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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, D.C. 20549**

**FORM 10-Q**

**For the quarter ended September 30, 2016**

**of**

**AGCO CORPORATION**

**A Delaware Corporation**

**IRS Employer Identification No. 58-1960019**

**SEC File Number 1-12930**

**4205 River Green Parkway**

**Duluth, GA 30096**

**(770) 813-9200**

AGCO Corporation (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 and (2) has been subject to such filing requirements for the past 90 days.

AGCO Corporation has submitted electronically and posted on its corporate website every Interactive Data File for the periods required to be submitted and posted pursuant to Rule 405 of regulation S-T.

As of November 4, 2016, AGCO Corporation had 80,266,681 shares of common stock outstanding. AGCO Corporation is a large accelerated filer.

AGCO Corporation is a well-known seasoned issuer and is not a shell company.

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AGCO CORPORATION AND SUBSIDIARIES

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**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS**

AGCO CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(unaudited and in millions, except share amounts)

ASSETS	September 30, 2016	December 31, 2015
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 297.8	\$ 426.7
Accounts and notes receivable, net	1,055.5	836.8
Inventories, net	1,781.3	1,423.4
Other current assets	294.5	211.4
Total current assets	3,429.1	2,898.3
Property, plant and equipment, net	1,388.2	1,347.1
Investment in affiliates	435.3	392.9
Deferred tax assets	86.7	100.7
Other assets	147.9	136.5
Intangible assets, net	637.1	507.7
Goodwill	1,416.7	1,114.5
Total assets	\$ 7,541.0	\$ 6,497.7
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities:</b>		
Current portion of long-term debt	\$ 109.5	\$ 89.0
Senior term loan	—	217.2
Accounts payable	694.8	625.6
Accrued expenses	1,146.8	1,106.9
Other current liabilities	206.9	146.7
Total current liabilities	2,158.0	2,185.4
Long-term debt, less current portion and debt issuance costs	1,875.8	925.2
Pensions and postretirement health care benefits	211.0	233.9
Deferred tax liabilities	130.0	86.4
Other noncurrent liabilities	204.6	183.5
Total liabilities	4,579.4	3,614.4
Commitments and contingencies (Note 17)		
<b>Stockholders' Equity:</b>		
<b>AGCO Corporation stockholders' equity:</b>		
Preferred stock; \$0.01 par value, 1,000,000 shares authorized, no shares issued or outstanding in 2016 and 2015	—	—
Common stock; \$0.01 par value, 150,000,000 shares authorized, 80,264,462 and 83,814,809 shares issued and outstanding at September 30, 2016 and December 31, 2015, respectively	0.8	0.8
Additional paid-in capital	147.2	301.7
Retained earnings	4,062.0	3,996.0
Accumulated other comprehensive loss	(1,309.8)	(1,460.2)
Total AGCO Corporation stockholders' equity	2,900.2	2,838.3
Noncontrolling interests	61.4	45.0
Total stockholders' equity	2,961.6	2,883.3
Total liabilities and stockholders' equity	\$ 7,541.0	\$ 6,497.7

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(unaudited and in millions, except per share data)

	Three Months Ended September 30,	
	2016	2015
Net sales	\$ 1,761.6	\$ 1,736.4
Cost of goods sold	1,408.1	1,370.7
Gross profit	353.5	365.7
Selling, general and administrative expenses	214.1	205.8
Engineering expenses	66.0	70.0
Restructuring expenses	1.5	—
Amortization of intangibles	12.9	10.8
Income from operations	59.0	79.1
Interest expense, net	12.1	10.6
Other income, net	(0.2)	(2.1)
Income before income taxes and equity in net earnings of affiliates	47.1	70.6
Income tax provision	19.5	17.6
Income before equity in net earnings of affiliates	27.6	53.0
Equity in net earnings of affiliates	11.8	14.2
Net income	39.4	67.2
Net loss (income) attributable to noncontrolling interests	0.6	(0.1)
Net income attributable to AGCO Corporation and subsidiaries	\$ 40.0	\$ 67.1
Net income per common share attributable to AGCO Corporation and subsidiaries:		
Basic	\$ 0.50	\$ 0.77
Diluted	\$ 0.50	\$ 0.77
Cash dividends declared and paid per common share	\$ 0.13	\$ 0.12
Weighted average number of common and common equivalent shares outstanding:		
Basic	80.7	86.6
Diluted	80.8	86.7

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(unaudited and in millions, except per share data)

	<b>Nine Months Ended September 30,</b>	
	<b>2016</b>	<b>2015</b>
Net sales	\$ 5,316.5	\$ 5,508.3
Cost of goods sold	4,221.3	4,345.1
Gross profit	1,095.2	1,163.2
Selling, general and administrative expenses	643.1	630.1
Engineering expenses	214.3	210.5
Restructuring expenses	5.5	14.6
Amortization of intangibles	35.3	32.2
Income from operations	197.0	275.8
Interest expense, net	34.5	32.1
Other expense, net	27.1	17.2
Income before income taxes and equity in net earnings of affiliates	135.4	226.5
Income tax provision	73.9	66.1
Income before equity in net earnings of affiliates	61.5	160.4
Equity in net earnings of affiliates	37.5	42.3
Net income	99.0	202.7
Net (income) loss attributable to noncontrolling interests	(0.9)	1.6
Net income attributable to AGCO Corporation and subsidiaries	\$ 98.1	\$ 204.3
Net income per common share attributable to AGCO Corporation and subsidiaries:		
Basic	\$ 1.20	\$ 2.33
Diluted	\$ 1.20	\$ 2.33
Cash dividends declared and paid per common share	\$ 0.39	\$ 0.36
Weighted average number of common and common equivalent shares outstanding:		
Basic	81.9	87.7
Diluted	82.0	87.8

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)  
(unaudited and in millions)

	<b>Three Months Ended September 30,</b>	
	<b>2016</b>	<b>2015</b>
Net income	\$ 39.4	\$ 67.2
Other comprehensive loss, net of reclassification adjustments:		
Foreign currency translation adjustments	(12.5)	(240.0)
Defined benefit pension plans, net of tax	2.4	2.3
Unrealized gain (loss) on derivatives, net of tax	1.7	(0.2)
Other comprehensive loss, net of reclassification adjustments	(8.4)	(237.9)
Comprehensive income (loss)	31.0	(170.7)
Comprehensive loss attributable to noncontrolling interests	0.3	2.5
Comprehensive income (loss) attributable to AGCO Corporation and subsidiaries	\$ 31.3	\$ (168.2)

	<b>Nine Months Ended September 30,</b>	
	<b>2016</b>	<b>2015</b>
Net income	\$ 99.0	\$ 202.7
Other comprehensive income (loss), net of reclassification adjustments:		
Foreign currency translation adjustments	149.1	(517.5)
Defined benefit pension plans, net of tax	7.5	6.7
Unrealized loss on derivatives, net of tax	(5.1)	(1.7)
Other comprehensive income (loss), net of reclassification adjustments	151.5	(512.5)
Comprehensive income (loss)	250.5	(309.8)
Comprehensive (income) loss attributable to noncontrolling interests	(2.0)	3.4
Comprehensive income (loss) attributable to AGCO Corporation and subsidiaries	\$ 248.5	\$ (306.4)

See accompanying notes to condensed consolidated financial statements.

AGCO CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(unaudited and in millions)

	Nine Months Ended September 30,	
	2016	2015
<b>Cash flows from operating activities:</b>		
Net income	\$ 99.0	\$ 202.7
<b>Adjustments to reconcile net income to net cash (used in) provided by operating activities:</b>		
Depreciation	167.0	162.0
Deferred debt issuance cost amortization	0.8	1.6
Amortization of intangibles	35.3	32.2
Stock compensation expense	19.3	10.6
Proceeds from termination of hedging instrument	7.3	—
Equity in net earnings of affiliates, net of cash received	(13.3)	(28.0)
Deferred income tax provision	13.6	(11.3)
Other	(0.1)	(0.2)
<b>Changes in operating assets and liabilities, net of effects from purchase of businesses:</b>		
Accounts and notes receivable, net	(132.2)	(76.0)
Inventories, net	(251.3)	(140.2)
Other current and noncurrent assets	(57.2)	(79.5)
Accounts payable	(11.0)	58.3
Accrued expenses	(4.8)	(35.0)
Other current and noncurrent liabilities	0.2	(25.0)
Total adjustments	(226.4)	(130.5)
Net cash (used in) provided by operating activities	(127.4)	72.2
<b>Cash flows from investing activities:</b>		
Purchases of property, plant and equipment	(132.8)	(147.1)
Proceeds from sale of property, plant and equipment	1.3	1.2
Purchase of businesses, net of cash acquired	(383.6)	(25.4)
Investment in consolidated affiliates, net of cash acquired	(11.8)	—
Investment in unconsolidated affiliates	(1.7)	(5.2)
Restricted cash	0.4	(0.4)
Net cash used in investing activities	(528.2)	(176.9)
<b>Cash flows from financing activities:</b>		
Proceeds from debt obligations, net	716.3	462.3
Purchases and retirement of common stock	(170.0)	(187.5)
Payment of dividends to stockholders	(32.1)	(31.7)
Payment of minimum tax withholdings on stock compensation	(1.9)	(6.2)
Payment of debt issuance costs	(0.5)	(0.7)
Net cash provided by financing activities	511.8	236.2
Effects of exchange rate changes on cash and cash equivalents	14.9	(69.8)
(Decrease) increase in cash and cash equivalents	(128.9)	61.7
Cash and cash equivalents, beginning of period	426.7	363.7
Cash and cash equivalents, end of period	\$ 297.8	\$ 425.4

See accompanying notes to condensed consolidated financial statements.

**AGCO CORPORATION AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(unaudited)**

## **1. BASIS OF PRESENTATION**

The condensed consolidated financial statements of AGCO Corporation and its subsidiaries (the “Company” or “AGCO”) included herein have been prepared in accordance with United States generally accepted accounting principles (“U.S. GAAP”) for interim financial information and the rules and regulations of the Securities and Exchange Commission (“SEC”). In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, which are of a normal recurring nature, necessary to present fairly the Company’s financial position, results of operations, comprehensive income (loss) and cash flows at the dates and for the periods presented. These condensed consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements and the notes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2015. Results for interim periods are not necessarily indicative of the results for the year.

### ***Recent Accounting Pronouncements***

In October 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-16, “Intra-Entity Transfers of Assets Other Than Inventory” (“ASU 2016-16”), which requires recognition of the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. Consequently, the standard eliminates the exception to the recognition of current and deferred income taxes for an intra-entity asset transfer other than for inventory until the asset has been sold to an outside party. ASU 2016-16 is effective for annual periods beginning after December 15, 2017, and interim periods within those annual periods using a modified retrospective approach. Early adoption is permitted in any interim or annual period. The Company is currently evaluating the impact of adopting this standard on the Company’s results of operations, financial condition and cash flows.

In August 2016, the FASB issued ASU 2016-15, “Classification of Certain Cash Receipts and Cash Payments” (“ASU 2016-15”), which addresses eight specific cash flow issues with the objective of reducing the existing diversity in practice. The standard is effective for annual periods beginning after December 15, 2017, and interim periods within those fiscal years. ASU 2016-15 may be applied using a retrospective approach or a prospective approach, if impracticable to apply the amendments retrospectively. Early adoption is permitted in any interim or annual period. The Company expects to adopt ASU 2016-15 on January 1, 2017 and that the adoption will not have a material impact on its cash flows.

In June 2016, the FASB issued ASU 2016-13, “Measurement of Credit Losses on Financial Instruments” (“ASU 2016-13”), which requires measurement and recognition of expected versus incurred credit losses for financial assets held. ASU 2016-13 is effective for annual periods beginning after December 15, 2019, and interim periods within those annual periods. This standard will likely impact the results of operations and financial condition of the Company’s finance joint ventures and as a result, will likely impact the Company’s “Investment in affiliates” and “Equity in net earnings of affiliates” upon adoption. The Company is currently evaluating the standard’s impact.

In March 2016, the FASB issued ASU 2016-09, “Improvements to Employee Share-Based Payment Accounting” (“ASU 2016-09”). ASU 2016-09 simplifies several aspects of the accounting for share-based payment transactions, including the accounting for forfeitures, employer tax withholding on share-based compensation and the financial statement presentation of excess tax benefits or deficiencies. In addition, the standard clarifies the statement of cash flow presentation for certain components of share-based awards. The application methods are specific to each component of the ASU and may be applied using a prospective, retrospective or a modified retrospective approach. ASU 2016-09 is effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted in any interim or annual period. The Company is currently evaluating the impact of adopting this standard on the Company’s results of operations, financial condition and cash flows.

In February 2016, the FASB issued ASU 2016-02, “Leases” (“ASU 2016-02”), which supersedes the existing lease guidance under current U.S. GAAP. ASU 2016-02 is based on the principle that entities should recognize assets and liabilities arising from leases. The standard does not significantly change the lessees’ recognition, measurement and presentation of expenses and cash flows from the previous accounting standard. Leases are classified as finance or operating. ASU 2016-02’s primary change is the requirement for entities to recognize a lease liability for payments and a right-of-use asset representing the right to use the leased asset during the term of an operating lease arrangement. Lessees are permitted to make an accounting



policy election to not recognize the asset and liability for leases with a term of 12 months or less. Lessors' accounting under the standard is largely unchanged from the previous accounting standard. In addition, ASU 2016-02 expands the disclosure requirements of lease arrangements. The standard is effective for reporting periods beginning after December 15, 2018, and interim periods within those annual periods. Early adoption is permitted. Upon adoption, lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. The Company is currently evaluating the impact of adopting this standard on the Company's results of operations, financial condition and cash flows.

In May 2014, the FASB issued ASU 2014-09, "Revenue from Contracts with Customers" ("ASU 2014-09"), which supersedes existing revenue recognition guidance under current U.S. GAAP. ASU 2014-09 outlines a comprehensive, single revenue recognition model that provides a five-step analysis in determining when and how revenue is recognized. The new model will require revenue recognition to depict the transfer of promised goods or services to customers at an amount that reflects the consideration expected to be received in exchange for those goods or services. Additional disclosures also will be required to enable users to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. ASU 2014-09 is effective for reporting periods beginning after December 15, 2016 using either a full retrospective or a modified retrospective approach. Early adoption is not permitted. On July 9, 2015, the FASB delayed the effective date of ASU 2014-09 by one year or to reporting periods beginning after December 15, 2017. Early adoption is permitted, but not any earlier than the original effective date. Subsequent to the issuance of ASU 2014-09, the FASB issued ASU 2016-08, "Principal versus Agent Considerations (Reporting Revenue Gross versus Net)," ASU 2016-10, "Identifying Performance Obligations and Licensing," ASU 2016-11, "Rescission of SEC Guidance Because of Accounting Standards Updates 2014-09 and 2014-16 Pursuant to Staff Announcements at the March 3, 2016 EITF Meeting" and ASU 2016-12, "Revenue from Contracts with Customers: Narrow-Scope Improvements and Practical Expedients." These amendments are intended to improve and clarify the implementation guidance of ASU 2014-09 and each have the same effective date as the original standard. The Company is currently evaluating the impact of adopting these standards on the Company's results of operations and financial condition.

## 2. ACQUISITIONS

On September 12, 2016, the Company acquired Cimbria Holdings Limited (Cimbria) for DKK 2,234.9 million (or approximately \$337.5 million), net of cash acquired of approximately DKK 83.4 million (or approximately \$12.6 million). Cimbria, headquartered in Thisted, Denmark, is a leading manufacturer of products and solutions for the processing, handling and storage of seed and grain. The acquisition was financed by the Company's credit facility, which was subsequently refinanced in October 2016 through a group of related term loan agreements (Note 6).

The preliminary fair values of the assets acquired and liabilities assumed as of the acquisition date are presented in the following table (in millions):

Current assets	\$	73.6
Property, plant and equipment		21.9
Intangible assets		128.9
Goodwill		237.8
Total assets acquired		462.2
Current liabilities		63.8
Deferred tax liabilities		38.5
Long-term debt and other noncurrent liabilities		9.8
Total liabilities assumed		112.1
Net assets acquired	\$	350.1

The preliminary values of acquired identifiable intangible assets of Cimbria as of the date of the acquisition are summarized in the following table (in millions):

	<b>Amount</b>	<b>Weighted-Average Useful Life</b>
Customer relationships	\$ 50.4	9 years
Technology	22.5	10 years
Trademarks	56.0	20 years
	<u>\$ 128.9</u>	

The results of operations of Cimbria have been included in the Company's Condensed Consolidated Financial Statements as of and from the date of acquisition. The results of operations of the Cimbria acquisition and associated goodwill and identifiable intangibles have been preliminarily included in the Company's Europe/Africa/Middle East geographical segment.

On February 2, 2016, the Company acquired Tecno Poultry Equipment S.p.A ("Tecno") for approximately €58.7 million (or approximately \$63.6 million). The Company acquired cash of approximately €17.6 million (or approximately \$19.1 million) associated with the acquisition. Tecno, headquartered in Marsango di Campo San Martino, Italy, manufactures and supplies poultry housing and related products, including egg collection equipment and trolley feeding systems. The acquisition was financed through the Company's credit facility (Note 6). The Company allocated the purchase price to the assets acquired and liabilities assumed based on estimates of their fair values as of the acquisition date. The acquired net assets primarily consisted of accounts receivable, inventories, accounts payable and accrued expenses, deferred revenue, property, plant and equipment, and customer relationship, technology and trademark identifiable intangible assets. The Company recorded approximately \$27.5 million of customer relationship, technology and trademark identifiable intangible assets and approximately \$20.2 million of goodwill associated with the acquisition. The results of operations of Tecno have been included in the Company's Condensed Consolidated Financial Statements as of and from the date of acquisition.

The acquired identifiable intangible assets of Tecno as of the date of the acquisition are summarized in the following table (in millions):

	<b>Amount</b>	<b>Weighted-Average Useful Life</b>
Customer relationships	\$ 15.7	10 years
Technology	7.9	10 years
Trademarks	3.9	10 years
	<u>\$ 27.5</u>	

**3. RESTRUCTURING EXPENSES**

Since 2014, the Company has initiated several actions to rationalize employee headcount at various manufacturing facilities and administrative offices in order to reduce costs in response to softening global demand and reduced production volumes. During the nine months ended September 30, 2016, the Company recorded severance and related costs associated with various rationalizations in the United States, South America and Europe, connected with the termination of approximately 350 employees. The components of the restructuring expenses are summarized as follows (in millions):

	Employee Severance	Facility Closure Costs	Total
Balance as of December 31, 2015	\$ 16.9	\$ —	\$ 16.9
First quarter 2016 provision	1.9	—	1.9
First quarter 2016 cash activity	(3.4)	—	(3.4)
Foreign currency translation	0.6	—	0.6
Balance as of March 31, 2016	16.0	—	16.0
Second quarter 2016 provision	1.3	0.8	2.1
Second quarter 2016 cash activity	(3.2)	—	(3.2)
Foreign currency translation	(0.3)	—	(0.3)
Balance as of June 30, 2016	13.8	0.8	14.6
Third quarter 2016 provision	1.5	—	1.5
Third quarter 2016 cash activity	(2.8)	(0.1)	(2.9)
Foreign currency translation	0.2	—	0.2
Balance as of September 30, 2016	\$ 12.7	\$ 0.7	\$ 13.4

**4. STOCK COMPENSATION PLANS**

The Company recorded stock compensation expense as follows for the three and nine months ended September 30, 2016 and 2015 (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Cost of goods sold	\$ 0.7	\$ 0.3	\$ 1.6	\$ 0.8
Selling, general and administrative expenses	7.2	3.2	18.0	10.1
Total stock compensation expense	\$ 7.9	\$ 3.5	\$ 19.6	\$ 10.9

**Stock Incentive Plan**

Under the Company's 2006 Long Term Incentive Plan (the "2006 Plan"), up to 10,000,000 shares of AGCO common stock may be issued. As of September 30, 2016, of the 10,000,000 shares reserved for issuance under the 2006 Plan, approximately 2,667,694 shares were available for grant, assuming the maximum number of shares are earned related to the performance award grants discussed below. The 2006 Plan allows the Company, under the direction of the Board of Directors' Compensation Committee, to make grants of performance shares, stock appreciation rights, restricted stock units and restricted stock awards to employees, officers and non-employee directors of the Company.

*Long-Term Incentive Plan and Related Performance Awards*

The weighted average grant-date fair value of performance awards granted under the 2006 Plan during the nine months ended September 30, 2016 and 2015 was \$47.93 and \$45.54, respectively.

During the nine months ended September 30, 2016, the Company granted 1,351,350 performance awards related to varying performance periods. The awards granted assume the maximum target level of performance is achieved, as applicable. The compensation expense associated with all awards granted under the 2006 Plan is amortized ratably over the vesting or performance period based on the Company's projected assessment of the level of performance that will be achieved and earned. Performance award transactions during the nine months ended September 30, 2016 were as follows and are presented as if the Company were to achieve its maximum levels of performance under the plan awards:

Shares awarded but not earned at January 1	1,449,396
Shares awarded	1,351,350
Shares forfeited or unearned	(46,336)
Shares earned	—
Shares awarded but not earned at September 30	2,754,410

As of September 30, 2016, the total compensation cost related to unearned performance awards not yet recognized, assuming the Company's current projected assessment of the level of performance that will be achieved and earned, was approximately \$51.0 million, and the weighted average period over which it is expected to be recognized is approximately two years.

*Restricted Stock Unit Awards*

During the nine months ended September 30, 2016, the Company granted 141,202 restricted stock unit ("RSU") awards. These awards entitle the participant to receive one share of the Company's common stock for each RSU granted and vest one-third per year over a three-year requisite service period. The compensation expense associated with these awards is amortized ratably over the requisite service period for the awards that are expected to vest. The weighted average grant-date fair value of the RSUs granted under the 2006 Plan during the nine months ended September 30, 2016 and 2015 was \$45.10 and \$44.03, respectively. RSU transactions during the nine months ended September 30, 2016 were as follows:

Shares awarded but not vested at January 1	137,396
Shares awarded	141,202
Shares forfeited	(5,372)
Shares vested	(46,883)
Shares awarded but not vested at September 30	226,343

As of September 30, 2016, the total compensation cost related to the unvested RSUs not yet recognized was approximately \$7.4 million, and the weighted average period over which it is expected to be recognized is approximately two years.

