit Agreement).

3. Interest Periods: Same as Credit Agreement. (See definition of “Interest Period”, Section 1.01, and Section 2.07(d) of Credit Agreement).

4. Interest Rates:

Each Japan Local Currency Advance that is a TONAR Advance shall bear interest at a rate per annum equal to the sum of (i) TONAR for such Japan Local Currency Advance plus (ii) the Applicable Margin as in effect from time to time during such Interest Period; provided, however, after the occurrence and during the continuance of an Event of Default or an event that would constitute an Event of Default but for the requirement that notice be given or time elapse or both, the provisions of Section 2.07(d) of the Credit Agreement shall be applicable. Each Japan Local Currency Advance that is a Japan Base Rate Advance shall bear interest during any Interest Period at a per annum rate equal to the sum of (i) the Japan Base Rate plus (ii) the Applicable Margin in effect from time to time during such Interest Period. The terms of Section 2.07 and the other provisions of the Credit Agreement shall otherwise govern the accrual and payment of interest on Japan Local Currency Advances.

5. Other:

Additional Conditions Precedent: None

Current Termination Date for Addendum: The “Current Termination Date” under the Credit Agreement.

Extended Termination Date for Addendum: The “Extended Termination Date” under the Credit Agreement.

Prepayment Notices: CFKK shall be permitted to prepay a Japan Local Currency Advance subject to the provisions of Section 8.04(b) of the Credit Agreement, on any Business Day, provided, in the case of any prepayment, notice thereof is given to the Japan Local Currency Agent (with a copy to the Agent) not later than 10:00 a.m. (Tokyo time) at least three (3) Business Days prior to the date of such prepayment.

OTHER PROVISIONS

1. Borrowing Procedures:

(a) Notice of Japan Local Currency Borrowing shall be given by CFKK to the Japan Local Currency Agent (with a copy to the Agent) not later than 10:00 a.m. (Tokyo time) on the third Business Day prior to the date of the proposed Japan Local Currency Borrowing (or not later than 10:00 a.m. (Tokyo time) on the Business Day of the proposed Japan Local Currency Borrowing if such proposed Japan Local Currency Borrowing is requested on a same-day basis), and the Japan Local Currency Agent shall give each Japan Local Currency Bank prompt notice thereof in accordance with Section 4.03.

(b) Each Notice of Japan Local Currency Borrowing shall be addressed to the Japan Local Currency Agent at its address set forth in Section 4.03 and shall specify the bank account to which the Japan Local Currency Advances are to be made.

2. Funding Arrangements:

Minimum amounts/increments for Japan Local Currency Borrowings, repayments and prepayments:

Same as Credit Agreement.

3. Promissory Notes: None required.

SECTION 302 CERTIFICATION

I, D. James Umpleby III, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Caterpillar Inc.;
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 function):
 - 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.

November 3, 2021

/s/ D. James Umpleby III

D. James Umpleby III

Chief Executive Officer