*Stock-Settled Appreciation Rights*

Compensation expense associated with the stock-settled appreciation rights (“SSAR”) awards is amortized ratably over the requisite service period for the awards that are expected to vest. The Company estimated the fair value of the grants using the Black-Scholes option pricing model. SSAR transactions during the nine months ended September 30, 2016 were as follows:

SSARs outstanding at January 1	1,319,911
SSARs granted	298,700
SSARs exercised	(93,150)
SSARs canceled or forfeited	(14,650)
SSARs outstanding at September 30	<u>1,510,811</u>

*Director Restricted Stock Grants*

The 2006 Plan provides for annual restricted stock grants of the Company’s common stock to all non-employee directors. The 2016 grant was made on April 28, 2016 and equated to 20,232 shares of common stock, of which 15,395 shares of common stock were issued after shares were withheld for taxes. The Company recorded stock compensation expense of approximately \$1.1 million during the nine months ended September 30, 2016 associated with these grants.

**5. GOODWILL AND OTHER INTANGIBLE ASSETS**

Changes in the carrying amount of acquired intangible assets during the nine months ended September 30, 2016 are summarized as follows (in millions):

	<b>Trademarks and Tradenames</b>	<b>Customer Relationships</b>	<b>Patents and Technology</b>	<b>Land Use Rights</b>	<b>Total</b>
Gross carrying amounts:					
Balance as of December 31, 2015	\$ 122.2	\$ 492.3	\$ 92.5	\$ 9.1	\$ 716.1
Acquisitions	61.2	69.0	32.3	—	162.5
Foreign currency translation	0.5	6.1	2.0	(0.2)	8.4
Balance as of September 30, 2016	<u>\$ 183.9</u>	<u>\$ 567.4</u>	<u>\$ 126.8</u>	<u>\$ 8.9</u>	<u>\$ 887.0</u>

	<b>Trademarks and Tradenames</b>	<b>Customer Relationships</b>	<b>Patents and Technology</b>	<b>Land Use Rights</b>	<b>Total</b>
Accumulated amortization:					
Balance as of December 31, 2015	\$ 41.9	\$ 193.8	\$ 55.1	\$ 2.9	\$ 293.7
Amortization expense	5.5	25.9	3.8	0.1	35.3
Foreign currency translation	0.3	5.7	1.5	(0.2)	7.3
Balance as of September 30, 2016	<u>\$ 47.7</u>	<u>\$ 225.4</u>	<u>\$ 60.4</u>	<u>\$ 2.8</u>	<u>\$ 336.3</u>

	<b>Trademarks and Tradenames</b>
Indefinite-lived intangible assets:	
Balance as of December 31, 2015	\$ 85.3
Foreign currency translation	1.1
Balance as of September 30, 2016	<u>\$ 86.4</u>

The Company currently amortizes certain acquired intangible assets, primarily on a straight-line basis, over their estimated useful lives, which range from five to 50 years.

Changes in the carrying amount of goodwill during the nine months ended September 30, 2016 are summarized as follows (in millions):

	North America	South America	Europe/Africa/ Middle East	Asia/ Pacific	Consolidated
Balance as of December 31, 2015	\$ 518.7	\$ 114.4	\$ 425.2	\$ 56.2	\$ 1,114.5
Acquisitions	25.1	—	243.9	—	269.0
Foreign currency translation	—	24.5	8.6	0.1	33.2
Balance as of September 30, 2016	<u>\$ 543.8</u>	<u>\$ 138.9</u>	<u>\$ 677.7</u>	<u>\$ 56.3</u>	<u>\$ 1,416.7</u>

Goodwill is tested for impairment on an annual basis and more often if indications of impairment exist. The Company conducts its annual impairment analyses as of October 1 each fiscal year.

## 6. INDEBTEDNESS

Indebtedness consisted of the following at September 30, 2016 and December 31, 2015 (in millions):

	September 30, 2016	December 31, 2015
1.056% Senior term loan due 2020	\$ 224.8	\$ 217.2
Credit facility, expiring 2020	953.8	338.9
Senior term loan due 2021	337.2	—
57/8% Senior notes due 2021	306.9	297.4
4½% Senior term loan due 2016	—	217.2
Other long-term debt	166.2	164.3
Debt issuance costs	(3.6)	(3.6)
	<u>1,985.3</u>	<u>1,231.4</u>
Less: Current portion of other long-term debt	(109.5)	(89.0)
4½% Senior term loan due 2016	—	(217.2)
Total indebtedness, less current portion	<u>\$ 1,875.8</u>	<u>\$ 925.2</u>

### 1.056% Senior Term Loan

In December 2014, the Company entered into a term loan with the European Investment Bank, which provided the Company with the ability to borrow up to €200.0 million. The €200.0 million (or approximately \$224.8 million as of September 30, 2016) of funding was received on January 15, 2015 with a maturity date of January 15, 2020. The Company has the ability to prepay the term loan before its maturity date. Interest is payable on the term loan at 1.056% per annum, payable quarterly in arrears.

### Credit Facility

The Company's revolving credit and term loan facility consists of an \$800.0 million multi-currency revolving credit facility and a €312.0 million (or approximately \$350.7 million as of September 30, 2016) term loan facility. The maturity date of the credit facility is June 26, 2020. Under the credit facility agreement, interest accrues on amounts outstanding, at the Company's option, depending on the currency borrowed, at either (1) LIBOR or EURIBOR plus a margin ranging from 1.0% to 1.75% based on the Company's leverage ratio, or (2) the base rate, which is equal to the higher of (i) the administrative agent's base lending rate for the applicable currency, (ii) the federal funds rate plus 0.5%, and (iii) one-month LIBOR for loans denominated in U.S. dollars plus 1.0% plus a margin ranging from 0.0% to 0.25% based on the Company's leverage ratio. As is more fully described in Note 11, the Company entered into an interest rate swap in 2015 to convert the term loan facility's floating interest rate to a fixed interest rate of 0.33% plus the applicable margin over the remaining life of the term loan facility. As of September 30, 2016, the Company had \$953.8 million of outstanding borrowings under the credit facility and availability to borrow approximately \$196.9 million under the facility. Approximately \$603.1 million was outstanding under the multi-

currency revolving credit facility and €312.0 million (or approximately \$350.7 million) was outstanding under the term loan facility as of September 30, 2016. As of December 31, 2015, no amounts were outstanding under the Company's multi-currency revolving credit facility, and the Company had the ability to borrow approximately \$800.0 million under the facility. Approximately €312.0 million (or approximately \$338.9 million) was outstanding under the term loan facility as of December 31, 2015.

During 2015, the Company designated its €312.0 million (\$350.7 million as of September 30, 2016) term loan facility as a hedge of its net investment in foreign operations to offset foreign currency translation gains or losses on the net investment. See Note 11 for additional information about the net investment hedge.

#### **Senior Term Loan**

On April 26, 2016, the Company entered into two term loan agreements with Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. ("Rabobank"), in the amount of €100.0 million and €200.0 million, respectively. The €300.0 million (or approximately \$337.2 million as of September 30, 2016) of funding was received on April 26, 2016 and was partially used to repay the Company's 4½% senior term loan with Rabobank which was due May 2, 2016. The Company received net proceeds of approximately €99.6 million (or approximately \$112.2 million) after debt issuance costs. The provisions of the two term loans are identical in nature. The Company has the ability to prepay the term loans before their maturity date on April 26, 2021. Interest is payable on the term loans per annum, equal to the EURIBOR plus a margin ranging from 1.0% to 1.75% based on the Company's net leverage ratio. Interest is paid quarterly in arrears.

#### **5<sup>7</sup>/<sub>8</sub>% Senior Notes**

The Company's \$306.9 million of 5<sup>7</sup>/<sub>8</sub>% senior notes due December 1, 2021 constitute senior unsecured and unsubordinated indebtedness. Interest is payable on the notes semi-annually in arrears. At any time prior to September 1, 2021, the Company may redeem the notes, in whole or in part from time to time, at its option, at a redemption price equal to the greater of (i) 100% of the principal amount plus accrued and unpaid interest, including additional interest, if any, to, but excluding, the redemption date, or (ii) the sum of the present values of the remaining scheduled payments of principal and interest (exclusive of interest accrued to the date of redemption) discounted to the redemption date at the treasury rate plus 0.5%, plus accrued and unpaid interest, including additional interest, if any. Beginning September 1, 2021, the Company may redeem the notes, in whole or in part from time to time, at its option, at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest, including additional interest, if any. As is more fully described in Note 11, the Company entered into an interest rate swap in 2015 to convert the senior notes' fixed interest rate to a floating interest rate over the remaining life of the senior notes. During the second quarter of 2016, the Company terminated the interest rate swap. As a result, the Company recorded a deferred gain of approximately \$7.3 million associated with the termination, which will be amortized as a reduction to "Interest expense, net" over the remaining term of the 5<sup>7</sup>/<sub>8</sub>% senior notes through December 1, 2021. As of September 30, 2016, the unamortized portion of the deferred gain was approximately \$6.9 million and the amortization for both the three and nine months ended September 30, 2016 was approximately \$0.4 million.

#### **Former 4<sup>1</sup>/<sub>2</sub>% Senior Term Loan**

On April 26, 2016, the Company repaid its €200.0 million (or approximately \$225.4 million) 4½% senior term loan with Rabobank that was due May 2, 2016. The Company had the ability to prepay the term loan before its maturity date. Interest was payable on the term loan at 4½% per annum, payable quarterly in arrears.

**Term Loans**

On October 19, 2016, the Company borrowed an aggregate amount of €375.0 million through a group of seven related term loan agreements. The €375.0 million (or approximately \$411.5 million as of October 19, 2016) was used to repay borrowings made under the Company's revolving credit facility, which funded the acquisition of Cimbria (Note 2). The Company received net proceeds of approximately €373.2 million (or approximately \$409.5 million as of October 19, 2016) after debt issuance costs. The provisions of the term loan agreements are identical in nature, with the exception of interest rate terms and maturities. The Company has the ability to prepay the term loans before their maturity dates. Interest is payable on the term loans in arrears either semi-annually or annually as provided below (in millions):

<b>Term Loan Amount</b>	<b>Maturity Date</b>	<b>Floating or Fixed Interest Rate</b>	<b>Interest Rate</b>	<b>Interest Payment</b>
€ 1.0	October 19, 2019	Floating	EURIBOR + 0.75%	Semi-Annually
55.0	October 19, 2019	Fixed	0.75%	Annually
25.5	October 19, 2021	Floating	EURIBOR + 1.00%	Semi-Annually
166.5	October 19, 2021	Fixed	1.00%	Annually
1.0	October 19, 2023	Floating	EURIBOR + 1.25%	Semi-Annually
73.5	October 19, 2023	Fixed	1.33%	Annually
52.5	October 19, 2026	Fixed	1.98%	Annually
€ 375.0				

**Standby Letters of Credit and Similar Instruments**

The Company has arrangements with various banks to issue standby letters of credit or similar instruments, which guarantee the Company's obligations for the purchase or sale of certain inventories and for potential claims exposure for insurance coverage. At September 30, 2016 and December 31, 2015, outstanding letters of credit totaled \$17.3 million and \$17.5 million, respectively.

**7. INVENTORIES**

Inventories at September 30, 2016 and December 31, 2015 were as follows (in millions):

	<b>September 30, 2016</b>	<b>December 31, 2015</b>
Finished goods	\$ 741.9	\$ 523.1
Repair and replacement parts	548.0	515.4
Work in process	150.6	97.5
Raw materials	340.8	287.4
Inventories, net	\$ 1,781.3	\$ 1,423.4



**8. PRODUCT WARRANTY**

The warranty reserve activity for the three and nine months ended September 30, 2016 and 2015 consisted of the following (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Balance at beginning of period	\$ 240.6	\$ 261.3	\$ 230.3	\$ 284.6
Acquisitions	3.1	—	3.7	—
Accruals for warranties issued during the period	43.3	33.2	138.7	110.5
Settlements made (in cash or in kind) during the period	(40.1)	(45.7)	(128.3)	(132.8)
Foreign currency translation	2.0	(3.7)	4.5	(17.2)
Balance at September 30	<u>\$ 248.9</u>	<u>\$ 245.1</u>	<u>\$ 248.9</u>	<u>\$ 245.1</u>

The Company's agricultural equipment products generally are warranted against defects in material and workmanship for a period of one to four years. The Company accrues for future warranty costs at the time of sale based on historical warranty experience. Approximately \$215.1 million and \$195.2 million of warranty reserves are included in "Accrued expenses" in the Company's Condensed Consolidated Balance Sheets as of September 30, 2016 and December 31, 2015, respectively. Approximately \$33.8 million and \$35.1 million of warranty reserves are included in "Other noncurrent liabilities" in the Company's Condensed Consolidated Balance Sheets as of September 30, 2016 and December 31, 2015, respectively.

**9. NET INCOME PER COMMON SHARE**

Basic net income per common share is computed by dividing net income by the weighted average number of common shares outstanding during each period. Diluted net income per common share assumes the exercise of outstanding SSARs and the vesting of performance share awards and RSUs using the treasury stock method when the effects of such assumptions are dilutive. A reconciliation of net income attributable to AGCO Corporation and its subsidiaries and weighted average common shares outstanding for purposes of calculating basic and diluted net income per share for the three and nine months ended September 30, 2016 and 2015 is as follows (in millions, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
<b>Basic net income per share:</b>				
Net income attributable to AGCO Corporation and subsidiaries	\$ 40.0	\$ 67.1	\$ 98.1	\$ 204.3
Weighted average number of common shares outstanding	80.7	86.6	81.9	87.7
Basic net income per share attributable to AGCO Corporation and subsidiaries	<u>\$ 0.50</u>	<u>\$ 0.77</u>	<u>\$ 1.20</u>	<u>\$ 2.33</u>
<b>Diluted net income per share:</b>				
Net income attributable to AGCO Corporation and subsidiaries	\$ 40.0	\$ 67.1	\$ 98.1	\$ 204.3
Weighted average number of common shares outstanding	80.7	86.6	81.9	87.7
Dilutive SSARs, performance share awards and RSUs	0.1	0.1	0.1	0.1
Weighted average number of common shares and common share equivalents outstanding for purposes of computing diluted net income per share	80.8	86.7	82.0	87.8
Diluted net income per share attributable to AGCO Corporation and subsidiaries	<u>\$ 0.50</u>	<u>\$ 0.77</u>	<u>\$ 1.20</u>	<u>\$ 2.33</u>

SSARs to purchase approximately 1.5 million and 1.2 million shares of the Company's common stock for the three and nine months ended September 30, 2016, respectively, and approximately 0.9 million shares of the Company's common stock for the three and nine months ended September 30, 2015 were outstanding but not included in the calculation of weighted average common and common equivalent shares outstanding because they had an antidilutive impact.

**10. INCOME TAXES**

At September 30, 2016 and December 31, 2015, the Company had approximately \$147.7 million and \$133.0 million, respectively, of unrecognized tax benefits, all of which would affect the Company's effective tax rate if recognized. At September 30, 2016 and December 31, 2015, the Company had approximately \$54.8 million and \$61.2 million, respectively, of accrued or deferred taxes related to uncertain income tax positions connected with ongoing income tax audits in various jurisdictions that it expects to settle or pay in the next 12 months. The Company accrues interest and penalties related to unrecognized tax benefits in its provision for income taxes. At September 30, 2016 and December 31, 2015, the Company had accrued interest and penalties related to unrecognized tax benefits of \$19.2 million and \$18.3 million, respectively. Generally, tax years 2010 through 2015 remain open to examination by taxing authorities in the United States and certain other foreign tax jurisdictions.

During the second quarter of 2016, the Company recorded a non-cash deferred income tax charge of approximately \$31.6 million to increase the valuation allowance on its deferred income tax assets in the United States for previous periods. A valuation allowance is established when it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company assessed the likelihood that its deferred tax assets would be recovered from estimated future taxable income and available tax planning strategies and determined that the adjustment to the valuation allowance at September 30, 2016 was appropriate. In making this assessment, all available evidence was considered including the current economic climate, as well as reasonable tax planning strategies. The Company believes it is more likely than not that the Company will realize its remaining deferred tax assets, net of the valuation allowance, in future years.

**11. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES**

All derivatives are recognized on the Company's Condensed Consolidated Balance Sheets at fair value. On the date the derivative contract is entered into, the Company designates the derivative as either (1) a fair value hedge of a recognized liability, (2) a cash flow hedge of a forecasted transaction, (3) a hedge of a net investment in a foreign operation, or (4) a non-designated derivative instrument.

The Company formally documents all relationships between hedging instruments and hedged items, as well as the risk management objectives and strategy for undertaking various hedge transactions. The Company formally assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flow of hedged items or the net investment hedges in foreign operations. When it is determined that a derivative is no longer highly effective as a hedge, hedge accounting is discontinued on a prospective basis.

The Company categorizes its derivative assets and liabilities into one of three levels based on the assumptions used in valuing the asset or liability. See Note 15 for a discussion of the fair value hierarchy as per the guidance in Accounting Standards Codification 820, "Fair Value Measurements." The Company's valuation techniques are designed to maximize the use of observable inputs and minimize the use of unobservable inputs.

***Foreign Currency and Interest Rate Risk***

The Company has significant manufacturing operations in the United States, France, Germany, Finland and Brazil, and it purchases a portion of its tractors, combines and components from third-party foreign suppliers, primarily in various European countries and in Japan. The Company also sells products in over 140 countries throughout the world. The Company's most significant transactional foreign currency exposures are the Euro, the Brazilian real and the Canadian dollar in relation to the United States dollar and the Euro in relation to the British pound.

The Company attempts to manage its transactional foreign exchange exposure by hedging foreign currency cash flow forecasts and commitments arising from the anticipated settlement of receivables and payables and from future purchases and sales. Where naturally offsetting currency positions do not occur, the Company hedges certain, but not all, of its exposures through the use of foreign currency contracts. The Company's translation exposure resulting from translating the financial statements of foreign subsidiaries into United States dollars may be partially hedged from time to time. The Company's most significant translation exposures are the Euro, the British pound and the Brazilian real in relation to the United States dollar and the Swiss franc in relation to the Euro. When practical, the translation impact is reduced by financing local operations with local borrowings.

The Company uses floating rate and fixed rate debt to finance its operations. The floating rate debt obligations expose the Company to variability in interest payments due to changes in the EURIBOR and LIBOR benchmark interest rates. The Company believes it is prudent to limit the variability of a portion of its interest payments, and to meet that objective, the Company periodically enters into interest rate swaps to manage the interest rate risk associated with the Company's borrowings. The Company designates interest rate contracts used to convert the interest rate exposure on a portion of the Company's debt portfolio from a floating rate to a fixed rate as cash flow hedges, while those contracts converting the Company's interest rate exposure from a fixed rate to a floating rate are designated as fair value hedges.

The Company's senior management establishes the Company's foreign currency and interest rate risk management policies. These policies are reviewed periodically by the Finance Committee of the Company's Board of Directors. The policies allow for the use of derivative instruments to hedge exposures to movements in foreign currency and interest rates. The Company's policies prohibit the use of derivative instruments for speculative purposes.

***Counterparty Risk***

The Company regularly monitors the counterparty risk and credit ratings of all the counterparties to the derivative instruments. The Company believes that its exposures are appropriately diversified across counterparties and that these counterparties are creditworthy financial institutions. If the Company perceives any risk with a counterparty, then the Company would cease to do business with that counterparty. There have been no negative impacts to the Company from any non-performance of any counterparties.

**Derivative Transactions Designated as Hedging Instruments****Foreign Currency Contracts**

During 2016 and 2015, the Company designated certain foreign currency contracts as cash flow hedges of expected future sales and purchases. The effective portion of the fair value gains or losses on these cash flow hedges were recorded in other comprehensive loss and were subsequently reclassified into cost of goods sold during the period the sales and purchases were recognized. These amounts offset the effect of the changes in foreign currency rates on the related sale and purchase transactions. The amount of the net (gain) loss recorded in other comprehensive income (loss) that was reclassified into cost of goods sold during the nine months ended September 30, 2016 and 2015 was approximately \$(0.3) million and \$1.6 million, respectively, on an after-tax basis. The Company had outstanding foreign currency contracts with a notional amount of approximately \$56.2 million as of September 30, 2016 that were entered into to hedge forecasted sale and purchase transactions. As of December 31, 2015, there were no outstanding foreign currency contracts. The outstanding contracts as of September 30, 2016 range in maturity through December 2016.

**Interest Rate Swap Contracts***Cash Flow Hedge*

During the third quarter of 2015, the Company entered into an interest rate swap instrument with a notional amount of €312.0 million (or approximately \$350.7 million as of September 30, 2016) and an expiration date of June 26, 2020. The swap was designated and accounted for as a cash flow hedge. Under the swap agreement, the Company pays a fixed interest rate of 0.33% plus the applicable margin, and the counterparty to the agreement pays a floating interest rate based on the three-month EURIBOR.

Changes in the fair value of the interest rate swap are recorded in other comprehensive income (loss). These amounts are subsequently reclassified into "Interest expense, net" as a rate adjustment in the same period in which the related interest on the Company's floating rate term loan facility affects earnings. For the three and nine months ended September 30, 2016, the effective portion of the unrealized change in fair value, net of tax, was a loss of approximately \$0.1 million and \$7.5 million, respectively, which was recorded in other comprehensive (loss) income. For both the three and nine months ended September 30, 2015, the effective portion of the unrealized change in fair value, net of tax, was a loss of approximately \$1.5 million, which was recorded in other comprehensive loss. The amount of the net loss recorded in other comprehensive (loss) income that was reclassified into "Interest expense, net" during the three and nine months ended September 30, 2016 was approximately \$0.5 million and \$1.4 million, respectively, on an after-tax basis. The amount of the net loss recorded in other comprehensive loss that was reclassified into "Interest expense, net" during both the three and nine months ended September 30, 2015 was approximately \$0.1 million on an after-tax basis. There was no ineffectiveness during the nine months ended September 30, 2016.

*Fair Value Hedge*

During the third quarter of 2015, the Company entered into an interest rate swap instrument with a notional amount of \$300.0 million and an expiration date of December 1, 2021 designated as a fair value hedge of the Company's 5<sup>7</sup>/<sub>8</sub>% senior notes (Note 6). Under the interest rate swap, the Company paid a floating interest rate based on the three-month LIBOR plus a spread of 4.14% and the counterparty to the agreement paid a fixed interest rate of 5<sup>7</sup>/<sub>8</sub>%. The gains and losses related to changes in the fair value of the interest rate swap were recorded to "Interest expense, net" and offset changes in the fair value of the underlying hedged 5<sup>7</sup>/<sub>8</sub>% senior notes.

During the second quarter of 2016, the Company terminated the existing interest rate swap transaction and received cash proceeds of approximately \$7.3 million. The resulting gain was deferred and is being amortized as a reduction to "Interest expense, net" over the remaining term of the Company's 5<sup>7</sup>/<sub>8</sub>% senior notes through December 1, 2021. Refer to Note 6 for further information.

The following table summarizes the activity in accumulated other comprehensive loss related to the derivatives held by the Company during the nine months ended September 30, 2016 (in millions):

	<b>Before-Tax Amount</b>	<b>Income Tax</b>	<b>After-Tax Amount</b>
Accumulated derivative net losses as of December 31, 2015	\$ (3.3)	\$ (1.3)	\$ (2.0)
Net changes in fair value of derivatives	(6.2)	0.1	(6.3)
Net losses reclassified from accumulated other comprehensive loss into income	1.1	(0.1)	1.2
Accumulated derivative net losses as of September 30, 2016	<u>\$ (8.4)</u>	<u>\$ (1.3)</u>	<u>\$ (7.1)</u>

### Net Investment Hedges

The Company uses non-derivative and, from time to time, derivative instruments, to hedge a portion of its net investment in foreign operations against adverse movements in exchange rates. The Company measures ineffectiveness on these derivatives based on changes in forward rates.

For instruments that are designated as hedges of net investments in foreign operations, changes in the fair value of the derivative instruments are recorded in foreign currency translation adjustments, a component of accumulated other comprehensive loss, to offset changes in the value of the net investments being hedged. When the net investment in foreign operations is sold or substantially liquidates, the amounts recorded in accumulated other comprehensive loss are reclassified to earnings. To the extent foreign currency denominated debt is redesignated from a net investment hedge relationship, changes in the value of the foreign currency denominated debt are recorded in earnings through the maturity date.

During 2015, the Company designated its €312.0 million (or approximately \$350.7 million as of September 30, 2016) term loan facility with a maturity date of June 26, 2020 as a hedge of its net investment in foreign operations to offset foreign currency translation gains or losses on the net investment. As of September 30, 2016, approximately \$4.3 million of foreign currency losses were included in the cumulative translation adjustment component of accumulated other comprehensive loss.

There was no ineffectiveness with respect to the net investment hedge discussed above during the nine months ended September 30, 2016.

### Derivative Transactions Not Designated as Hedging Instruments

During 2016 and 2015, the Company entered into foreign currency contracts to economically hedge receivables and payables on the Company and its subsidiaries' balance sheets that are denominated in foreign currencies other than the functional currency. These contracts were classified as non-designated derivative instruments.

As of September 30, 2016 and December 31, 2015, the Company had outstanding foreign currency contracts with a notional amount of approximately \$1,724.9 million and \$1,533.9 million, respectively, that were entered into to economically hedge receivables and payables that were denominated in foreign currencies other than the functional currency. Changes in the fair value of these contracts are reported in "Other expense, net." For the three and nine months ended September 30, 2016, the Company recorded a net gain of less than \$0.1 million and approximately \$14.3 million, respectively, within "Other expense, net" within the Company's Condensed Consolidated Statements of Operations related to these contracts. For the three and nine months ended September 30, 2015, the Company recorded a net loss of approximately \$6.5 million and \$46.8 million, respectively, within "Other expense, net" within the Company's Condensed Consolidated Statements of Operations related to these contracts. Gains and losses on such contracts are substantially offset by losses and gains on the remeasurement of the underlying asset or liability being hedged.

Notes to Condensed Consolidated Financial Statements - Continued  
(unaudited)

The table below sets forth the fair value of derivative instruments as of September 30, 2016 (in millions):

	Asset Derivatives as of September 30, 2016		Liability Derivatives as of September 30, 2016	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivative instruments designated as hedging instruments:				
Foreign currency contracts	Other current assets	\$ 1.0	Other current liabilities	\$ 0.1
Interest rate swap contracts	Other noncurrent assets	—	Other noncurrent liabilities	9.3
Derivative instruments not designated as hedging instruments:				
Foreign currency contracts	Other current assets	6.0	Other current liabilities	3.1
Total derivative instruments		<u>\$ 7.0</u>		<u>\$ 12.5</u>

The table below sets forth the fair value of derivative instruments as of December 31, 2015 (in millions):

	Asset Derivatives as of December 31, 2015		Liability Derivatives as of December 31, 2015	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivative instruments designated as hedging instruments:				
Interest rate swap contracts	Other noncurrent assets	\$ —	Other noncurrent liabilities	\$ 5.9
Derivative instruments not designated as hedging instruments:				
Foreign currency contracts	Other current assets	4.8	Other current liabilities	7.9
Total derivative instruments		<u>\$ 4.8</u>		<u>\$ 13.8</u>

**12. CHANGES IN STOCKHOLDERS' EQUITY**

The following table sets forth changes in stockholders' equity attributed to AGCO Corporation and its subsidiaries and to noncontrolling interests for the nine months ended September 30, 2016 (in millions):

	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Stockholders' Equity
Balance, December 31, 2015	\$ 0.8	\$ 301.7	\$ 3,996.0	\$ (1,460.2)	\$ 45.0	\$ 2,883.3
Stock compensation	—	19.3	—	—	—	19.3
Issuance of RSUs	—	(0.9)	—	—	—	(0.9)
SSARs exercised	—	(0.7)	—	—	—	(0.7)
Comprehensive income:						
Net income	—	—	98.1	—	0.9	99.0
Other comprehensive income, net of reclassification adjustments:						
Foreign currency translation adjustments	—	—	—	148.0	1.1	149.1
Defined benefit pension plans, net of tax	—	—	—	7.5	—	7.5
Unrealized loss on derivatives, net of tax	—	—	—	(5.1)	—	(5.1)
Payment of dividends to stockholders	—	—	(32.1)	—	—	(32.1)
Purchases and retirement of common stock	—	(170.0)	—	—	—	(170.0)
Investment by noncontrolling interests	—	—	—	—	12.2	12.2
Change in noncontrolling interest	—	(2.2)	—	—	2.2	—
Balance, September 30, 2016	\$ 0.8	\$ 147.2	\$ 4,062.0	\$ (1,309.8)	\$ 61.4	\$ 2,961.6

Total comprehensive (loss) income attributable to noncontrolling interests for the three and nine months ended September 30, 2016 and 2015 was as follows (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Net (loss) income	\$ (0.6)	\$ 0.1	\$ 0.9	\$ (1.6)
Other comprehensive (loss) income:				
Foreign currency translation adjustments	0.3	(2.6)	1.1	(1.8)
Total comprehensive (loss) income	\$ (0.3)	\$ (2.5)	\$ 2.0	\$ (3.4)

The following table sets forth changes in accumulated other comprehensive loss by component, net of tax, attributed to AGCO Corporation and its subsidiaries for the nine months ended September 30, 2016 (in millions):

	Defined Benefit Pension Plans	Deferred Net (Losses) Gains on Derivatives	Cumulative Translation Adjustment	Total
Accumulated other comprehensive loss, December 31, 2015	\$ (249.0)	\$ (2.0)	\$ (1,209.2)	\$ (1,460.2)
Other comprehensive (loss) income before reclassifications	—	(6.3)	148.0	141.7
Net losses reclassified from accumulated other comprehensive loss	7.5	1.2	—	8.7
Other comprehensive income (loss), net of reclassification adjustments	7.5	(5.1)	148.0	150.4
Accumulated other comprehensive loss, September 30, 2016	\$ (241.5)	\$ (7.1)	\$ (1,061.2)	\$ (1,309.8)

The following table sets forth reclassification adjustments out of accumulated other comprehensive loss by component attributed to AGCO Corporation and its subsidiaries for the three months ended September 30, 2016 and 2015 (in millions):

Details about Accumulated Other Comprehensive Loss Components	Amount Reclassified from Accumulated Other Comprehensive Loss		Affected Line Item within the Condensed Consolidated Statements of Operations
	Three months ended September 30, 2016 <sup>(1)</sup>	Three months ended September 30, 2015 <sup>(1)</sup>	
<b>Derivatives:</b>			
Net (gains) losses on foreign currency contracts	\$ (0.3)	\$ 0.6	Cost of goods sold
Net losses on interest rate swap contracts	0.5	0.1	Interest expense, net
Reclassification before tax	0.2	0.7	
	0.1	(0.1)	Income tax benefit (provision)
Reclassification net of tax	<u>\$ 0.3</u>	<u>\$ 0.6</u>	
<b>Defined benefit pension plans:</b>			
Amortization of net actuarial loss	\$ 2.5	\$ 2.9 <sup>(2)</sup>	
Amortization of prior service cost	0.3	0.1 <sup>(2)</sup>	
Reclassification before tax	2.8	3.0	
	(0.4)	(0.7)	Income tax provision
Reclassification net of tax	<u>\$ 2.4</u>	<u>\$ 2.3</u>	
Net losses reclassified from accumulated other comprehensive loss	<u>\$ 2.7</u>	<u>\$ 2.9</u>	

(1) (Gains) losses included within the Condensed Consolidated Statements of Operations for the three months ended September 30, 2016 and 2015.

(2) These accumulated other comprehensive loss components are included in the computation of net periodic pension and postretirement benefit cost. See Note 14 to the Company's Condensed Consolidated Financial Statements.



Notes to Condensed Consolidated Financial Statements - Continued  
(unaudited)

The following table sets forth reclassification adjustments out of accumulated other comprehensive loss by component attributed to AGCO Corporation and its subsidiaries for the nine months ended September 30, 2016 and 2015 (in millions):

Details about Accumulated Other Comprehensive Loss Components	Amount Reclassified from Accumulated Other Comprehensive Loss		Affected Line Item within the Condensed Consolidated Statements of Operations
	Nine months ended September 30, 2016 <sup>(1)</sup>	Nine months ended September 30, 2015 <sup>(1)</sup>	
<b>Derivatives:</b>			
Net (gains) losses on foreign currency contracts	\$ (0.3)	\$ 1.8	Cost of goods sold
Net losses on interest rate swap contracts	1.4	0.1	Interest expense, net
Reclassification before tax	1.1	1.9	
	0.1	(0.2)	Income tax benefit (provision)
Reclassification net of tax	<u>\$ 1.2</u>	<u>\$ 1.7</u>	
<b>Defined benefit pension plans:</b>			
Amortization of net actuarial loss	\$ 7.8	\$ 8.5 <sup>(2)</sup>	
Amortization of prior service cost	0.9	0.4 <sup>(2)</sup>	
Reclassification before tax	8.7	8.9	
	(1.2)	(2.2)	Income tax provision
Reclassification net of tax	<u>\$ 7.5</u>	<u>\$ 6.7</u>	
Net losses reclassified from accumulated other comprehensive loss	<u>\$ 8.7</u>	<u>\$ 8.4</u>	

(1) (Gains) losses included within the Condensed Consolidated Statements of Operations for the nine months ended September 30, 2016 and 2015.

(2) These accumulated other comprehensive loss components are included in the computation of net periodic pension and postretirement benefit cost. See Note 14 to the Company's Condensed Consolidated Financial Statements.

### Share Repurchase Program

During the nine months ended September 30, 2016, the Company entered into accelerated share repurchase ("ASR") agreements with a financial institution to repurchase an aggregate of \$170.0 million of shares of the Company's common stock. The Company received approximately 3,201,161 shares during the nine months ended September 30, 2016 related to the ASR agreements. All shares received under the ASR agreements were retired upon receipt, and the excess of the purchase price over par value per share was recorded to "Additional paid-in capital" within the Company's Condensed Consolidated Balance Sheets.

The remaining amount of shares authorized to be repurchased under approved share repurchase programs is approximately \$73.9 million.

### 13. ACCOUNTS RECEIVABLE SALES AGREEMENTS

As of September 30, 2016 and December 31, 2015, the Company had accounts receivable sales agreements that permit the sale, on an ongoing basis, of a majority of its wholesale receivables in North America, Europe and Brazil to its U.S., Canadian, European and Brazilian finance joint ventures. As of both September 30, 2016 and December 31, 2015, the cash received from receivables sold under the U.S., Canadian, European and Brazilian accounts receivable sales agreements was approximately \$1.1 billion.

Under the terms of the accounts receivable agreements in North America, Europe and Brazil, the Company pays an annual servicing fee related to the servicing of the receivables sold. The Company also pays the respective AGCO Finance entities a subsidized interest payment with respect to the sales agreements, calculated based upon LIBOR plus a margin on any non-interest bearing accounts receivable outstanding and sold under the sales agreements. These fees were reflected within losses on the sales of receivables included within "Other expense, net" in the Company's Condensed Consolidated Statements of Operations. The Company does not service the receivables after the sale occurs and does not maintain any direct retained interest in the receivables. The Company reviewed its accounting for the accounts receivable sales agreements and determined that these facilities should be accounted for as off-balance sheet transactions.

Losses on sales of receivables associated with the accounts receivable financing facilities discussed above, reflected within "Other expense, net" in the Company's Condensed Consolidated Statements of Operations, were approximately \$4.3 million and \$13.8 million during the three and nine months ended September 30, 2016, respectively. Losses on sales of receivables associated with the accounts receivable financing facilities discussed above, reflected within "Other expense, net" in the Company's Condensed Consolidated Statements of Operations, were approximately \$4.0 million and \$13.4 million during the three and nine months ended September 30, 2015, respectively.

The Company's finance joint ventures in Brazil and Australia also provide wholesale financing directly to the Company's dealers. The receivables associated with these arrangements are without recourse to the Company. The Company does not service the receivables after the sale occurs and does not maintain any direct retained interest in the receivables. As of September 30, 2016 and December 31, 2015, these finance joint ventures had approximately \$27.8 million and \$17.7 million, respectively, of outstanding accounts receivable associated with these arrangements. The Company reviewed its accounting for these arrangements and determined that these arrangements should be accounted for as off-balance sheet transactions.

In addition, the Company sells certain trade receivables under factoring arrangements to other financial institutions around the world. The Company reviewed the sale of such receivables and determined that these arrangements should be accounted for as off-balance sheet transactions.

**14. EMPLOYEE BENEFIT PLANS**

Net periodic pension and postretirement benefit cost for the Company's defined pension and postretirement benefit plans for the three months ended September 30, 2016 and 2015 are set forth below (in millions):

	<b>Three Months Ended September 30,</b>	
	<b>2016</b>	<b>2015</b>
<b>Pension benefits</b>		
Service cost	\$ 4.1	\$ 4.6
Interest cost	6.2	7.8
Expected return on plan assets	(9.8)	(11.2)
Amortization of net actuarial loss	2.5	2.8
Amortization of prior service cost	0.3	0.1
Net periodic pension cost	<u>\$ 3.3</u>	<u>\$ 4.1</u>
<b>Postretirement benefits</b>		
Interest cost	\$ 0.3	\$ 0.3
Amortization of net actuarial loss	—	0.1
Net periodic postretirement benefit cost	<u>\$ 0.3</u>	<u>\$ 0.4</u>

Net periodic pension and postretirement benefit cost for the Company's defined pension and postretirement benefit plans for the nine months ended September 30, 2016 and 2015 are set forth below (in millions):

	<b>Nine Months Ended September 30,</b>	
	<b>2016</b>	<b>2015</b>
<b>Pension benefits</b>		
Service cost	\$ 12.3	\$ 13.9
Interest cost	19.0	23.4
Expected return on plan assets	(30.2)	(33.4)
Amortization of net actuarial loss	7.8	8.4
Amortization of prior service cost	0.8	0.3
Net periodic pension cost	<u>\$ 9.7</u>	<u>\$ 12.6</u>
<b>Postretirement benefits</b>		
Interest cost	\$ 1.1	\$ 1.0
Amortization of net actuarial loss	—	0.1
Amortization of prior service cost	0.1	0.1
Net periodic postretirement benefit cost	<u>\$ 1.2</u>	<u>\$ 1.2</u>

Notes to Condensed Consolidated Financial Statements - Continued  
(unaudited)

The following table summarizes the activity in accumulated other comprehensive loss related to the Company's defined pension and postretirement benefit plans during the nine months ended September 30, 2016 (in millions):

	<b>Before-Tax Amount</b>	<b>Income Tax</b>	<b>After-Tax Amount</b>
Accumulated other comprehensive loss as of December 31, 2015	\$ (336.6)	\$ (87.6)	\$ (249.0)
Amortization of net actuarial loss	7.8	1.2	6.6
Amortization of prior service cost	0.9	—	0.9
Accumulated other comprehensive loss as of September 30, 2016	<u>\$ (327.9)</u>	<u>\$ (86.4)</u>	<u>\$ (241.5)</u>

During the nine months ended September 30, 2016, approximately \$24.1 million of contributions had been made to the Company's defined pension benefit plans. The Company currently estimates its minimum contributions for 2016 to its defined pension benefit plans will aggregate approximately \$31.6 million.

During the nine months ended September 30, 2016, the Company made approximately \$1.3 million of contributions to its postretirement health care and life insurance benefit plans. The Company currently estimates that it will make approximately \$1.5 million of contributions to its postretirement health care and life insurance benefit plans during 2016.

**15. FAIR VALUE OF FINANCIAL INSTRUMENTS**

The Company categorizes its assets and liabilities into one of three levels based on the assumptions used in valuing the asset or liability. Estimates of fair value for financial assets and liabilities are based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. 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 in active markets for identical assets or liabilities.

Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and model-derived valuations in which all significant inputs are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Model-derived valuations in which one or more significant inputs are unobservable.

The Company categorizes its pension plan assets into one of the three levels of the fair value hierarchy.

The Company enters into foreign currency and interest rate swap contracts. The fair values of the Company's derivative instruments are determined using discounted cash flow valuation models. The significant inputs used in these models are readily available in public markets, or can be derived from observable market transactions, and therefore have been classified as Level 2. Inputs used in these discounted cash flow valuation models for derivative instruments include the applicable exchange rates, forward rates or interest rates. Such models used for option contracts also use implied volatility. See Note 11 for a discussion of the Company's derivative instruments and hedging activities.

The Company's trading securities as of December 31, 2015 consisted of foreign-based government bonds. The fair value of the Company's investments in trading securities classified as Level 2 were priced using nonbinding market prices that were corroborated by observable market data.

Assets and liabilities measured at fair value on a recurring basis as of September 30, 2016 and December 31, 2015 are summarized below (in millions):

	As of September 30, 2016			
	Level 1	Level 2	Level 3	Total
Derivative assets	\$ —	\$ 7.0	\$ —	\$ 7.0
Derivative liabilities	\$ —	\$ 12.5	\$ —	\$ 12.5

  

	As of December 31, 2015			
	Level 1	Level 2	Level 3	Total
Derivative assets	\$ —	\$ 4.8	\$ —	\$ 4.8
Derivative liabilities	\$ —	\$ 13.8	\$ —	\$ 13.8
Long-term debt	\$ —	\$ 297.4	\$ —	\$ 297.4
Trading securities	\$ —	\$ 6.6	\$ —	\$ 6.6

The carrying amounts of long-term debt under the Company's 1.056% senior term loan, credit facility, senior term loan due 2021 and 5<sup>7</sup>/<sub>8</sub>% senior notes (Note 6) approximate fair value based on the borrowing rates currently available to the Company for loans with similar terms and average maturities.

**16. SEGMENT REPORTING**

The Company's four reportable segments distribute a full range of agricultural equipment and related replacement parts. The Company evaluates segment performance primarily based on income (loss) from operations. Sales for each segment are based on the location of the third-party customer. The Company's selling, general and administrative expenses and engineering expenses are charged to each segment based on the region and division where the expenses are incurred. As a result, the components of income (loss) from operations for one segment may not be comparable to another segment. Segment results for the three and nine months ended September 30, 2016 and 2015 and assets as of September 30, 2016 and December 31, 2015 based on the Company's reportable segments are as follows (in millions):

Three Months Ended September 30,	North America	South America	Europe/Africa/ Middle East	Asia/ Pacific	Consolidated
<b>2016</b>					
Net sales	\$ 453.0	\$ 261.8	\$ 909.5	\$ 137.3	\$ 1,761.6
Income from operations	21.1	5.9	78.3	4.6	109.9
Depreciation	14.4	6.2	30.4	4.1	55.1
Capital expenditures	11.3	26.7	22.8	—	60.8
<b>2015</b>					
Net sales	\$ 494.9	\$ 231.4	\$ 894.3	\$ 115.8	\$ 1,736.4
Income (loss) from operations	40.9	10.5	68.9	(2.5)	117.8
Depreciation	16.0	4.9	29.5	3.4	53.8
Capital expenditures	10.3	7.4	18.4	9.7	45.8
Nine Months Ended September 30,	North America	South America	Europe/Africa/ Middle East	Asia/ Pacific	Consolidated
<b>2016</b>					
Net sales	\$ 1,360.3	\$ 609.4	\$ 3,018.9	\$ 327.9	\$ 5,316.5
Income from operations	44.0	6.3	291.9	3.9	346.1
Depreciation	46.5	16.1	93.1	11.3	167.0
Capital expenditures	31.1	41.1	57.1	3.5	132.8
<b>2015</b>					
Net sales	\$ 1,530.5	\$ 760.7	\$ 2,939.4	\$ 277.7	\$ 5,508.3
Income (loss) from operations	116.4	38.8	284.0	(25.4)	413.8
Depreciation	46.5	16.4	89.9	9.2	162.0
Capital expenditures	36.3	17.4	65.7	27.7	147.1
<b>Assets</b>					
As of September 30, 2016	\$ 1,006.1	\$ 707.9	\$ 2,039.7	\$ 410.0	\$ 4,163.7
As of December 31, 2015	\$ 943.7	\$ 490.0	\$ 1,757.2	\$ 346.3	\$ 3,537.2

A reconciliation from the segment information to the consolidated balances for income from operations and total assets is set forth below (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
Segment income from operations	\$ 109.9	\$ 117.8	\$ 346.1	\$ 413.8
Corporate expenses	(29.3)	(24.7)	(90.3)	(81.1)
Stock compensation expense	(7.2)	(3.2)	(18.0)	(10.1)
Restructuring expenses	(1.5)	—	(5.5)	(14.6)
Amortization of intangibles	(12.9)	(10.8)	(35.3)	(32.2)
Consolidated income from operations	\$ 59.0	\$ 79.1	\$ 197.0	\$ 275.8

	September 30, 2016	December 31, 2015
Segment assets	\$ 4,163.7	\$ 3,537.2
Cash and cash equivalents	297.8	426.7
Receivables from affiliates	61.3	70.1
Investments in affiliates	435.3	392.9
Deferred tax assets, other current and noncurrent assets	529.1	448.6
Intangible assets, net	637.1	507.7
Goodwill	1,416.7	1,114.5
Consolidated total assets	\$ 7,541.0	\$ 6,497.7

## 17. COMMITMENTS AND CONTINGENCIES

### Off-Balance Sheet Arrangements

#### Guarantees

The Company maintains a remarketing agreement with its U.S. finance joint venture, whereby the Company is obligated to repurchase repossessed inventory at market values. The Company has an agreement with its U.S. finance joint venture, AGCO Finance LLC, which limits the Company's purchase obligations under this arrangement to \$6.0 million in the aggregate per calendar year. The Company believes that any losses that might be incurred on the resale of this equipment will not materially impact the Company's financial position or results of operations due to the fair value of the underlying equipment.

At September 30, 2016, the Company has outstanding guarantees of indebtedness owed to third parties of approximately \$13.7 million, primarily related to dealer and end-user financing of equipment. Such guarantees generally obligate the Company to repay outstanding finance obligations owed to financial institutions if dealers or end users default on such loans through 2020. The Company believes the credit risk associated with these guarantees is not material to its financial position or results of operations. Losses under such guarantees have historically been insignificant. In addition, the Company generally would expect to be able to recover a significant portion of the amounts paid under such guarantees from the sale of the underlying financed farm equipment, as the fair value of such equipment is expected to be sufficient to offset a substantial portion of the amounts paid.

#### Other

The Company sells a majority of its wholesale receivables in North America, Europe and Brazil to its U.S., Canadian, European and Brazilian finance joint ventures. The Company also sells certain accounts receivable under factoring arrangements to financial institutions around the world. The Company reviewed the sale of such receivables and determined that these facilities should be accounted for as off-balance sheet transactions.

***Legal Claims and Other Matters***

In August 2008, as part of routine audits, the Brazilian taxing authorities disallowed deductions relating to the amortization of certain goodwill recognized in connection with a reorganization of the Company's Brazilian operations and the related transfer of certain assets to the Company's Brazilian subsidiaries. The amount of the tax disallowance through September 30, 2016, not including interest and penalties, was approximately 131.5 million Brazilian reais (or approximately \$40.4 million). The amount ultimately in dispute will be greater because of interest and penalties. The Company has been advised by its legal and tax advisors that its position with respect to the deductions is allowable under the tax laws of Brazil. The Company is contesting the disallowance and believes that it is not likely that the assessment, interest or penalties will be required to be paid. However, the ultimate outcome will not be determined until the Brazilian tax appeal process is complete, which could take several years.

The Company is a party to various other legal claims and actions incidental to its business. The Company believes that none of these claims or actions, either individually or in the aggregate, is material to its business or financial statements as a whole, including its results of operations and financial condition.



## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### GENERAL

Our operations are subject to the cyclical nature of the agricultural industry. Sales of our equipment are affected by changes in net cash farm income, farm land values, weather conditions, the demand for agricultural commodities, commodity prices and general economic conditions. We record sales when we sell equipment and replacement parts to our independent dealers, distributors and other customers. To the extent possible, we attempt to sell products to our dealers and distributors on a level basis throughout the year to reduce the effect of seasonal demands on manufacturing operations and to minimize our investment in inventories. However, retail sales by dealers to farmers are highly seasonal and are a function of the timing of the planting and harvesting seasons. As a result, our net sales have historically been the lowest in the first quarter and have increased in subsequent quarters.

### RESULTS OF OPERATIONS

For the three months ended September 30, 2016, we generated net income of \$40.0 million, or \$0.50 per share, compared to net income of \$67.1 million, or \$0.77 per share, for the same period in 2015. For the first nine months of 2016, we generated net income of \$98.1 million, or \$1.20 per share, compared to net income of \$204.3 million, or \$2.33 per share, for the same period in 2015.

Net sales during the three months ended September 30, 2016 were \$1,761.6 million which were approximately 1.5% higher than the same period in 2015 primarily due to the benefit of net sales from new acquisitions, largely offset by the negative impact of foreign currency translation. Net sales during the nine months ended September 30, 2016 were \$5,316.5 million which were approximately 3.5% lower than the same period in the prior year primarily due to weaker global market conditions and the negative impact of foreign currency translation.

Income from operations for the three months ended September 30, 2016 was \$59.0 million compared to \$79.1 million for the same period in 2015. Income from operations was \$197.0 million for the nine months ended September 30, 2016 compared to \$275.8 million for the same period in 2015. The decrease in income from operations for the three months ended September 30, 2016 was primarily due to lower production levels and a weaker sales mix compared to the same period in the prior year. The decrease in income from operations for the nine months ended September 30, 2016 was primarily due to lower net sales and production levels, a weaker product mix and the negative impact of currency translation compared to the same prior year period.

Regionally, income from operations in our Europe/Africa/Middle East ("EAME") region increased in the three and nine months ended September 30, 2016 compared to the same periods in 2015. Higher net sales helped to bolster operating income in the region, which was partially offset by the negative impact of currency translation. In the North American region, a decline in net sales and production volumes coupled with a weaker sales mix negatively impacted income from operations during the three and nine months ended September 30, 2016 compared to the same periods in 2015. Income from operations in our South American region also decreased in both the three and nine months ended September 30, 2016 compared to the same periods in 2015 due to lower sales and production volumes, material cost inflation and the negative impact of currency translation. The operating results in our Asia/Pacific region improved in the nine months ended September 30, 2016 compared to the same periods in 2015 due to higher net sales and production levels in China.

### Industry Market Conditions

Growing global grain stocks have resulted in lower prices for all major agricultural commodities, which negatively impacts farm income. As a result of more challenging farm economics, industry demand continued to soften in all major agricultural equipment markets during the first nine months of 2016 compared to the first nine months of 2015.

In North America, industry unit retail sales of utility and high horsepower tractors for the first nine months of 2016 decreased by approximately 11% compared to the first nine months of 2015. Industry unit retail sales of combines for the first nine months of 2016 decreased by approximately 20% compared to the first nine months of 2015. Retail sales were significantly lower for high horsepower tractors, sprayers and combines, partially offset by stable retail sales for smaller and mid-sized tractors.

In Western Europe, industry unit retail sales of tractors for the first nine months of 2016 increased slightly by approximately 1% compared to the first nine months of 2015. Industry unit retail sales of combines for the first nine months of 2016 decreased by approximately 11% compared to the first nine months of 2015. Difficult economic conditions for dairy

producers and lower commodity prices in the arable farming sector negatively impacted market demand across Western Europe, with declines most pronounced in Germany and the United Kingdom.

South American industry unit retail sales of tractors in the first nine months of 2016 decreased approximately 16% compared to the same period in 2015. Industry unit retail sales of combines for the first nine months of 2016 decreased by approximately 5% compared to the first nine months of 2015. The decline in the first nine months of 2016 was most pronounced in Brazil, where political uncertainty and the depressed general economy negatively impacted industry retail sales. However, the improving political landscape during the third quarter of 2016 in Brazil resulted in industry growth from third quarter 2015 depressed levels.

#### STATEMENTS OF OPERATIONS

Net sales for the three months ended September 30, 2016 were \$1,761.6 million compared to \$1,736.4 million for the same period in 2015. Net sales for the nine months ended September 30, 2016 were \$5,316.5 million compared to \$5,508.3 million for the same period in 2015. Foreign currency translation negatively impacted net sales by approximately \$20.2 million, or 1.2%, in the three months ended September 30, 2016 and by approximately \$160.1 million, or 2.9% during the nine months ended September 30, 2016.

The following tables sets forth, for the three and nine months ended September 30, 2016, the impact to net sales of currency translation by geographical segment (in millions, except percentages):

	Three Months Ended September 30,		Change		Change Due to Currency Translation	
	2016	2015	\$	%	\$	%
	North America	\$ 453.0	\$ 494.9	\$ (41.9)	(8.5)%	\$ (3.7)
South America	261.8	231.4	30.4	13.1 %	(1.7)	(0.7)%
Europe/Africa/Middle East	909.5	894.3	15.2	1.7 %	(16.5)	(1.8)%
Asia/Pacific	137.3	115.8	21.5	18.6 %	1.7	1.5 %
	<u>\$ 1,761.6</u>	<u>\$ 1,736.4</u>	<u>\$ 25.2</u>	<u>1.5 %</u>	<u>\$ (20.2)</u>	<u>(1.2)%</u>

	Nine Months Ended September 30,		Change		Change Due to Currency Translation	
	2016	2015	\$	%	\$	%
	North America	\$ 1,360.3	\$ 1,530.5	\$ (170.2)	(11.1)%	\$ (19.8)
South America	609.4	760.7	(151.3)	(19.9)%	(90.5)	(11.9)%
Europe/Africa/Middle East	3,018.9	2,939.4	79.5	2.7 %	(43.0)	(1.5)%
Asia/Pacific	327.9	277.7	50.2	18.1 %	(6.8)	(2.4)%
	<u>\$ 5,316.5</u>	<u>\$ 5,508.3</u>	<u>\$ (191.8)</u>	<u>(3.5)%</u>	<u>\$ (160.1)</u>	<u>(2.9)%</u>

Regionally, net sales in North America decreased during the three and nine months ended September 30, 2016 compared to the same periods in 2015. Decreases in net sales of high horsepower tractors, grain storage and handling equipment, as well as hay tools, were partially offset by net sales growth in low and mid-size horsepower tractors. In the EAME region, net sales increased during the three and nine months ended September 30, 2016 compared to the same periods in 2015. Higher net sales during the nine months ended September 30, 2016 in France and Scandinavia were partially offset by net sales declines in Germany and Africa. Net sales in South America increased during the three months ended September 30, 2016 compared to the same period in 2015 primarily due to increased sales in Brazil as a result of improved market demand. Net sales in South America decreased during the nine months ended September 30, 2016 compared to the same period in 2015 primarily due to significant sales declines in the first half of of 2016 in Brazil, which were partially offset by growth in Argentina. In the Asia/Pacific region, net sales increased during the three and nine months ended September 30, 2016 compared to the same periods in 2015. The increase in net sales during the nine months ended September 30, 2016 was primarily driven by net sales growth in China. We estimate worldwide average price increases were approximately 1.3% and 1.2% during the

three and nine months ended September 30, 2016, respectively, compared to the same prior year periods. Consolidated net sales of tractors and combines, which comprised approximately 58% and 60% of our net sales in the three and nine months ended September 30, 2016, respectively, increased approximately 3% and decreased approximately 3% in the three and nine months ended September 30, 2016, respectively, compared to the same periods in 2015. Unit sales of tractors and combines increased approximately 5% for the three months ended September 30, 2016, compared to the same period in 2015. Unit sales of tractors and combines decreased approximately 3% for the nine months ended September 30, 2016, compared to the same period in 2015. The difference between the unit sales change and the change in net sales was primarily the result of foreign currency translation, pricing and sales mix changes.

The following table sets forth, for the periods indicated, the percentage relationship to net sales of certain items in our Condensed Consolidated Statements of Operations (in millions, except percentages):

	Three Months Ended September 30,			
	2016		2015	
	\$	% of Net Sales <sup>(1)</sup>	\$	% of Net Sales
Gross profit	\$ 353.5	20.1%	\$ 365.7	21.1%
Selling, general and administrative expenses	214.1	12.2%	205.8	11.9%
Engineering expenses	66.0	3.7%	70.0	4.0%
Restructuring expenses	1.5	0.1%	—	—%
Amortization of intangibles	12.9	0.7%	10.8	0.6%
Income from operations	<u>\$ 59.0</u>	<u>3.3%</u>	<u>\$ 79.1</u>	<u>4.6%</u>

  

	Nine Months Ended September 30,			
	2016		2015	
	\$	% of Net Sales	\$	% of Net Sales
Gross profit	\$ 1,095.2	20.6%	\$ 1,163.2	21.1%
Selling, general and administrative expenses	643.1	12.1%	630.1	11.4%
Engineering expenses	214.3	4.0%	210.5	3.8%
Restructuring expenses	5.5	0.1%	14.6	0.3%
Amortization of intangibles	35.3	0.7%	32.2	0.6%
Income from operations	<u>\$ 197.0</u>	<u>3.7%</u>	<u>\$ 275.8</u>	<u>5.0%</u>

(1) Rounding may impact summation of amounts.

Gross profit as a percentage of net sales decreased for the three and nine months ended September 30, 2016 compared to the same periods in 2015. The impact of lower net sales and production levels as well as a weaker product mix were partially offset by benefits from material cost containment and productivity initiatives. Production hours decreased approximately 10% and 9% for the three and nine months ended September 30, 2016 respectively compared to the same periods in 2015. We recorded approximately \$0.7 million and \$1.6 million of stock compensation expense within cost of goods sold during the three and nine months ended September 30, 2016, respectively, compared to approximately \$0.3 million and \$0.8 million for the comparable periods in 2015, respectively, as is more fully explained below and in Note 4 to our Condensed Consolidated Financial Statements.

Selling, general and administrative ("SG&A") expenses and engineering expenses combined remained relatively flat as a percentage of sales for the three and nine months ended September 30, 2016 compared to the same periods in 2015. Engineering spending increased for the nine months ended September 30, 2016 to support investments in future new product introductions. We recorded approximately \$7.2 million and \$18.0 million of stock compensation expense within SG&A expenses during the three and nine months ended September 30, 2016, respectively, compared to \$3.2 million and \$10.1 million during the same periods in 2015, as is more fully explained in Note 4 to our Condensed Consolidated Financial Statements.

The restructuring expenses of \$1.5 million and \$5.5 million recorded during the three and nine months ended September 30, 2016, respectively, were primarily related to severance and other related costs associated with the rationalization of certain manufacturing operations and administrative offices located in Europe, South America and the United States. Refer to Note 3 to our Condensed Consolidated Financial Statements for further information.

Interest expense, net was approximately \$12.1 million and \$34.5 million for the three and nine months ended September 30, 2016, respectively, compared to approximately \$10.6 million and \$32.1 million for the comparable periods in 2015. The increase was primarily due to lower interest income during the three and nine months ended September 30, 2016 as compared to the same periods in 2015.

Other income, net was approximately \$0.2 million and \$2.1 million for the three months ended September 30, 2016 and 2015, respectively. Other expense, net was approximately \$27.1 million and \$17.2 million for the nine months ended September 30, 2016 and 2015, respectively. The decrease in other income, net during the three months ended September 30, 2016 was primarily a result of slightly lower foreign exchange gains compared to the same period in 2015. The increase in other expense, net during the nine months ended September 30, 2016 was primarily a result of higher foreign exchange losses compared to the same period in 2015. Losses on sales of receivables, primarily related to our accounts receivable sales agreements with our finance joint ventures in North America, Europe and Brazil, were approximately \$4.3 million and \$13.8 million for the three and nine months ended September 30, 2016, respectively, compared to approximately \$4.0 million and \$13.4 million for the comparable periods in 2015.

We recorded an income tax provision of approximately \$19.5 million and \$73.9 million for the three and nine months ended September 30, 2016, respectively, compared to an income tax provision of approximately \$17.6 million and \$66.1 million for the comparable periods in 2015. Our effective tax rate varies from period to period due to the mix of taxable income and losses in the various tax jurisdictions in which we operate. During the nine months ended September 30, 2016, we recorded a non-cash deferred tax adjustment of approximately \$31.6 million to establish a valuation allowance against our U.S. net deferred income tax assets for previous periods. A valuation allowance is established when it is more likely than not that some portion or all of the deferred tax assets will not be realized. We assessed the likelihood that our deferred tax assets would be recovered from estimated future taxable income and available tax planning strategies and determined that the adjustment to the valuation allowance at September 30, 2016 was appropriate. In making this assessment, all available evidence was considered including the current economic climate, as well as reasonable tax planning strategies. We believe it is more likely than not that we will realize our remaining deferred tax assets, net of the valuation allowance, in future years.

Equity in net earnings of affiliates, which is primarily comprised of income from our finance joint ventures, was approximately \$11.8 million and \$37.5 million for the three and nine months ended September 30, 2016, respectively, compared to approximately \$14.2 million and \$42.3 million for the comparable periods in 2015, respectively. The decrease in the three and nine months ended September 30, 2016 as compared to the same periods in 2015 was primarily due to lower net earnings from certain finance joint ventures and other affiliates. Refer to "Finance Joint Ventures" for further information regarding our finance joint ventures and their results of operations.

## RECENT ACQUISITION

On September 12, 2016, we acquired Cimbria Holdings Limited (Cimbria) for DKK 2,234.9 million (or approximately \$337.5 million), net of cash acquired of approximately DKK 83.4 million (or approximately \$12.6 million). Cimbria, headquartered in Thisted, Denmark, is a leading manufacturer of products and solutions for the processing, handling and storage of seed and grain. The acquisition was financed by our credit facility, which was subsequently refinanced in October 2016 through a group of related term loan agreements (Note 6). We allocated the purchase price to the assets acquired and liabilities assumed based on preliminary estimates of their fair values as of the acquisition date. The acquired net assets primarily consisted of accounts receivable, inventories, accounts payable and accrued expenses, property, plant and equipment, deferred tax liabilities, and customer relationship, technology and trademark identifiable intangible assets. We recorded approximately \$128.9 million of customer relationship, technology and trademark identifiable intangible assets and approximately \$237.8 million of goodwill associated with the acquisition.

**FINANCE JOINT VENTURES**

Our AGCO Finance joint ventures provide both retail financing and wholesale financing to our dealers in the United States, Canada, Brazil, Europe, Argentina and Australia. The joint ventures are owned 49% by AGCO and 51% by a wholly-owned subsidiary of Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. ("Rabobank"), a financial institution based in the Netherlands. The majority of the assets of the finance joint ventures represent finance receivables. The majority of the liabilities represent notes payable and accrued interest. Under the various joint venture agreements, Rabobank or its affiliates provide financing to the joint ventures, primarily through lines of credit. We do not guarantee the debt obligations of the joint ventures.

As of September 30, 2016, our capital investment in the finance joint ventures, which is included in "Investment in affiliates" on our Condensed Consolidated Balance Sheets, was approximately \$402.1 million compared to \$359.4 million as of December 31, 2015. The total finance portfolio in our finance joint ventures was approximately \$8.2 billion and \$8.0 billion as of September 30, 2016 and December 31, 2015, respectively. The total finance portfolio as of September 30, 2016 included approximately \$6.9 billion of retail receivables and \$1.3 billion of wholesale receivables from AGCO dealers. The total finance portfolio as of December 31, 2015 included approximately \$6.7 billion of retail receivables and \$1.3 billion of wholesale receivables from AGCO dealers. The wholesale receivables either were sold directly to AGCO Finance without recourse from our operating companies or AGCO Finance provided the financing directly to the dealers. For the nine months ended September 30, 2016, our share in the earnings of the finance joint ventures, included in "Equity in net earnings of affiliates" within our Condensed Consolidated Statements of Operations, was \$36.8 million compared to \$39.4 million for the same period in 2015.

**LIQUIDITY AND CAPITAL RESOURCES**

Our financing requirements are subject to variations due to seasonal changes in inventory and receivable levels. Internally generated funds are supplemented when necessary from external sources, primarily our credit facility and accounts receivable sales agreement facilities. We believe that the following facilities and our new term loan agreements discussed below, together with available cash and internally generated funds, will be sufficient to support our working capital, capital expenditures and debt service requirements for the foreseeable future (in millions):

	<b>September 30, 2016</b>
1.056% Senior term loan due 2020	\$ 224.8
Credit facility, expiring 2020	953.8
Senior term loan due 2021	337.2
5 <sup>7</sup> / <sub>8</sub> % Senior notes due 2021	306.9
Other long-term debt	166.2
Debt issuance costs	(3.6)
	<u>\$ 1,985.3</u>

In addition, while we are in compliance with the financial covenants contained in these facilities and currently expect to continue to maintain such compliance, should we ever encounter difficulties, our historical relationship with our lenders has been strong and we anticipate their continued long-term support of our business. Refer to Note 6 to the Condensed Consolidated Financial Statements for further information regarding our current facilities.

On October 19, 2016, we borrowed an aggregate amount of €375.0 million through a group of seven related term loan agreements. The €375.0 million (or approximately \$411.5 million as of October 19, 2016) was used to repay borrowings made under our revolving credit facility, which funded the acquisition of Cimbria (refer to Note 2 to our Condensed Consolidated Financial Statements). We received net proceeds of approximately €373.2 million (or approximately \$409.5 million as of October 19, 2016) after debt issuance costs. Refer to Note 6 to the Condensed Consolidated Financial Statements for further information regarding the term loan agreements.

Our accounts receivable sales agreements in North America, Europe and Brazil permit the sale, on an ongoing basis, of a majority of our receivables to our U.S., Canadian, European and Brazilian finance joint ventures. The sales of all receivables are without recourse to us. We do not service the receivables after the sale occurs, and we do not maintain any direct retained interest in the receivables. These agreements are accounted for as off-balance sheet transactions and have the effect of reducing accounts receivable and short-term liabilities by the same amount. As of both September 30, 2016 and December 31, 2015, the cash received from receivables sold under the U.S., Canadian, European and Brazilian accounts receivable sales agreements was approximately \$1.1 billion.

Our finance joint ventures in Brazil and Australia also provide wholesale financing directly to our dealers. The receivables associated with these arrangements are also without recourse to us. As of September 30, 2016 and December 31, 2015, these finance joint ventures had approximately \$27.8 million and \$17.7 million, respectively, of outstanding accounts

receivable associated with these arrangements. These arrangements are accounted for as off-balance sheet transactions. In addition, we sell certain trade receivables under factoring arrangements to other financial institutions around the world. These arrangements are also accounted for as off-balance sheet transactions.

### Cash Flows

Cash flows used in operating activities were approximately \$127.4 million for the first nine months of 2016 compared to cash flows provided by operating activities of approximately \$72.2 million for the first nine months of 2015. Our working capital requirements are seasonal, with investments in working capital typically building in the first half of the year and then reducing in the second half of the year. We had \$1,271.1 million in working capital at September 30, 2016 as compared to \$712.9 million at December 31, 2015 and \$1,288.3 million at September 30, 2015. Accounts receivable and inventories, combined, at September 30, 2016 were \$576.6 million and \$190.8 million higher than at December 31, 2015 and September 30, 2015, respectively. The increase in accounts receivable and inventories as of September 30, 2016 compared to the previous periods was primarily the result of acquisitions as well as the impact of foreign currency translation.

Capital expenditures for the first nine months of 2016 were \$132.8 million compared to \$147.1 million for the first nine months of 2015. We anticipate that capital expenditures for the full year of 2016 will be approximately \$250.0 million and will primarily be used to support the development and enhancement of new and existing products, upgrade our system capabilities and improve our factory productivity.

Our debt to capitalization ratio, which is total indebtedness divided by the sum of total indebtedness and stockholders' equity, was 40.2% and 30.0% at September 30, 2016 and December 31, 2015, respectively. The increase is primarily due to the additional indebtedness related to the financing of the Cimbria acquisition as well as the impact of our share repurchases discussed below.

### Share Repurchase Program

During the nine months ended September 30, 2016, we entered into accelerated share repurchase ("ASR") agreements with a financial institution to repurchase an aggregate of \$170.0 million of shares of our common stock. We received approximately 3,201,161 shares during the nine months ended September 30, 2016 related to the ASR agreements. All shares received under the ASR agreements were retired upon receipt, and the excess of the purchase price over par value per share was recorded to "Additional paid-in capital" within our Condensed Consolidated Balance Sheets.

The remaining amount of shares authorized to be repurchased under approved share repurchase programs is approximately \$73.9 million.

### COMMITMENTS, OFF-BALANCE SHEET ARRANGEMENTS AND CONTINGENCIES

We are party to a number of commitments and other financial arrangements, which may include "off-balance sheet" arrangements. At September 30, 2016, we have outstanding guarantees of indebtedness owed to third parties of approximately \$13.7 million, primarily related to dealer and end-user financing of equipment. We also sell a majority of our wholesale receivables in North America, Europe and Brazil to our U.S., Canadian, European and Brazilian finance joint ventures. At September 30, 2016, we had outstanding designated and non-designated foreign currency contracts with a gross notional amount of approximately \$1,781.1 million. Refer to "Liquidity and Capital Resources" and "Item 3. Quantitative and Qualitative Disclosures about Market Risk-Foreign Currency Risk Management," as well as to Notes 11, 13 and 17 to our Condensed Consolidated Financial Statements, for further discussion of these matters.

### Contingencies

As part of routine audits, the Brazilian taxing authorities disallowed deductions relating to the amortization of certain goodwill recognized in connection with a reorganization of our Brazilian operations and the related transfer of certain assets to our Brazilian subsidiaries.

Refer to Note 17 to our Condensed Consolidated Financial Statements for further discussion of these matters.

## OUTLOOK

Industry demand for farm equipment is expected to weaken in all major markets for the full year of 2016 compared to 2015 resulting from lower commodity prices and reduced farm income levels. Our net sales in 2016 are expected to decrease compared to 2015, primarily due to the projected industry decline and unfavorable currency translation impacts partially offset by the impact of acquisition-related sales. Income from operations and net income are expected to be below 2015 levels due to the negative impact of lower sales and production volumes along with a weaker product mix. Benefits from our cost reduction initiatives are expected to partially offset the volume-related impacts.

## CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The discussion and analysis of our financial condition and results of operations are based upon our Condensed Consolidated Financial Statements, which have been prepared in accordance with U.S. generally accepted accounting principles. The preparation of these financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures of contingent assets and liabilities. On an ongoing basis, management evaluates estimates, including those related to reserves, goodwill and intangible assets, income taxes, pension and other postretirement benefit obligations, derivative financial instruments and contingencies. Management bases these estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. A description of critical accounting policies and related judgments and estimates that affect the preparation of our Condensed Consolidated Financial Statements is set forth in our Annual Report on Form 10-K for the year ended December 31, 2015.

## FORWARD-LOOKING STATEMENTS

Certain statements in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Quarterly Report on Form 10-Q are forward-looking, including certain statements set forth under the headings “Liquidity and Capital Resources” and “Outlook.” Forward-looking statements reflect assumptions, expectations, projections, intentions or beliefs about future events. These statements, which may relate to such matters as earnings, net sales, margins, industry demand, market conditions, commodity prices, farm incomes, foreign currency translation, general economic outlook, availability of financing, product development and enhancement, system capabilities and factory productivity, production and sales volumes, benefits from cost reduction initiatives, tax rates, compliance with loan covenants, capital expenditures and working capital and debt service requirements are “forward-looking statements” within the meaning of the federal securities laws. These statements do not relate strictly to historical or current facts, and you can identify certain of these statements, but not necessarily all, by the use of the words “anticipate,” “assumed,” “indicate,” “estimate,” “believe,” “predict,” “forecast,” “rely,” “expect,” “continue,” “grow” and other words of similar meaning. Although we believe that the expectations and assumptions reflected in these statements are reasonable in view of the information currently available to us, there can be no assurance that these expectations will prove to be correct.

These forward-looking statements involve a number of risks and uncertainties, and actual results may differ materially from the results discussed in or implied by the forward-looking statements. Adverse changes in any of the following factors could cause actual results to differ materially from the forward-looking statements:

- general economic and capital market conditions;
- availability of credit to our retail customers;
- the worldwide demand for agricultural products;
- grain stock levels and the levels of new and used field inventories;
- cost of steel and other raw materials;
- energy costs;
- performance and collectability of the accounts receivable originated or owned by AGCO or AGCO Finance;
- government policies and subsidies;
- weather conditions;
- interest and foreign currency exchange rates;
- pricing and product actions taken by competitors;
- commodity prices, acreage planted and crop yields;



- farm income, land values, debt levels and access to credit;
- pervasive livestock diseases;
- production disruptions;
- production levels and capacity constraints at our facilities, including those resulting from plant expansions and systems upgrades;
- integration of recent and future acquisitions;
- our expansion plans in emerging markets;
- supply constraints;
- our cost reduction and control initiatives;
- our research and development efforts;
- dealer and distributor actions;
- regulations affecting privacy and data protection;
- technological difficulties; and
- political and economic uncertainty in various areas of the world.

Any forward-looking statement should be considered in light of such important factors. For additional factors and additional information regarding these factors, please see "Risk Factors" in our Form 10-K for the year ended December 31, 2015.

On June 23, 2016, the U.K. held a referendum in which voters approved an exit from the E.U., commonly referred to as "Brexit." As a result of the referendum, it is expected that the British government will begin negotiating the terms of the U.K.'s future relationship with the E.U. Although it is unknown what those terms will be, it is possible that there will be greater restrictions on imports and exports between the U.K. and E.U. countries, increased regulatory complexities, and increased currency volatility, any of which could adversely affect our operations and financial results.

New factors that could cause actual results to differ materially from those described above emerge from time to time, and it is not possible for us to predict all of such factors or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in any forward-looking statement. Any forward-looking statement speaks only as of the date on which such statement is made, and we disclaim any obligation to update the information contained in such statement to reflect subsequent developments or information except as required by law.



**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

**Foreign Currency Risk Management**

For quantitative and qualitative disclosures about market risks, see “Quantitative and Qualitative Disclosures About Market Risks” in Item 7A of Part II of our Annual Report on Form 10-K for the year ended December 31, 2015. As of the third quarter of 2016, there has been no material change in our exposure to market risks.

**ITEM 4. CONTROLS AND PROCEDURES**

**Evaluation of Disclosure Controls and Procedures**

Our Chief Executive Officer and Chief Financial Officer, after evaluating the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended) as of September 30, 2016, have concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

The Company’s management, including the Chief Executive Officer and the Chief Financial Officer, does not expect that the Company’s disclosure controls or the Company’s internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected. We will conduct periodic evaluations of our internal controls to enhance, where necessary, our procedures and controls.

**Changes in Internal Control Over Financial Reporting**

There were no changes in our internal control over financial reporting identified in connection with the evaluation described above that occurred during the three months ended September 30, 2016 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

**PART II. OTHER INFORMATION****ITEM 1. LEGAL PROCEEDINGS**

We are a party to various other legal claims and actions incidental to our business. These items are more fully discussed in Note 17 to our Condensed Consolidated Financial Statements.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS****Issuer Purchases of Equity Securities**

The table below sets forth information with respect to purchases of our common stock made by or on behalf of us during the three months ended September 30, 2016:

<b>Period</b>	<b>Total Number of Shares Purchased</b>	<b>Average Price Paid per Share</b>	<b>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs<sup>(1)</sup></b>	<b>Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in millions)<sup>(1)</sup></b>
July 1, 2016 through July 31, 2016	—	\$ —	—	\$ 123.9
August 1, 2016 through August 31, 2016 <sup>(2)</sup>	851,426	\$ 46.98	851,426	\$ 73.9
September 1, 2016 through September 30, 2016	—	\$ —	—	\$ 73.9
<b>Total</b>	<b>851,426</b>	<b>\$ 46.98</b>	<b>851,426</b>	<b>\$ 73.9</b>

<sup>(1)</sup> Our Board of Directors' authorization to repurchase these shares expires in December 2016.

<sup>(2)</sup> In August 2016, we entered into an accelerated share repurchase ("ASR") agreement with a third-party financial institution to repurchase \$50.0 million of shares of our common stock. The ASR agreement resulted in the initial delivery of 851,426 shares of our common stock, representing approximately 80% of the shares expected to be repurchased in connection with the transaction. The ASR agreement is expected to be completed no later than the fourth quarter of 2016. The average price paid per share for the ASR agreement reflected in the table above was derived using the fair market value of the shares on the date the initial 851,426 shares were delivered. The amount that may yet be purchased under our share repurchase programs, as presented in the above table, was reduced by the entire \$50.0 million payment. Refer to Note 12 to our Condensed Consolidated Financial Statements for a further discussion of this matter.

**ITEM 6. EXHIBITS**

<b>Exhibit Number</b>	<b>Description of Exhibit</b>	<b>The filings referenced for incorporation by reference are AGCO Corporation</b>
10.1	Loan Agreement with Bayerische Landesbank dated October 19, 2016 (2026 maturity)	Filed herewith
10.2	Loan Agreement with Bayerische Landesbank dated October 19, 2016 (2019 maturity)	Filed herewith
10.3	Loan Agreement with Bayerische Landesbank dated October 19, 2016 (2023 maturity)	Filed herewith
10.4	Loan Agreement with Bayerische Landesbank dated October 19, 2016 (2021 maturity)	Filed herewith
31.1	Certification of Martin Richenhagen	Filed herewith
31.2	Certification of Andrew H. Beck	Filed herewith
32.1	Certification of Martin Richenhagen and Andrew H. Beck	Furnished herewith
101.INS	XBRL Instance Document	Filed herewith
101.SCH	XBRL Taxonomy Extension Schema	Filed herewith
101.CAL	XBRL Taxonomy Extension Calculation Linkbase	Filed herewith
101.DEF	XBRL Taxonomy Extension Definition Linkbase	Filed herewith
101.LAB	XBRL Taxonomy Extension Label Linkbase	Filed herewith
101.PRE	XBRL Taxonomy Extension Presentation Linkbase	Filed herewith

**SIGNATURES**

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

Date: November 8, 2016

**AGCO CORPORATION**

Registrant

*/s/ Andrew H. Beck*

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Andrew H. Beck  
Senior Vice President and Chief Financial Officer  
(Principal Financial Officer)

**Loan Agreement**  
(the "**Loan Agreement**")

for a loan in the amount of  
EUR 52,500,000

with a fixed rate of interest of 1.983 per cent per annum  
due on 19 October 2026

arranged by Bayerische Landesbank and Coöperatieve Rabobank U.A., jointly the "**Arrangers**"

with Bayerische Landesbank  
as the "**Paying Agent**"

Bayerische Landesbank  
Brienner Strasse 18  
80333 Munich, Germany

- hereinafter the "**Lender**" or the "**First Lender**" -

grants to

AGCO International GmbH, Switzerland

- hereinafter the "**Borrower**" -  
a loan (the "Loan") in the aggregate principal amount of  
EUR 52,500,000  
(in words: fifty-two million five hundred thousand Euros)

guaranteed by  
AGCO Corporation, USA

hereinafter the "**Guarantor**"

- The Borrower, the Guarantor and the Lender hereinafter jointly the "**Parties**" -

#### **§ 1 Disbursement, Certificate of Indebtedness, Definitions**

- (1) The Loan shall be disbursed on 19 October 2016 (the "**Disbursement Date**") in accordance with the instructions of the Borrower provided the conditions precedent in Annex 1 are fulfilled at least two (2) Banking Days prior to the Disbursement Date.
- (2) The Loan shall be placed by the Arrangers, whereby Coöperatieve Rabobank U.A. will cooperate with Raiffeisen Bank International AG as regards *inter alia* the placement, on a so-called "best efforts" basis. Thus, the disbursement of the Loan is further subject to the condition precedent that the amount of the Loan is made available by the joining Lenders to the First Lender in accordance with § 10 (1) in same day and immediately available funds, freely transferable for disbursement to the Borrower. The Borrower acknowledges and agrees that it is only entitled to demand disbursement under the Loan from the First Lender to the extent funds are made available by the joining Lenders to the First Lender pursuant to § 10 (1).
- (3) The purpose of this Loan shall be the refinancing of the Cimbria acquisition and general corporate purposes.
- (4) The Borrower shall immediately, in no event later than on the Banking Day following the Disbursement Date of the Loan, make available to the Paying Agent a duly executed certificate of indebtedness (*Schuldschein*) in the form as attached hereto in Annex 2.
- (5) Unless otherwise provided for herein, the definitions of terms in this Loan Agreement apply to every reference made herein to such defined terms.

**"Banking Day"** means any day other than a Saturday or Sunday on which (i) TARGET2 is operating and (ii) banks in Munich and Frankfurt are generally open for business.

"**Lender**" includes all Lenders to whom the contractual position is transferred under the terms of § 10 of this Loan Agreement, as well as all legal successors.

"**Cimbria**" means A/S Cimbria, Faartoftvej 22,  
P.O. Box 40, 7700 Thisted  
Demark, a Danish-headquartered manufacturer of equipment and processing lines for seed and grain.

"**Third Party**" for the purposes of § 10 (1) means:

- (a) any **Credit Institution**,
- (b) any **Development Bank**,
- (c) any **Investment Company**,
- (d) any **Insurance Company**,
- (e) any **Pension Insurance Carrier**,
- (f) any **Pension Fund**.

"**FATCA**" means Sections 1471 through 1474 of the US Internal Revenue Code and any regulations thereunder or official governmental interpretations thereof, and any agreements entered into pursuant to Section 1471(b)(1) of the US Internal Revenue Code and any intergovernmental agreement between the United States and another jurisdiction implementing the foregoing (or any law, regulations or other official administrative interpretation implementing such intergovernmental agreement).

"**FATCA Deduction**" means a deduction or withholding from a payment required by FATCA.

"**Financial Indebtedness**" shall mean

- (a) all on and off balance sheet interest-bearing payment obligations and
- (b) obligations to repay borrowed monies as securitized, represented or documented by
  - (i) a certificate of indebtedness (*Schuld-schein*) or a bilateral or syndicated loan; or
  - (ii) bonds, notes, loan stock or other securities which are, or are eligible to be quoted, listed, dealt in or traded on a stock exchange or other recognized securities market.

in each case owed to a person or entity which is not a member of the Group.

"**Development Bank**" shall mean public sector development institutions (*Förderinstitute*) (such as LfA, KfW or similar institutions).

"**Guarantee**" means the guarantee issued by the Guarantor pursuant to § 9 (*Guarantee*) hereof.

"**Investment Company**" shall mean an investment management company within the meaning of section 2 para. 1 no. 3b of the German Banking Act (KWG) or an EU-management company within the meaning of section 2 para. 1 no. 3c of the German Banking Act (KWG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

A "**Change of Control**" means the occurrence of any of the following: (a) any person or two or more persons (including any "group" as that term is used in Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934) acting in concert shall have acquired beneficial ownership (within the meaning of

Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934), directly or indirectly, of voting equity interests in the Guarantor (or other securities convertible into such voting equity interests) representing thirty-five percent (35%) or more of the combined voting power of all voting equity interests in the Guarantor; or (b) a majority of the members of the board of directors of the Guarantor shall cease to be composed of individuals (i) who were members of that board on the date of this Loan Agreement or (ii) whose election to that board, or whose nomination for election by the Guarantor's stockholders, was approved by a vote of at least two-thirds of the members of the board of directors of the Guarantor who were either directors on the date of this Loan Agreement or whose election or nomination for election was previously so approved; or (c) the Guarantor shall fail to own, directly or indirectly, one hundred percent (100%) of the equity interests of the Borrower.

**"Group"** means the Guarantor and any of its Subsidiaries.

**"Credit Institution"** shall mean a company within the meaning of section 1 para. 1 German Banking Act (KWG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

**"Pension Fund"** shall mean a pension fund within the meaning of section 236 of the Supervision of German Insurance Companies Act (VAG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

**"Permitted Non-Qualifying Bank Lender"** means a Lender which is not a Qualifying Bank but has been accepted by the Borrower as a Lender.

**"TARGET2"** means the Trans-European Automated Realtime Gross Settlement Express Transfer System 2 which utilises a single shared platform and which was launched on 19 November 2007.

**"Subsidiary"** of any person means a corporation, partnership, joint venture, limited liability company or other entity (i) of which a majority of the equity interests having ordinary voting power for the election of the board of directors or other governing body (other than equity interests having such power only by reason of the happening of a contingency) are at the time beneficially owned or (ii) the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Guarantor.

**"Swiss Guidelines"** means, together, the guideline "Interbank Loans" of 22 September 1986 (S-02.123) (*Merkblatt "Verrechnungssteuer auf Zinsen von Bankguthaben, deren Gläubiger Banken sind (Interbankguthaben)" vom 22. September 1986*); the guideline "Syndicated Loans" of January 2000 (S-02.128) (*Merkblatt "Steuerliche Behandlung von Konsortialdarlehen, Schuldscheindarlehen, Wechseln und Unterbeteiligungen" vom Januar 2000*); the circular letter no. 34 "Client Credit Balances" of 26 July 2011 (1-034-V-2011) (*Kreisschreiben Nr. 34 Kundenguthaben vom 26. Juli 2011*); and the circular letter no. 15 of 7 February 2007 "Bonds and derivative financial instruments as subject matter of taxation of Swiss federal income tax, Swiss withholding tax and Swiss stamp taxes" (1-015-DVS-2007) (*Kreisschreiben Nr. 15 Obligationen und derivative Finanzinstrumente als Gegenstand der direkten Bundessteuer, der Verrechnungssteuer und der Stempelabgaben vom 7. Februar 2007*) and circular letter No. 34 of 26 July 2011 in relation to deposits (*Kreisschreiben Nr. 34 "Kundenguthaben" vom 26. Juli 2011*); each as issued, and as amended from time to time, by the Swiss federal tax administration or as substituted or superseded and overruled by any law, statute, ordinance, court decision, regulation or the like as in force from time to time (including the ordinance of the Swiss Federal Council of 18 June 2010, amending Swiss Withholding tax and Swiss Stamp Tax regulations entered into force as of August 1, 2010).

**"Swiss Non-Bank Rules"** means, together, the Swiss Ten Non-Bank Rule and the Swiss Twenty Non-Bank Rule.



**"Swiss Ten Non-Bank Rule"** means the rule that the aggregate number of Lenders which are not Qualifying Banks must not at any time exceed 10 (ten), all in accordance with the meaning of the Swiss Guidelines.

**"Swiss Twenty Non-Bank Rule"** means the rule that the aggregate number of creditors (other than Qualifying Banks) of the Borrower under all outstanding borrowings (including under this Loan Agreement), such as loans, facilities and private placements, made or deemed to be made by the Borrower must not at any time exceed 20 (twenty), all in accordance with the meaning of the Swiss Guidelines.

**"Swiss Withholding Tax"** means taxes imposed under the Swiss Withholding Tax Act.

**"Swiss Withholding Tax Act"** means the Swiss Federal Act on the Withholding Tax of 13 October 1965 (*Bundesgesetz über die Verrechnungssteuer*), together with the related ordinances, regulations and guidelines, all as amended and applicable from time to time.

**"Qualifying Bank"** means any entity, which effectively conducts banking activities as principal purpose with its own infrastructure and staff and which is recognized as a bank by the banking laws in force in the jurisdiction of its incorporation, or if such entity is acting through a branch in a jurisdiction other than the jurisdiction of its incorporation, in the jurisdiction where such branch is located or registered all in accordance with the Swiss Guidelines.

**"Pension Insurance Carrier"** (*Versorgungswerk*) means any professional public organisation for pension schemes for members of the respective profession established and regulated under the respective German state Laws (or comparable provisions of foreign law).

**"Insurance Company"** shall mean an insurance company within the meaning of section 2 para. 1 no. 4 of the German Banking Act (KWG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

**"Principal Subsidiary"** means any Subsidiary of the Borrower or the Guarantor.

- (i) whose income from continuing operations, in the aggregate, before income taxes, extraordinary items and cumulative effect of a change in accounting principles (excluding intra-Group transactions) is at least 10 per cent of the net operating income of the Group or whose total assets (excluding balance sheet items based on intra-Group transactions) amount to at least 10 per cent of the total assets of the Group, in each case calculated by reference to the latest audited accounts of the Group, or
- (ii) to which all or substantially all the assets and liabilities of another Principal Subsidiary are transferred.

## § 2 Interest

- (1) The Loan shall bear interest on its aggregate principal amount at the rate of 1.983 per cent per annum from (and including) the Disbursement Date to (but excluding) the Repayment Date as specified in § 3 (1).
- (2) Interest shall be payable in arrears on 19 October in each year (each an **"Interest Payment Date"**). The first interest payment shall be made on 19 October 2017.
- (3) If any such Interest Payment Date is not a Banking Day, payment shall be due on the immediately following Banking Day. The Lender shall not be entitled to claim any further interest or any other payments as a result of such deferral. Interest shall be calculated on an act/act basis (ICMA).

- (4) If interest payable by the Borrower is subject to Swiss Withholding Tax and should § 5(1) be unenforceable for any reason, the applicable interest rate in relation to that interest payment shall be (i) the interest rate which would have applied to that interest payment (as provided for in this § 2 in the absence of this sub-paragraph) divided by (ii) 1 minus the rate at which the relevant tax deduction is required to be made (where the rate at which the relevant tax deduction is required to be made is for this purpose expressed as a fraction of 1 rather than as a percentage).
- (5) To the extent that interest payable by the Borrower under this Loan Agreement becomes subject to Swiss Withholding Tax, each relevant Lender and the Borrower shall promptly cooperate by completing any procedural formalities (including submitting forms and documents required by the appropriate tax authority) to the extent possible and necessary for a Lender to obtain a full or partial refund of Swiss Withholding Tax under applicable double taxation treaties. The Borrower shall provide the Lenders with such documents and information required for applying for a refund of such Swiss Withholding Tax. In the event Swiss Withholding Tax is refunded to a Lender by the Swiss Federal Tax Administration, the relevant Lender shall forward, after deduction of costs, such amount to the Borrower, unless an event of default as specified under § 8 of this Loan Agreement is continuing.
- (6) A payment shall not be increased pursuant to this § 2 if and to the extent that on the date on which the payment falls due (i) the payment could have been made to the relevant Lender (which is not a Permitted Non-Qualifying Bank Lender) without a tax deduction in respect of Swiss Withholding Tax if the Lender had been a Qualifying Bank, but on that date that Lender is not or has ceased to be a Qualifying Bank other than as a result of any change after the date it became a Lender under this Loan Agreement in (or in the interpretation, administration, or application of) any law or treaty, or any published practice or published concession of any relevant taxing authority; or (ii) the Borrower is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under § 10.

### § 3 Repayment, early Redemption

- (1) The Loan shall be repaid at its aggregate principal amount in full on 19 October 2026, provided, however, that if such day is not a Banking Day, payment shall be due on the following Banking Day (the "**Repayment Date**"). The Lender shall not be entitled to claim any further interest or any other payments as a result of such deferral.
- (2) In the event a Change of Control has occurred, the Borrower shall inform the Lenders through the Paying Agent whether it requests to enter into negotiations with the Lenders. Each Lender shall, upon such request, enter into good faith negotiations with the Borrower with a view to continuing the Loan for a negotiation period of up to thirty (30) days after receipt of that request (or such longer period as may be agreed by the Borrower and each respective Lender) (such period, in each case, the "**Consultation Period**"). Each Lender shall, after the expiry of the relevant Consultation Period, be entitled to terminate the Loan in writing to the Borrower (copy to the Paying Agent) at its partial amount of the aggregate principal amount thereof with interest accrued to the date fixed for prepayment on giving not less than thirty (30) days' prior notice. Such notice will be irrevocable and must specify the date fixed for prepayment.

### § 4 Payments, Paying Agent

- (1) The Borrower and – in case of the utilization of the Guarantee – the Guarantor irrevocably undertake to pay, as and when due, any sum of principal or interest owed under the Loan Agreement in Euros to the account of the Paying Agent by 12:00 (Munich time).

- (2) If any sum of principal is not paid to and available on the account of the Paying Agent by 12:00 (Munich time) when due, the Paying Agent shall not be obliged to forward the due amount to the Lender on the same day. The respective sum shall bear interest from (and including) the due date to (but excluding) the date of actual payment of the sum overdue at a rate of 1 per cent per annum above the rate of interest applicable to the Loan on the respective due date without prejudice to the right of the Lender to claim any further damages and without prejudice to the right of the Borrower to present evidence that the loss due to the late payment was less.
- (3) If an interest payment is not made to the account of the Paying Agent by 12:00 (Munich time) when due, the Paying Agent shall not be obliged to forward the due amount to the Lender on the same day. The Lender has the right to demand indemnification for the loss caused by the delay in payment.
- (4) Payments by the Borrower and the Guarantor shall be applied in the sequence provided for in section 367 para. 1 of the German Civil Code (BGB) to the amounts falling due. If, in the event of a full or partial transfer of the contractual position pursuant to § 10, the payments by the Borrower or the Guarantor are not sufficient to fully redeem any given amount due, the payments of the Borrower and the Guarantor shall be distributed among the Lenders on a pro rata basis in conformity with their relevant participations in the Loan.
- (5) By a separate agreement, the Borrower and the Guarantor have mandated Bayerische Landesbank to exercise the role of paying agent (Bayerische Landesbank shall hereinafter be referred to as "**Paying Agent**" with respect to the duties in connection with this role). The Paying Agent shall exercise this role in accordance with the paying agency agreement dated as of 12 October 2016. The Borrower together with the Guarantor may at any time mandate another Credit Institution in the Federal Republic of Germany to exercise the role of Paying Agent provided the Borrower informs the Paying Agent (with copy to the Lender) in writing two weeks in advance of the planned change. Any reference in this Loan Agreement to the "Paying Agent" shall include any further Credit Institutions that exercise the role of Paying Agent.
- (6) By order of the Borrower the Paying Agent acts as custodian for the Lenders (according to their respective partial amount of the Loan) with regard to the original certificate of Indebtedness (*Schuldschein*). The custodianship of the Paying Agent shall end once the Lender's respective partial amount of the Loan has been repaid (including interest). Above that the Paying Agent acts solely as agent of the Borrower and the Guarantor and does not have any obligations towards or relationship of agency or trust to any Lender.
- (7) Subject to the aforementioned provisions of this § 4, fulfilment in relation to the Lender shall only occur once it receives the relevant payments or these are credited to an account it has designated.

## § 5 Taxes

- (1) All payments of principal and interest under the Loan Agreement by the Borrower as well as those payable under the Guarantee by the Guarantor shall be made without deduction or withholding for, or on account of, any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the country where the Borrower or the Guarantor has its legal seat or any governmental authority there ("**Withholding Taxes**") unless such deduction or withholding is required by law. If the Borrower or the Guarantor is required by law to make such withholding or deduction, then the Borrower or the Guarantor shall pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received by the Lender after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable under the Loan Agreement in the absence of such deduction or withholding. The

foregoing does not apply to the extent any such withholding or deduction is attributable to a FATCA Deduction required to be made by a party to this Loan Agreement.

- (2) A payment shall not be increased pursuant to this § 5 if and to the extent that on the date on which the payment falls due: (i) the payment could have been made to the relevant Lender (which is not a Permitted Non-Qualifying Bank Lender) without a Tax Deduction if the Lender had been a Qualifying Bank, but on that date that Lender is not or has ceased to be a Qualifying Bank other than as a result of any change after the date it became a Lender under this Loan Agreement in (or in the interpretation, administration, or application of) any law or treaty, or any published practice or published concession of any relevant taxing authority; or (ii) the Borrower is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under § 10.
- (3) If (i) as a consequence of any amendments of the legal regulations valid in the country where the Borrower or the Guarantor has its legal seat that take effect on the date of this Loan Agreement or thereafter, Withholding Taxes regarding payments of principal or interest under the Loan need to be made (and cannot be avoided despite the Borrower and the Lender having made every reasonable effort to prevent such a situation) and (ii) the Borrower or the Guarantor is obliged to pay Additional Amounts pursuant to § 5 para. 1 of this Loan Agreement, the Borrower shall be entitled to repay the Loan on giving not less than (30) days' prior notice, either at the aggregate principal amount thereof or at the partial amount of the aggregate principal amount of such Lender, in each case with interest accrued to the date fixed for prepayment.  
Any such notice of prepayment shall not be effected earlier than ninety (90) days prior to the date on which the Borrower or the Guarantor first becomes obliged to make Additional Payments pursuant to § 5 para 1.  
Any such notice of prepayment in accordance with this § 5 para. 2 shall be given in writing and shall be addressed to the Lender (via the Paying Agent). Such notice will be irrevocable and must specify the date fixed for prepayment. The Paying Agent shall immediately inform the Lenders about such notice of prepayment. The Borrower shall indemnify the Lender for any loss incurred by the latter as a result of the premature repayment (early repayment penalty).

*For the avoidance of doubt: any prepayments on the income or corporate income tax made by the Lender such as the German flat rate interest tax (Abgeltungssteuer and Zinsertragssteuer) do not constitute withholding taxes within the meaning of the provision above.*

## **§ 6 Increased Costs**

If - after the date hereof - by reason of introduction or change of the interpretation or application by the respective competent authority with respect to any law or regulation or compliance with any law or regulation (except for such laws and regulations which have been in force as of the date of this Loan Agreement and with which the respective Lender was not in compliance as of the date hereof), there is (a) any substantial increase in the costs for a Lender to fund or maintain the Loan or (b) a reduction in the rate of return on the Loan or a decrease in the net return on the Loan in relation to the equity of the respective Lender, then the affected Lender, the Guarantor and the Borrower shall enter into negotiations with the aim of finding an acceptable solution for the Parties.

## **§ 7 Negative Pledge, Status (pari passu), Non-Bank Rules**

- (1) For the term of this Loan Agreement, the Borrower and the Guarantor will not, and will ensure that none of their respective Principal Subsidiaries will, create or permit to subsist any mortgage, lien, charge, pledge or other form of in rem security interest (the "Security") upon any of their respective assets, to secure (i) any Financial Indebtedness or (ii) any guarantee or indemnity in respect of any Financial Indebtedness unless, at the same time or prior thereto, the Borrower's obligations under the Loan Agreement are equally and rateably secured.

This § 7(1) does not apply to: (i) any Security created or to be created pursuant to mandatory law or created or to be created contractually in the ordinary course of business, including (without limitation) Security (x) in favor of banks with which accounts or deposit accounts are kept with respect to cash, cash equivalents (being readily marketable direct obligations of a government or any agency or instrumentality thereof, insured certificates of deposit of, time deposits, or bankers' acceptances with any commercial bank that issues (or the parent of which issues) commercial paper, commercial paper issued by any corporate entity or any commercial bank) or investment property kept or deposited with that bank (for the avoidance of doubt, to the extent the creation of such Security is based on and required by the general terms of business of such bank or mandatory law) and/or (y) securing reimbursement obligations with respect to letters of credit or (z) in respect of obligations resulting from transactions entered into to hedge risks or reduce costs with respect to interest rates, currency or commodity exposure (but not for speculative purposes); (ii) Security existing on the assets of a person prior to acquisition of the shares or participation in that relevant person or Security existing on any acquired asset at the time of such acquisition; (iii) Security granted in connection with (x) factoring arrangements (with or without recourse) or (y) transactions qualifying as financial leases or (z) under any sale and lease-back arrangements or in connection with transactions (A) profiting from "new market tax credits" provided by Section 45D of the US Internal Revenue Code or (B) entered into with local development authorities for the purpose of providing abatement of local taxes; and (iv) any Security over assets which do not at any time exceed 10% of the book value of the consolidated assets of the Guarantor.

- (2) The Borrower and the Guarantor shall ensure that for the term of this Loan Agreement, their respective payment obligations under this Loan Agreement or the Guarantee will rank *pari passu* with all their other present and future, unsecured and unsubordinated payment obligations. This shall not apply to payment obligations whose prior servicing results from mandatory, generally applicable laws or regulations or governmental requirements or in the connection with national or local tax laws or regulations.
- (3) The Borrower shall ensure that it is at all times in compliance with the Swiss Non-Bank Rules, provided that the Borrower shall not be in breach of this undertaking if its number of creditors in respect of either the Swiss Ten Non-Bank-Rule or the Swiss Twenty Non-Bank Rule is exceeded solely by reason of a failure by one or more Lenders to comply with their obligations under § 10. For the purpose of its compliance with the Swiss Twenty Non-Bank Rule under this § 7(3), the number of Lenders under this Agreement which are not Qualifying Banks shall be deemed to be eight (irrespective of whether or not there are, at any time, any such Lenders).

## **§ 8 Events of Default**

- (1) The Lender shall be entitled to terminate the Loan Agreement immediately and to demand immediate redemption of the Loan and all related claims in particular if
  - (a) the Borrower fails to pay interest or principal on the relevant due date unless such non-payment results from technical or other administrative reasons beyond the control of the Borrower and is not remedied within five (5) Banking Days; or
  - (b) the Borrower or Guarantor fails to perform any other material obligation under this Loan Agreement and such failure is not remedied within thirty (30) calendar days after notice thereof has been given by the Lender to the Borrower or Guarantor (as applicable); or
  - (c) (i) any Financial Indebtedness of the Borrower, the Guarantor or of any of its Principal Subsidiaries, which exceeds an amount of USD 50 Mio., is not paid when due or after the

expiry of any relevant grace period as set forth under the terms of the instrument governing that Financial Indebtedness, or

(ii) any Financial Indebtedness of the Borrower, the Guarantor or of any of its Principal Subsidiaries, which exceeds an amount of USD 50 Mio., is declared or may be declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or

- (d) the Borrower, the Guarantor or any of its Principal Subsidiaries is unable to pay its debts as they fall due or is over-indebted or admits its inability to pay its debts as they fall due or its over-indebtedness, suspends making payments on its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes an assignment for the benefit of or a composition with its creditors; or
- (e) a competent court opens insolvency proceedings against the Borrower's, Guarantor's or a Principal Subsidiary's assets (or does not commence such proceedings due to the absence of cost-covering assets), such proceedings are instituted but not discharged or stayed within sixty (60) days, or the Borrower, the Guarantor or the Principal Subsidiary applies for or institutes such proceedings; or
- (f) the Borrower or the Guarantor enters formal liquidation proceedings provided that such liquidation does not occur as part of any transaction permitted under § 8(1)(i); or
- (g) any secured party takes possession of all or material parts of the assets or the operations of the Borrower, the Guarantor or of any Principal Subsidiary, or an administrative receiver for those assets or operations is appointed or other enforcement measures have been approved/granted in this regard; or
- (h) the Borrower, the Guarantor or any Principal Subsidiary ceases its business operations in whole or in material parts thereof, provided that this does not occur as part of any transaction permitted under § 8(1)(i); or
- (i) the Borrower or the Guarantor is merged into another entity or all or substantially all of its assets are conveyed or transferred to another entity, unless (i) the entity is a corporation domiciled in the Federal Republic of Germany, Switzerland or the Federal States of Delaware or Georgia (both in the United States of America) which assumes all obligations of the Borrower under this Loan Agreement either by an agreement or by operation of law, and (ii) the economic and financial situation of such entity is not less sound than that of the Borrower or the Guarantor (as applicable) at the time of the occurrence of such event; or
- (j) the Borrower or the Guarantor transfers or conveys individual items of its fixed assets to another person or entity which is not a member of the Group. This does not apply to any transfers or conveyances:
  - (aa) of assets made at arm's length in the ordinary course of business;
  - (bb) of receivables under factoring arrangements (with or without recourse ) in the ordinary course of business;
  - (cc) made with the prior written consent of the Lender;
  - (dd) of obsolete, worn-out or surplus assets in the ordinary course of business;

(ee) constituting Security permitted under § 7 para. 1 (Negative Pledge);

(ff) of fixed assets under any sale and lease- back arrangements or in connection with transactions (A) profiting from "new market tax credits" provided by Section 45D of the US Internal Revenue Code or (B) entered into with local development authorities for the purpose of providing abatement of local taxes;

(gg) where the proceeds of such transfers or conveyances (less customary transaction costs) are reinvested for the corporate purpose or used for repayment of Financial Indebtedness or remains within the Group as liquid funds; or

(hh) of assets book value of which (or, in the case of a disposal of shares in a Group member, the value of the shares to be sold as a percentage of the consolidated group assets as shown in the Guarantor's most recent consolidated financial accounts), when aggregated with the book value of all other assets disposed of (other than any of those permitted under paragraphs (aa) to (gg)) does not exceed 10 per cent of the book value of the Guarantor's consolidated net assets in each of the Borrower's financial years.

(k) the Guarantee is not or ceases to be in full force and effect.

(2) The Borrower or the Guarantor shall promptly notify the Paying Agent in writing who in turn will promptly inform the Lender on all matters which could lead to any event of default as set out in § 8 para. 1. Notices of termination have to be provided in writing to the Borrower with a copy to the Paying Agent and the Guarantor. If the Loan is terminated prematurely in whole or in part for any reason set out in § 8 para. 1, the Borrower shall be obliged to compensate the Lender for any loss which the Lender suffers due to the early repayment of the Loan (early repayment penalty).

## § 9 Guarantee

(1) The Guarantor hereby irrevocably and unconditionally guarantees in favour of the Lender subject to German law to pay to the Lender all present and future claims (whether contingent or subject to a time limit) of the Lender under this Loan Agreement against the Borrower. The payment shall be due pay within five (5) Business Days of a written demand by the Lender and assertion that the Borrower has failed to pay an amount payable under the Loan when due. § 4 shall apply on the payments under the Guarantee. For the avoidance of doubt, this Guarantee does not constitute a guarantee upon first demand (*Garantie auf erstes Anfordern*) and, in particular, receipt of such written demand shall not preclude any rights and/or defenses the Guarantor may have with respect to any payment requested by the Lender under this guarantee and indemnity.

(2) This Guarantee is an independent payment obligation of the Guarantor which shall remain binding irrespective of the legal validity and enforceability of the Loan Agreement and notwithstanding any defenses or remedies (*Einwendungen und Einreden*) that the Borrower or any third party may raise.

(3) The Guarantee shall terminate once all amounts due under the Loan Agreement have been unconditionally and finally paid.

Notwithstanding the termination, the Guarantee shall be reinstated and continue in full force and effect if the Lender has to repay any amounts received as a payment under the Loan Agreement or the Guarantee due to insolvency proceedings before court or any similar proceedings regarding the Borrower.

(4) Until all amounts which are or may become payable by the Guarantor under this Loan Agreement have been irrevocably paid in full, (i) any claims of the Guarantor against the Borrower resulting from any payment made by the Guarantor to the Lender hereunder shall be subordinated to any outstanding claims of the Lender against the Borrower under this Loan Agreement, and (ii) the

Guarantor undertakes not to claim any payments from the Borrower arising out of or based upon any right of subrogation.

- (5) The Guarantor hereby waives its rights to terminate the Guarantee by depositing the guarantee amount with the competent local court (*Amtsgericht*) by way of security.

## § 10 Transfer

- (1) The Lender may transfer its contractual position hereunder (including those under the Guarantee) in full or in partial amounts of at least EUR 500,000 and in whole multiples of EUR 500,000 above that - to a Third Party by way of assumption of contract.

(a) In case of the first transfer of the contractual position by the First Lender the following shall apply:

- (i) A transfer to a Lender which is not a Qualifying Bank is subject to the consent of the Borrower. The consent of the Borrower to such transfer must not be unreasonably withheld or delayed. It is not unreasonable for the Borrower to withhold its consent if, following such transfer, the number of Lenders that are not Qualifying Banks would exceed eight.

Each Lender will confirm to the Borrower before the date on which it intends to become a party to this Loan Agreement in its capacity as such whether it is a Qualifying Bank, and if it is not a Qualifying Bank, that it only counts as one (1) non-bank lender for purposes of determining the number of non-bank lenders. If a Lender fails to indicate its status in accordance with this provision then such Lender shall be treated for the purposes of this Loan Agreement as if it is not a Qualifying Bank.

- (ii) The transfer will be effected by a confirmation of transaction (*Geschäftsbestätigung*) to be issued by the First Lender and countersigned by the joining Lender. The Paying Agent shall inform the Borrower with respect to each transfer without undue delay.

(b) For all following transfers of the contractual position the following shall apply:

- (i) The transfer of the contractual position to a Lender which does not meet the definition of a Qualifying Bank is only permitted with the prior written consent of the Borrower. The consent of the Borrower to such transfer must not be unreasonably withheld or delayed; in particular it is not unreasonable for the Borrower to withhold its consent if, following such transfer, the number of Lenders that are not Qualifying Banks would exceed eight. Each Lender will confirm to the Borrower before the date on which it intends to become a party to this Loan Agreement in its capacity as such whether it is a Qualifying Bank, and if it is not a Qualifying Bank, that it only counts as one (1) non-bank lender for purposes of determining the number of non-bank lenders. If a Lender fails to indicate its status in accordance with this provision then such Lender shall not be treated as a Qualifying Bank for the purposes of this Loan Agreement.

- (ii) Such transfer shall become effective as of the transfer date set forth in the Transfer Certificate (Annex 3), provided that the Paying Agent has received a duly completed and duly executed Transfer Certificate substantially in the form set out in the example in Annex 3. The Paying Agent shall inform the Borrower with respect to each transfer without undue delay by submitting a copy of the relevant Transfer Certificate.

- (iii) In the event that the Paying Agent receives a Transfer Certificate less than five (5) Banking Days before an Interest Payment Date, any payment made by the Borrower or the



Guarantor to the resigning Lender shall release the Borrower from its payment obligations to the joining Lender in the amount of such payment.

- (2) Each Lender which confirmed that it was a Qualifying Bank undertakes to notify the Borrower and the Paying Agent promptly upon becoming aware of it ceasing to be a Qualifying Bank.
- (3) The result of a transfer is that all of the resigning Lender's rights and obligations under this Loan Agreement and the Guarantee are passed over to the joining Lender to the extent that they are transferred. The effect of a transfer is that the existing Loan Agreement and the Guarantee remain unchanged in force between the new contract parties to the extent that rights and obligations are transferred.
- (4) By signing this Loan Agreement, the Borrower grants its prior consent to any such transfer made in compliance with § 10 (1).
- (5) The Lender shall be authorized to transfer all its claims under this Loan (incl. those under the Guarantee) to the Deutsche Bundesbank, Banque Centrale du Luxembourg or any other central bank of the ECB system or to the Swiss National Bank or any eurozone development bank ("Förderbank") as security for refinancing purposes. For the validity of such transfer expressly no formal requirements and obligations to inform the Borrower shall be required. Likewise, in case of such transfers being made by any central bank of the ECB system or eurozone development bank expressly no formal requirements and obligations to inform the Borrower shall be required. In case of the liquidation of any rights arising out of this Loan Agreement by any central bank of the ECB system, the restrictions under § 10(1) shall not apply.
- (6) For the purposes of this § 10, the Borrower and the Guarantor hereby give their consent to the forwarding of all information contained in this Loan Agreement to joining Lenders or potentially joining Lenders (including any relevant data such as joining Lender or potentially joining Lender may require for purposes of section 18 of the German Banking Act (KWG) or in order to meet any other "know your customer" requirements (the "KYC Data")), the respective central bank or development bank for such transfer and, if applicable, to third parties acquiring the participation from beneficiaries to whom a transfer in accordance with § 10 (5) has been made in case of an enforcement of such a security. Such consent shall also extend to measures of publication (e.g. recording the security in a register that authorised third parties have access to) which are required by law for the constitution or consistency of such a security and they exempt the Lender from the banking confidentiality in this respect.
- (7) No Lender shall enter into a sub-participation arrangement with another person or assign any rights or claims under this Loan Agreement without transferring the relevant contractual position at the same time and to the same transferee. The transfer of the contractual position to a Lender (i) which does not meet the definition of a Third Party or (ii) is a private individual is not permitted.

#### **§ 11 Nature of a Lender's Rights and Obligations**

- (1) The obligations of a Lender under this Loan Agreement are not joint and several (keine gesamtschuldnerische Haftung). No Lender is liable for the obligations of any other Lender under the Loan Agreement.
- (2) The rights of a Lender under this Loan Agreement (and under the Guarantee) are not joint and several (keine Gesamtgläubiger). The amounts owed at any time under the Loan Agreement from the Borrower to any Lender shall constitute a separate and independent debt and each Lender shall be entitled to protect and enforce its rights arising out of this Loan Agreement and out of the Guarantee independently from another Lender.

## § 12 Information

- (1) For the purposes of complying with the requirements under section 18 of the German Banking Act (KWG), the Borrower and the Guarantor shall submit in a timely manner to the Lender any documents and information required to comply with the Lender's statutory obligations. During the term of the Loan, the Borrower and the Guarantor shall in particular supply the following documents to the Paying Agent for submission to the Lenders:
  - (a) the audited separate and consolidated (for the Guarantor) financial statements of the Borrower and the Guarantor as soon as they are publicly available but in any event no later than two hundred and seventy (270) days after the end of the respective financial year for the Borrower and no later than ninety (90) days after the end of the respective financial year for the Guarantor, for the latter subject to any extension period obtained by the Guarantor from the Securities and Exchange Commission for the filing of an equivalent periodic report under Rule 12b-25 of the General Rules and Regulations under the Securities Exchange Act of 1934, and
  - (b) any other information a Lender may reasonably request in order to comply with legal requirements.
- (2) The obligation to disclose documents pursuant to § 12 para. 1 shall cease to apply if the documents necessary to comply with section 18 of the German Banking Act (KWG) or any other legal requirements are freely accessible on the Borrower's or Guarantor's website (in a form that can be saved or printed).
- (3) The Borrower and the Guarantor hereby authorize the Lender to pass on or to disclose for review any such documents, data and information as the Lender may consider necessary, useful or appropriate to any potential Third Party (or to a member of the European system of central banks or to the Swiss National Bank for the purposes set out in § 10(4) or to such persons, who are involved in the settlement of the transfer for technical or legal reasons (such as legal advisors, rating agencies, auditors) or to governmental courts and authorities (especially supervisory authorities) that require disclosure by mandatory law, and therefore release the Lender from banking confidentiality.
- (4) Apart from that, the Parties, the Guarantor and the Paying Agent agree to treat information and documents received in connection with this Loan as confidential. Legal or regulatory disclosure requirements that the Lender or Paying Agent are subject to remain unaffected.

## § 13 Notices

Any notices, queries or other communication under this Loan Agreement shall be made in writing (including by fax or pdf file) and shall be addressed as follows:

- (1) If intended for the **Borrower**, to the following address:

Victor von Bruns-Strasse 17  
CH 8212 Neuhausen am Rheinfall  
Switzerland  
Phone: +41 52 725 22 00  
Facsimile: +41 52 725 2272  
e-Mail: roger.batkin@agcocorp.com  
Attention: Roger Batkin

- (2) If intended for the Guarantor, to the following address:

4205 River Green Parkway  
Duluth, Georgia 30096-2568  
Telefon: +1 770 813 9200

Telefax: +1 (770) 813-6158  
e-Mail: roger.batkin@agcocorp.com  
z. Hd.: Roger Batkin

(3) If intended for the **Lender** or for the **Paying Agent**, to the following address:

Bayerische Landesbank  
Brienner Strasse 18  
80333 Munich  
Federal Republic of Germany (FRG)  
Phone: +49 (0)89 - 2171 - 23714  
Facsimile: +49 (0)89 - 2171 - 23083  
e-mail: 4245.ssd-np@bayernlb.de  
Attention: 4245 Issues Administration &  
Credit Derivatives Service Team

In the event of a transfer pursuant to § 10, any notices to a joining Lender shall be addressed to the Paying Agent.

#### **§ 14 Miscellaneous**

- (1) For the term of this Loan Agreement and/or the Guarantee, the Borrower and the Guarantor each appoint AGCO GmbH, Johann-Georg-Fendt-Strasse, 4, 87616 Marktobendorf, Germany, as the agent for the service of process in Germany.
- (2) The Borrower undertakes to provide the Lender with all information and data the Lender deems necessary to fulfill the obligations of the German Anti-Money-Laundering Act (Geldwäschegesetz).
- (3) The Borrower and the Guarantor may only offset claims, exercise any liens or any retention rights that are uncontested or have been legally established with final and binding effect against claims of the Lender. The Borrower and the Guarantor hereby waive the exercise of any right of set-off, liens or any retention right if and to the extent that the Loan belongs to the reserved assets of the Lender within the meaning of section 125 German Insurance Supervisory Act (VAG) in conjunction with, if applicable, section 1 et seq. of the Ordinance on the Investment of Restricted Assets of Insurance Undertakings (Anlageverordnung) or to covering funds which must be set up pursuant to the laws of the Federal Republic of Germany (or comparable provisions of foreign law), including in cases of insolvency proceedings.
- (4) Any amendments of this Loan Agreement must be made in writing in order to become effective. This shall also apply to any waiver of this section. Insofar as the amendments refer to rights and obligations of the Paying Agent amendments must only be made with the written consent of the Paying Agent.
- (5) The Borrower and the Guarantor consent to the KYC Data being recorded, processed and, for the purposes of this Loan, disclosed to any joining or potentially joining Lenders in accordance with § 10 para 1.
- (6) Should any provision of this Loan Agreement be or become entirely or partially invalid or unenforceable, the validity or enforceability of the remaining provisions shall not be affected thereby. Any omission resulting therefrom shall be remedied by supplemental provision which takes due account of the interests of the Parties and the Paying Agent.
- (7) This Loan Agreement is executed in three (3) originals, one of which will be retained by the Borrower one by the Guarantor and one by the Lender.

(8) This Loan Agreement and the Guarantee are subject to the laws of the Federal Republic of Germany. Non-exclusive place of jurisdiction for all disputes arising out of or in connection with this Loan Agreement shall be Munich.

(9) This Loan Agreement is drafted in the German language and provided with a non-binding English translation. Only the German text is valid and binding. The English translation is non-binding in every respect and provided for convenience only.

**AGCO International GmbH, Schweiz**

als Darlehensnehmerin

as Borrower

Neuhausen am Rheinfall, Schweiz, den 12. Oktober 2016

Neuhausen am Rheinfall, Switzerland, 12 October 2016

Unterschrift(en): /s/ ROGER N BATKIN

Signature(s):

Name(n): ROGER N BATKIN

Name(s):

**AGCO Corporation**

als Garantin

as Guarantor

Duluth, Georgia, Vereinigte Staaten von Amerika, den 12. Oktober 2016

Duluth, Georgia, United States of America, 12 October 2016

Unterschrift(en): /S/ DAVID WILLIAMS

Signature(s):

Name(n): DAVID WILLIAMS

Name(s):

**Bayerische Landesbank**  
als Darlehensgeberin und Zahlstelle  
as Lender and Paying Agent  
München, den 12. Oktober 2016  
Munich, 12 October 2016

Unterschrift(en): /s/ LINK GMEINWIESER  
Signature(s):

Name(n): LINK GMEINWIESER  
Name(s):

**Conditions Precedent**

- (1) Submission of the Loan Agreement duly signed by the Borrower and the Guarantor and the Paying Agency Agreement to the First Lender.
- (2) A legal opinion as to Swiss law from the Borrower's legal adviser regarding the Borrower's capacity and due authorisation to enter into the Loan Agreement, the due execution of the Loan Agreement of/by the Borrower and the validity of the choice of German law as well as the recognition of place of jurisdiction chosen pursuant to this Loan Agreement and the enforceability of a German court ruling under Swiss law in the English language satisfactory to Bayerische Landesbank.
- (3) A legal opinion as to US law from the Guarantor's legal adviser regarding the Guarantor's capacity and due authorisation to enter into the Loan Agreement, the due execution of the Loan Agreement of/by the Guarantor and the validity of the choice of German law as well as the submission to jurisdiction chosen pursuant to this Loan Agreement and the enforceability of a German court ruling under US federal law and the law of the US federal state of Georgia in the English language satisfactory to Bayerische Landesbank.
- (4) Delivery of identification documents for each authorized representative. *Note: Copies of identification documents can only be furnished to external parties with the approval of the owner of the identification document.*
- (5) A copy of the Borrower's and the Guarantor's memorandum and articles of association or certificate of incorporation as customarily delivered for transactions of this kind.
- (6) A confirmed list of members of the Borrower's and the Guarantor's management who are authorised representatives with signature specimens of persons able to represent the Borrower and the Guarantor in connection with this Loan Agreement and authorised to sign ("**Authorised Signatories**"), as well as current copies of the Authorised Signatories' ID cards or passports.
- (7) A confirmation by the Borrower and the Guarantor, that any approvals required under their statutes or articles of association to utilise this Loan or to provide the Guarantee have been obtained from the appropriate body.
- (8) A current excerpt or certificate of good standing (as applicable) of the Borrower's and Guarantor's listing in the commercial register or equivalent proof of existence as customarily delivered for transactions of this kind.
- (9) Copy of the Borrower's and Guarantor's audited separate and consolidated (for the Guarantor) annual financial statements for the two most recently completed financial years (as available) including (if such details are legally required or customarily delivered to the creditors or made available publicly) balance sheet, profit and loss account (statement of income), management report, notes and auditor's report (if prepared and available) plus any additional documents required pursuant to section 18 German Banking Act (KWG).
- (10) Confirmation that the process agents referred to in § 14 (1) has accepted its appointment (on behalf of the Borrower and the Guarantor).
- (11) Overview of the Borrower's corporate structure, showing all ownership structures and ownership breakdown up to the natural persons at the top of the ownership structure (e.g. an organisation)

chart of the Borrower detailing the percentage and the nominal amount of each natural person's ownership stake in regard to assets, equity and/or voting rights).

(12) Confirmation of the Borrower and the Guarantor that no events of default as stated in § 8 para. 1 have occurred.



**Certificate of Indebtedness (*Schuldschein*)**

AGCO International GmbH, Switzerland

hereby acknowledges to have received a loan from

**Bayerische Landesbank, Munich**

on 19 October 2016

arranged by

**Bayerische Landesbank, Munich**

and

**Coöperatieve Rabobank U.A.**

in the amount of

EUR 52,500,000

(in words: fifty-two million five hundred thousand Euros)

guaranteed by :

AGCO Coporation

due for repayment on 19 October 2026 in accordance with the terms and conditions of the Loan Agreement dated 12 October 2016.

Datum: ●

Date: ●

Unterschrift(en):

Signature(s): \_\_\_\_\_

Name(n):

Name(s) \_\_\_\_\_

## Transfer Certificate

From:

1. ●, hereinafter "**Existing Lender**" and
2. ●, hereinafter "**New Lender**"

To: Bayerische Landesbank, as Paying Agent for the Borrower defined in the Loan Agreement referred to below

Date: ●

This Transfer Certificate relates to a Loan granted under a loan agreement dated 12 October 2016 made by and between AGCO International GmbH as Borrower and **Bayerische Landesbank** as First Lender and Paying Agent under which the First Lender has, subject to the terms thereof, made available to the Borrower a Loan in the amount of EUR 52,500,000 guaranteed by AGCO Corporation. Terms defined in the Loan Agreement shall, unless otherwise defined herein, have the same meanings in this Transfer Certificate as in the Loan Agreement.

### 1. The Existing Lender:

(a) hereby transfers and assigns by way of assumption of contract (Vertragsübernahme) subject to :

[(i)] the receipt of a duly completed and executed copy of this Transfer Certificate by the Paying Agent, and

[(ii) the satisfaction of the following further conditions to be fulfilled :

[•]

[•]

all of its contractual rights under the Loan Agreement and the Guarantee in the proportion of the aggregate principal amount shown in the Schedule to this Transfer Certificate together with all related rights and claims with economic effect from the Transfer Date (including) as specified in the Schedule to this Transfer Certificate (the "**Transfer Date**") to the New Lender. Future claims to interest shall only be transferred to the extent they fall on or after the Transfer Date.

(b) confirms that to the extent that details appear in the Schedule to this Transfer Certificate under the heading "Existing Lender's Participation in the Loan to be transferred" such details accurately summarize the amount of its participation in the Loan (the "**Participation**").

### 2. The Existing Lender and the New Lender hereby request the Paying Agent to accept the executed copy of this Transfer Certificate in accordance with the Loan Agreement as being for the purposes of section 10 (Transfer) of the Loan Agreement in order to effect the transfer in accordance with the terms of the Loan Agreement on the Transfer Date.

3. The New Lender confirms that it has previously confirmed to the Borrower that, and the New Lender herewith restates that it is: <sup>1</sup>
- ( ) a Qualifying Bank;
  - ( ) not a Qualifying Bank, and that it only counts as one (1) non-bank lender for purposes of determining the number of non-bank lenders.

4. The New Lender:

- (a) hereby accepts the transfer and assignment as mentioned in clause 1 (a) above
- (b) confirms that it has received a copy of the Loan Agreement and all other documents and information which it has requested in connection with this transaction;

5. The Existing Lender does not assume any liability for:

- (a) the financial condition of the Borrower and the Guarantor, and
- (b) the performance of or the compliance with the obligations by the Borrower or the Guarantor under the Loan or the Guarantee (save as expressly agreed otherwise therein).

The Existing Lender assumes liability for the legal validity of the claims under the Loan in accordance with the statutory provisions (*Veritätshaftung*).

6. The New Lender acknowledges that the Existing Lender is under no obligation whatsoever (i) to accept in whole or in part a retransfer of the contractual position or individual rights or obligations under the Loan Agreement and the Guarantee from the New Lender or (ii) to bear any losses directly or indirectly incurred by the New Lender including losses resulting from the non-performance by the Borrower of its obligations under the Loan Agreement or by the Guarantor of its obligations under the Guarantee.
7. The New Lender confirms that in case the Paying Agent receives a Transfer Certificate less than five (5) Banking Days before an Interest Payment Date, any payment made by the Borrower or the Guarantor (through the Paying Agent) to the Existing Lender shall release the Borrower from its payment obligations towards the New Lender in the amount of such payment.
8. Should any provision of this Transfer Certificate be or become entirely or partially invalid or unenforceable, the validity or enforceability of the remaining provisions shall not be affected thereby. Any omission resulting therefrom shall be remedied by supplemental interpretation under due consideration to the interests of the Parties.
9. This Transfer Certificate shall be governed by German law. Non-exclusive place of jurisdiction for any disputes arising in connection with this agreement shall be [●].

Die Derzeitige Darlehensgeberin: ●

The Existing Lender: ●

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<sup>1</sup> Tick box as appropriate

Unterschrift(en):

Signature(s): \_\_\_\_\_

Name(n):

Name(s) \_\_\_\_\_

Die Neue Darlehensgeberin: ●

The New Lender: ●

Unterschrift(en):

Signature(s): \_\_\_\_\_

Name(n):

Name(s) \_\_\_\_\_

**Schedule to the Transfer Certificate**

Existing Lender: ●

New Lender: ●

Transfer Date: ●

**Existing Lender's Participation in the Loan to be transferred**

Amount of Participation in the Loan: EUR ●

Amount thereof to be transferred: EUR ●

**Details of New Lender:**

**Address for notices:**

●

Contact name: ●

Phone: ●

Facsimile: ●

Account number: ●

**Loan Agreement**  
(the "**Loan Agreement**")

for a loan in the amount of  
EUR 55,000,000

with a fixed rate of interest of 0.750 per cent per annum  
due on 19 October 2019

arranged by Bayerische Landesbank and Coöperatieve Rabobank U.A., jointly the "**Arrangers**"

with Bayerische Landesbank  
as the "**Paying Agent**"

Bayerische Landesbank  
Brienner Strasse 18  
80333 Munich, Germany

- hereinafter the "**Lender**" or the "**First Lender**" -

grants to

AGCO International GmbH, Switzerland

- hereinafter the "**Borrower**" -  
a loan (the "Loan") in the aggregate principal amount of  
EUR 55,000,000  
(in words: fifty-five million Euros)

guaranteed by  
AGCO Corporation, USA

hereinafter the "**Guarantor**"

- The Borrower, the Guarantor and the Lender hereinafter jointly the "**Parties**" –

## § 1 Disbursement, Certificate of Indebtedness, Definitions

- (1) The Loan shall be disbursed on 19 October 2016 (the "**Disbursement Date**") in accordance with the instructions of the Borrower provided the conditions precedent in Annex 1 are fulfilled at least two (2) Banking Days prior to the Disbursement Date.
- (2) The Loan shall be placed by the Arrangers, whereby Coöperatieve Rabobank U.A. will cooperate with Raiffeisen Bank International AG as regards *inter alia* the placement, on a so-called "best efforts" basis. Thus, the disbursement of the Loan is further subject to the condition precedent that the amount of the Loan is made available by the joining Lenders to the First Lender in accordance with § 10 (1) in same day and immediately available funds, freely transferable for disbursement to the Borrower. The Borrower acknowledges and agrees that it is only entitled to demand disbursement under the Loan from the First Lender to the extent funds are made available by the joining Lenders to the First Lender pursuant to § 10 (1).
- (3) The purpose of this Loan shall be the refinancing of the Cimbria acquisition and general corporate purposes.
- (4) The Borrower shall immediately, in no event later than on the Banking Day following the Disbursement Date of the Loan, make available to the Paying Agent a duly executed certificate of indebtedness (*Schuldschein*) in the form as attached hereto in Annex 2.
- (5) Unless otherwise provided for herein, the definitions of terms in this Loan Agreement apply to every reference made herein to such defined terms.

"**Banking Day**" means any day other than a Saturday or Sunday on which (i) TARGET2 is operating and (ii) banks in Munich and Frankfurt are generally open for business.

"**Lender**" includes all Lenders to whom the contractual position is transferred under the terms of § 10 of this Loan Agreement, as well as all legal successors.

"**Cimbria**" means A/S Cimbria, Faartoftvej 22,  
P.O. Box 40, 7700 Thisted  
Demark, a Danish-headquartered manufacturer of equipment and processing lines for seed and grain.

"**Third Party**" for the purposes of § 10 (1) means:

- (a) any **Credit Institution**,
- (b) any **Development Bank**,
- (c) any **Investment Company**,
- (d) any **Insurance Company**,
- (e) any **Pension Insurance Carrier**,
- (f) any **Pension Fund**.

"**FATCA**" means Sections 1471 through 1474 of the US Internal Revenue Code and any regulations thereunder or official governmental interpretations thereof, and any agreements entered into pursuant to Section 1471(b)(1) of the US Internal Revenue Code and any intergovernmental agreement between the United States and another jurisdiction implementing the foregoing (or any law, regulations or other official administrative interpretation implementing such intergovernmental agreement).

"**FATCA Deduction**" means a deduction or withholding from a payment required by FATCA.

"**Financial Indebtedness**" shall mean

- (a) all on and off balance sheet interest-bearing payment obligations and
- (b) obligations to repay borrowed monies as securitized, represented or documented by
  - (i) a certificate of indebtedness (*Schuld-schein*) or a bilateral or syndicated loan; or
  - (ii) bonds, notes, loan stock or other securities which are, or are eligible to be quoted, listed, dealt in or traded on a stock exchange or other recognized securities market.

in each case owed to a person or entity which is not a member of the Group.

"**Development Bank**" shall mean public sector development institutions (*Förderinstitute*) (such as LfA, KfW or similar institutions).

"**Guarantee**" means the guarantee issued by the Guarantor pursuant to § 9 (*Guarantee*) hereof.

"**Investment Company**" shall mean an investment management company within the meaning of section 2 para. 1 no. 3b of the German Banking Act (KWG) or an EU-management company within the meaning of section 2 para. 1 no. 3c of the German Banking Act (KWG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

A "**Change of Control**" means the occurrence of any of the following: (a) any person or two or more persons (including any "group" as that term is used in Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934) acting in concert shall have acquired beneficial ownership (within the meaning of



Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934), directly or indirectly, of voting equity interests in the Guarantor (or other securities convertible into such voting equity interests) representing thirty-five percent (35%) or more of the combined voting power of all voting equity interests in the Guarantor; or (b) a majority of the members of the board of directors of the Guarantor shall cease to be composed of individuals (i) who were members of that board on the date of this Loan Agreement or (ii) whose election to that board, or whose nomination for election by the Guarantor's stockholders, was approved by a vote of at least two-thirds of the members of the board of directors of the Guarantor who were either directors on the date of this Loan Agreement or whose election or nomination for election was previously so approved; or (c) the Guarantor shall fail to own, directly or indirectly, one hundred percent (100%) of the equity interests of the Borrower.

**"Group"** means the Guarantor and any of its Subsidiaries.

**"Credit Institution"** shall mean a company within the meaning of section 1 para. 1 German Banking Act (KWG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

**"Pension Fund"** shall mean a pension fund within the meaning of section 236 of the Supervision of German Insurance Companies Act (VAG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

**"Permitted Non-Qualifying Bank Lender"** means a Lender which is not a Qualifying Bank but has been accepted by the Borrower as a Lender.

**"TARGET2"** means the Trans-European Automated Realtime Gross Settlement Express Transfer System 2 which utilises a single shared platform and which was launched on 19 November 2007.

**"Subsidiary"** of any person means a corporation, partnership, joint venture, limited liability company or other entity (i) of which a majority of the equity interests having ordinary voting power for the election of the board of directors or other governing body (other than equity interests having such power only by reason of the happening of a contingency) are at the time beneficially owned or (ii) the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Guarantor.

**"Swiss Guidelines"** means, together, the guideline "Interbank Loans" of 22 September 1986 (S-02.123) (*Merkblatt "Verrechnungssteuer auf Zinsen von Bankguthaben, deren Gläubiger Banken sind (Interbankguthaben)" vom 22. September 1986*); the guideline "Syndicated Loans" of January 2000 (S-02.128) (*Merkblatt "Steuerliche Behandlung von Konsortialdarlehen, Schuldscheindarlehen, Wechseln und Unterbeteiligungen" vom Januar 2000*); the circular letter no. 34 "Client Credit Balances" of 26 July 2011 (1-034-V-2011) (*Kreisschreiben Nr. 34 Kundenguthaben vom 26. Juli 2011*); and the circular letter no. 15 of 7 February 2007 "Bonds and derivative financial instruments as subject matter of taxation of Swiss federal income tax, Swiss withholding tax and Swiss stamp taxes" (1-015-DVS-2007) (*Kreisschreiben Nr. 15 Obligationen und derivative Finanzinstrumente als Gegenstand der direkten Bundessteuer, der Verrechnungssteuer und der Stempelabgaben vom 7. Februar 2007*) and circular letter No. 34 of 26 July 2011 in relation to deposits (*Kreisschreiben Nr. 34 "Kundenguthaben" vom 26. Juli 2011*); each as issued, and as amended from time to time, by the Swiss federal tax administration or as substituted or superseded and overruled by any law, statute, ordinance, court decision, regulation or the like as in force from time to time (including the ordinance of the Swiss Federal Council of 18 June 2010, amending Swiss Withholding tax and Swiss Stamp Tax regulations entered into force as of August 1, 2010).

**"Swiss Non-Bank Rules"** means, together, the Swiss Ten Non-Bank Rule and the Swiss Twenty Non-Bank Rule.

**"Swiss Ten Non-Bank Rule"** means the rule that the aggregate number of Lenders which are not Qualifying Banks must not at any time exceed 10 (ten), all in accordance with the meaning of the Swiss Guidelines.

**"Swiss Twenty Non-Bank Rule"** means the rule that the aggregate number of creditors (other than Qualifying Banks) of the Borrower under all outstanding borrowings (including under this Loan Agreement), such as loans, facilities and private placements, made or deemed to be made by the Borrower must not at any time exceed 20 (twenty), all in accordance with the meaning of the Swiss Guidelines.

**"Swiss Withholding Tax"** means taxes imposed under the Swiss Withholding Tax Act.

**"Swiss Withholding Tax Act"** means the Swiss Federal Act on the Withholding Tax of 13 October 1965 (*Bundesgesetz über die Verrechnungssteuer*), together with the related ordinances, regulations and guidelines, all as amended and applicable from time to time.

**"Qualifying Bank"** means any entity, which effectively conducts banking activities as principal purpose with its own infrastructure and staff and which is recognized as a bank by the banking laws in force in the jurisdiction of its incorporation, or if such entity is acting through a branch in a jurisdiction other than the jurisdiction of its incorporation, in the jurisdiction where such branch is located or registered all in accordance with the Swiss Guidelines.

**"Pension Insurance Carrier"** (*Versorgungswerk*) means any professional public organisation for pension schemes for members of the respective profession established and regulated under the respective German state Laws (or comparable provisions of foreign law).

**"Insurance Company"** shall mean an insurance company within the meaning of section 2 para. 1 no. 4 of the German Banking Act (KWG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

**"Principal Subsidiary"** means any Subsidiary of the Borrower or the Guarantor.

(i) whose income from continuing operations, in the aggregate, before income taxes, extraordinary items and cumulative effect of a change in accounting principles (excluding intra-Group transactions) is at least 10 per cent of the net operating income of the Group or whose total assets (excluding balance sheet items based on intra-Group transactions) amount to at least 10 per cent of the total assets of the Group, in each case calculated by reference to the latest audited accounts of the Group, or

(ii) to which all or substantially all the assets and liabilities of another Principal Subsidiary are transferred.

## § 2 Interest

(1) The Loan shall bear interest on its aggregate principal amount at the rate of 0.750 per cent per annum from (and including) the Disbursement Date to (but excluding) the Repayment Date as specified in § 3 (1).

(2) Interest shall be payable in arrears on 19 October in each year (each an **"Interest Payment Date"**). The first interest payment shall be made on 19 October 2017.

(3) If any such Interest Payment Date is not a Banking Day, payment shall be due on the immediately following Banking Day. The Lender shall not be entitled to claim any further interest or any other payments as a result of such deferral. Interest shall be calculated on an act/act basis (ICMA).

- (4) If interest payable by the Borrower is subject to Swiss Withholding Tax and should § 5(1) be unenforceable for any reason, the applicable interest rate in relation to that interest payment shall be (i) the interest rate which would have applied to that interest payment (as provided for in this § 2 in the absence of this sub-paragraph) divided by (ii) 1 minus the rate at which the relevant tax deduction is required to be made (where the rate at which the relevant tax deduction is required to be made is for this purpose expressed as a fraction of 1 rather than as a percentage).
- (5) To the extent that interest payable by the Borrower under this Loan Agreement becomes subject to Swiss Withholding Tax, each relevant Lender and the Borrower shall promptly cooperate by completing any procedural formalities (including submitting forms and documents required by the appropriate tax authority) to the extent possible and necessary for a Lender to obtain a full or partial refund of Swiss Withholding Tax under applicable double taxation treaties. The Borrower shall provide the Lenders with such documents and information required for applying for a refund of such Swiss Withholding Tax. In the event Swiss Withholding Tax is refunded to a Lender by the Swiss Federal Tax Administration, the relevant Lender shall forward, after deduction of costs, such amount to the Borrower, unless an event of default as specified under § 8 of this Loan Agreement is continuing.
- (6) A payment shall not be increased pursuant to this § 2 if and to the extent that on the date on which the payment falls due (i) the payment could have been made to the relevant Lender (which is not a Permitted Non-Qualifying Bank Lender) without a tax deduction in respect of Swiss Withholding Tax if the Lender had been a Qualifying Bank, but on that date that Lender is not or has ceased to be a Qualifying Bank other than as a result of any change after the date it became a Lender under this Loan Agreement in (or in the interpretation, administration, or application of) any law or treaty, or any published practice or published concession of any relevant taxing authority; or (ii) the Borrower is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under § 10.

### § 3 Repayment, early Redemption

- (1) The Loan shall be repaid at its aggregate principal amount in full on 19 October 2019, provided, however, that if such day is not a Banking Day, payment shall be due on the following Banking Day (the "**Repayment Date**"). The Lender shall not be entitled to claim any further interest or any other payments as a result of such deferral.
- (2) In the event a Change of Control has occurred, the Borrower shall inform the Lenders through the Paying Agent whether it requests to enter into negotiations with the Lenders. Each Lender shall, upon such request, enter into good faith negotiations with the Borrower with a view to continuing the Loan for a negotiation period of up to thirty (30) days after receipt of that request (or such longer period as may be agreed by the Borrower and each respective Lender) (such period, in each case, the "**Consultation Period**"). Each Lender shall, after the expiry of the relevant Consultation Period, be entitled to terminate the Loan in writing to the Borrower (copy to the Paying Agent) at its partial amount of the aggregate principal amount thereof with interest accrued to the date fixed for prepayment on giving not less than thirty (30) days' prior notice. Such notice will be irrevocable and must specify the date fixed for prepayment.

### § 4 Payments, Paying Agent

- (1) The Borrower and – in case of the utilization of the Guarantee – the Guarantor irrevocably undertake to pay, as and when due, any sum of principal or interest owed under the Loan Agreement in Euros to the account of the Paying Agent by 12:00 (Munich time).

- (2) If any sum of principal is not paid to and available on the account of the Paying Agent by 12:00 (Munich time) when due, the Paying Agent shall not be obliged to forward the due amount to the Lender on the same day. The respective sum shall bear interest from (and including) the due date to (but excluding) the date of actual payment of the sum overdue at a rate of 1 per cent per annum above the rate of interest applicable to the Loan on the respective due date without prejudice to the right of the Lender to claim any further damages and without prejudice to the right of the Borrower to present evidence that the loss due to the late payment was less.
- (3) If an interest payment is not made to the account of the Paying Agent by 12:00 (Munich time) when due, the Paying Agent shall not be obliged to forward the due amount to the Lender on the same day. The Lender has the right to demand indemnification for the loss caused by the delay in payment.
- (4) Payments by the Borrower and the Guarantor shall be applied in the sequence provided for in section 367 para. 1 of the German Civil Code (BGB) to the amounts falling due. If, in the event of a full or partial transfer of the contractual position pursuant to § 10, the payments by the Borrower or the Guarantor are not sufficient to fully redeem any given amount due, the payments of the Borrower and the Guarantor shall be distributed among the Lenders on a pro rata basis in conformity with their relevant participations in the Loan.
- (5) By a separate agreement, the Borrower and the Guarantor have mandated Bayerische Landesbank to exercise the role of paying agent (Bayerische Landesbank shall hereinafter be referred to as "**Paying Agent**" with respect to the duties in connection with this role). The Paying Agent shall exercise this role in accordance with the paying agency agreement dated as of 12 October 2016. The Borrower together with the Guarantor may at any time mandate another Credit Institution in the Federal Republic of Germany to exercise the role of Paying Agent provided the Borrower informs the Paying Agent (with copy to the Lender) in writing two weeks in advance of the planned change. Any reference in this Loan Agreement to the "Paying Agent" shall include any further Credit Institutions that exercise the role of Paying Agent.
- (6) By order of the Borrower the Paying Agent acts as custodian for the Lenders (according to their respective partial amount of the Loan) with regard to the original certificate of Indebtedness (*Schuldschein*). The custodianship of the Paying Agent shall end once the Lender's respective partial amount of the Loan has been repaid (including interest). Above that the Paying Agent acts solely as agent of the Borrower and the Guarantor and does not have any obligations towards or relationship of agency or trust to any Lender.
- (7) Subject to the aforementioned provisions of this § 4, fulfilment in relation to the Lender shall only occur once it receives the relevant payments or these are credited to an account it has designated.

## § 5 Taxes

- (1) All payments of principal and interest under the Loan Agreement by the Borrower as well as those payable under the Guarantee by the Guarantor shall be made without deduction or withholding for, or on account of, any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the country where the Borrower or the Guarantor has its legal seat or any governmental authority there ("**Withholding Taxes**") unless such deduction or withholding is required by law. If the Borrower or the Guarantor is required by law to make such withholding or deduction, then the Borrower or the Guarantor shall pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received by the Lender after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable under the Loan Agreement in the absence of such deduction or withholding. The foregoing does not apply to the extent any such withholding or deduction is attributable to a FATCA Deduction required to be made by a party to this Loan Agreement.

- (2) A payment shall not be increased pursuant to this § 5 if and to the extent that on the date on which the payment falls due: (i) the payment could have been made to the relevant Lender (which is not a Permitted Non-Qualifying Bank Lender) without a Tax Deduction if the Lender had been a Qualifying Bank, but on that date that Lender is not or has ceased to be a Qualifying Bank other than as a result of any change after the date it became a Lender under this Loan Agreement in (or in the interpretation, administration, or application of) any law or treaty, or any published practice or published concession of any relevant taxing authority; or (ii) the Borrower is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under § 10.
- (3) If (i) as a consequence of any amendments of the legal regulations valid in the country where the Borrower or the Guarantor has its legal seat that take effect on the date of this Loan Agreement or thereafter, Withholding Taxes regarding payments of principal or interest under the Loan need to be made (and cannot be avoided despite the Borrower and the Lender having made every reasonable effort to prevent such a situation) and (ii) the Borrower or the Guarantor is obliged to pay Additional Amounts pursuant to § 5 para. 1 of this Loan Agreement, the Borrower shall be entitled to repay the Loan on giving not less than (30) days' prior notice, either at the aggregate principal amount thereof or at the partial amount of the aggregate principal amount of such Lender, in each case with interest accrued to the date fixed for prepayment.  
Any such notice of prepayment shall not be effected earlier than ninety (90) days prior to the date on which the Borrower or the Guarantor first becomes obliged to make Additional Payments pursuant to § 5 para. 1.  
Any such notice of prepayment in accordance with this § 5 para. 2 shall be given in writing and shall be addressed to the Lender (via the Paying Agent). Such notice will be irrevocable and must specify the date fixed for prepayment. The Paying Agent shall immediately inform the Lenders about such notice of prepayment. The Borrower shall indemnify the Lender for any loss incurred by the latter as a result of the premature repayment (early repayment penalty).

*For the avoidance of doubt: any prepayments on the income or corporate income tax made by the Lender such as the German flat rate interest tax (Abgeltungssteuer and Zinsertragssteuer) do not constitute withholding taxes within the meaning of the provision above.*

## **§ 6 Increased Costs**

If - after the date hereof - by reason of introduction or change of the interpretation or application by the respective competent authority with respect to any law or regulation or compliance with any law or regulation (except for such laws and regulations which have been in force as of the date of this Loan Agreement and with which the respective Lender was not in compliance as of the date hereof), there is (a) any substantial increase in the costs for a Lender to fund or maintain the Loan or (b) a reduction in the rate of return on the Loan or a decrease in the net return on the Loan in relation to the equity of the respective Lender, then the affected Lender, the Guarantor and the Borrower shall enter into negotiations with the aim of finding an acceptable solution for the Parties.

## **§ 7 Negative Pledge, Status (pari passu), Non-Bank Rules**

- (1) For the term of this Loan Agreement, the Borrower and the Guarantor will not, and will ensure that none of their respective Principal Subsidiaries will, create or permit to subsist any mortgage, lien, charge, pledge or other form of in rem security interest (the "**Security**") upon any of their respective assets, to secure (i) any Financial Indebtedness or (ii) any guarantee or indemnity in respect of any Financial Indebtedness unless, at the same time or prior thereto, the Borrower's obligations under the Loan Agreement are equally and rateably secured.

This § 7(1) does not apply to: (i) any Security created or to be created pursuant to mandatory law or created or to be created contractually in the ordinary course of business, including (without limitation) Security (x) in favor of banks with which accounts or deposit accounts are kept with respect to cash, cash equivalents (being readily marketable direct obligations of a government or any agency or instrumentality thereof, insured certificates of deposit of, time deposits, or bankers' acceptances with any commercial bank that issues (or the parent of which issues) commercial paper, commercial paper issued by any corporate entity or any commercial bank) or investment property kept or deposited with that bank (for the avoidance of doubt, to the extent the creation of such Security is based on and required by the general terms of business of such bank or mandatory law) and/or (y) securing reimbursement obligations with respect to letters of credit or (z) in respect of obligations resulting from transactions entered into to hedge risks or reduce costs with respect to interest rates, currency or commodity exposure (but not for speculative purposes); (ii) Security existing on the assets of a person prior to acquisition of the shares or participation in that relevant person or Security existing on any acquired asset at the time of such acquisition; (iii) Security granted in connection with (x) factoring arrangements (with or without recourse) or (y) transactions qualifying as financial leases or (z) under any sale and lease- back arrangements or in connection with transactions (A) profiting from "new market tax credits" provided by Section 45D of the US Internal Revenue Code or (B) entered into with local development authorities for the purpose of providing abatement of local taxes; and (iv) any Security over assets which do not at any time exceed 10% of the book value of the consolidated assets of the Guarantor.

- (2) The Borrower and the Guarantor shall ensure that for the term of this Loan Agreement, their respective payment obligations under this Loan Agreement or the Guarantee will rank *pari passu* with all their other present and future, unsecured and unsubordinated payment obligations. This shall not apply to payment obligations whose prior servicing results from mandatory, generally applicable laws or regulations or governmental requirements or in the connection with national or local tax laws or regulations.
- (3) The Borrower shall ensure that it is at all times in compliance with the Swiss Non-Bank Rules, provided that the Borrower shall not be in breach of this undertaking if its number of creditors in respect of either the Swiss Ten Non-Bank-Rule or the Swiss Twenty Non-Bank Rule is exceeded solely by reason of a failure by one or more Lenders to comply with their obligations under § 10. For the purpose of its compliance with the Swiss Twenty Non-Bank Rule under this § 7(3), the number of Lenders under this Agreement which are not Qualifying Banks shall be deemed to be eight (irrespective of whether or not there are, at any time, any such Lenders).

## **§ 8 Events of Default**

- (1) The Lender shall be entitled to terminate the Loan Agreement immediately and to demand immediate redemption of the Loan and all related claims in particular if
  - (a) the Borrower fails to pay interest or principal on the relevant due date unless such non-payment results from technical or other administrative reasons beyond the control of the Borrower and is not remedied within five (5) Banking Days; or
  - (b) the Borrower or Guarantor fails to perform any other material obligation under this Loan Agreement and such failure is not remedied within thirty (30) calendar days after notice thereof has been given by the Lender to the Borrower or Guarantor (as applicable); or
  - (c) (i) any Financial Indebtedness of the Borrower, the Guarantor or of any of its Principal Subsidiaries, which exceeds an amount of USD 50 Mio., is not paid when due or after the expiry of any relevant grace period as set forth under the terms of the instrument governing that Financial Indebtedness, or

- (ii) any Financial Indebtedness of the Borrower, the Guarantor or of any of its Principal Subsidiaries, which exceeds an amount of USD 50 Mio., is declared or may be declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (d) the Borrower, the Guarantor or any of its Principal Subsidiaries is unable to pay its debts as they fall due or is over-indebted or admits its inability to pay its debts as they fall due or its over-indebtedness, suspends making payments on its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes an assignment for the benefit of or a composition with its creditors; or
- (e) a competent court opens insolvency proceedings against the Borrower's, Guarantor's or a Principal Subsidiary's assets (or does not commence such proceedings due to the absence of cost-covering assets), such proceedings are instituted but not discharged or stayed within sixty (60) days, or the Borrower, the Guarantor or the Principal Subsidiary applies for or institutes such proceedings; or
- (f) the Borrower or the Guarantor enters formal liquidation proceedings provided that such liquidation does not occur as part of any transaction permitted under § 8(1)(i); or
- (g) any secured party takes possession of all or material parts of the assets or the operations of the Borrower, the Guarantor or of any Principal Subsidiary, or an administrative receiver for those assets or operations is appointed or other enforcement measures have been approved/granted in this regard; or
- (h) the Borrower, the Guarantor or any Principal Subsidiary ceases its business operations in whole or in material parts thereof, provided that this does not occur as part of any transaction permitted under § 8(1)(i); or
- (i) the Borrower or the Guarantor is merged into another entity or all or substantially all of its assets are conveyed or transferred to another entity, unless (i) the entity is a corporation domiciled in the Federal Republic of Germany, Switzerland or the Federal States of Delaware or Georgia (both in the United States of America) which assumes all obligations of the Borrower under this Loan Agreement either by an agreement or by operation of law, and (ii) the economic and financial situation of such entity is not less sound than that of the Borrower or the Guarantor (as applicable) at the time of the occurrence of such event; or
- (j) the Borrower or the Guarantor transfers or conveys individual items of its fixed assets to another person or entity which is not a member of the Group. This does not apply to any transfers or conveyances:
- (aa) of assets made at arm's length in the ordinary course of business;
  - (bb) of receivables under factoring arrangements (with or without recourse ) in the ordinary course of business;
  - (cc) made with the prior written consent of the Lender;
  - (dd) of obsolete, worn-out or surplus assets in the ordinary course of business;
  - (ee) constituting Security permitted under § 7 para. 1 (Negative Pledge);
  - (ff) of fixed assets under any sale and lease- back arrangements or in connection with transactions (A) profiting from "new market tax credits" provided by Section 45D of the

US Internal Revenue Code or (B) entered into with local development authorities for the purpose of providing abatement of local taxes;

(gg) where the proceeds of such transfers or conveyances (less customary transaction costs) are reinvested for the corporate purpose or used for repayment of Financial Indebtedness or remains within the Group as liquid funds; or

(hh) of assets book value of which (or, in the case of a disposal of shares in a Group member, the value of the shares to be sold as a percentage of the consolidated group assets as shown in the Guarantor's most recent consolidated financial accounts), when aggregated with the book value of all other assets disposed of (other than any of those permitted under paragraphs (aa) to (gg)) does not exceed 10 per cent of the book value of the Guarantor's consolidated net assets in each of the Borrower's financial years.

(k) the Guarantee is not or ceases to be in full force and effect.

(2) The Borrower or the Guarantor shall promptly notify the Paying Agent in writing who in turn will promptly inform the Lender on all matters which could lead to any event of default as set out in § 8 para. 1. Notices of termination have to be provided in writing to the Borrower with a copy to the Paying Agent and the Guarantor. If the Loan is terminated prematurely in whole or in part for any reason set out in § 8 para. 1, the Borrower shall be obliged to compensate the Lender for any loss which the Lender suffers due to the early repayment of the Loan (early repayment penalty).

## § 9 Guarantee

(1) The Guarantor hereby irrevocably and unconditionally guarantees in favour of the Lender subject to German law to pay to the Lender all present and future claims (whether contingent or subject to a time limit) of the Lender under this Loan Agreement against the Borrower. The payment shall be due pay within five (5) Business Days of a written demand by the Lender and assertion that the Borrower has failed to pay an amount payable under the Loan when due. § 4 shall apply on the payments under the Guarantee. For the avoidance of doubt, this Guarantee does not constitute a guarantee upon first demand (*Garantie auf erstes Anfordern*) and, in particular, receipt of such written demand shall not preclude any rights and/or defenses the Guarantor may have with respect to any payment requested by the Lender under this guarantee and indemnity.

(2) This Guarantee is an independent payment obligation of the Guarantor which shall remain binding irrespective of the legal validity and enforceability of the Loan Agreement and notwithstanding any defenses or remedies (*Einwendungen und Einreden*) that the Borrower or any third party may raise.

(3) The Guarantee shall terminate once all amounts due under the Loan Agreement have been unconditionally and finally paid.

Notwithstanding the termination, the Guarantee shall be reinstated and continue in full force and effect if the Lender has to repay any amounts received as a payment under the Loan Agreement or the Guarantee due to insolvency proceedings before court or any similar proceedings regarding the Borrower.

(4) Until all amounts which are or may become payable by the Guarantor under this Loan Agreement have been irrevocably paid in full, (i) any claims of the Guarantor against the Borrower resulting from any payment made by the Guarantor to the Lender hereunder shall be subordinated to any outstanding claims of the Lender against the Borrower under this Loan Agreement, and (ii) the Guarantor undertakes not to claim any payments from the Borrower arising out of or based upon any right of subrogation.



(5) The Guarantor hereby waives its rights to terminate the Guarantee by depositing the guarantee amount with the competent local court (*Amtsgericht*) by way of security.

## § 10 Transfer

(1) The Lender may transfer its contractual position hereunder (including those under the Guarantee) in full or in partial amounts of at least EUR 500,000 and in whole multiples of EUR 500,000 above that - to a Third Party by way of assumption of contract.

(a) In case of the first transfer of the contractual position by the First Lender the following shall apply:

(i) A transfer to a Lender which is not a Qualifying Bank is subject to the consent of the Borrower. The consent of the Borrower to such transfer must not be unreasonably withheld or delayed. It is not unreasonable for the Borrower to withhold its consent if, following such transfer, the number of Lenders that are not Qualifying Banks would exceed eight.

Each Lender will confirm to the Borrower before the date on which it intends to become a party to this Loan Agreement in its capacity as such whether it is a Qualifying Bank, and if it is not a Qualifying Bank, that it only counts as one (1) non-bank lender for purposes of determining the number of non-bank lenders. If a Lender fails to indicate its status in accordance with this provision then such Lender shall be treated for the purposes of this Loan Agreement as if it is not a Qualifying Bank.

(ii) The transfer will be effected by a confirmation of transaction (*Geschäftsbestätigung*) to be issued by the First Lender and countersigned by the joining Lender. The Paying Agent shall inform the Borrower with respect to each transfer without undue delay.

(b) For all following transfers of the contractual position the following shall apply:

(i) The transfer of the contractual position to a Lender which does not meet the definition of a Qualifying Bank is only permitted with the prior written consent of the Borrower. The consent of the Borrower to such transfer must not be unreasonably withheld or delayed; in particular it is not unreasonable for the Borrower to withhold its consent if, following such transfer, the number of Lenders that are not Qualifying Banks would exceed eight. Each Lender will confirm to the Borrower before the date on which it intends to become a party to this Loan Agreement in its capacity as such whether it is a Qualifying Bank, and if it is not a Qualifying Bank, that it only counts as one (1) non-bank lender for purposes of determining the number of non-bank lenders. If a Lender fails to indicate its status in accordance with this provision then such Lender shall not be treated as a Qualifying Bank for the purposes of this Loan Agreement.

(ii) Such transfer shall become effective as of the transfer date set forth in the Transfer Certificate (Annex 3), provided that the Paying Agent has received a duly completed and duly executed Transfer Certificate substantially in the form set out in the example in Annex 3. The Paying Agent shall inform the Borrower with respect to each transfer without undue delay by submitting a copy of the relevant Transfer Certificate.

(iii) In the event that the Paying Agent receives a Transfer Certificate less than five (5) Banking Days before an Interest Payment Date, any payment made by the Borrower or the Guarantor to the resigning Lender shall release the Borrower from its payment obligations to the joining Lender in the amount of such payment.

- (2) Each Lender which confirmed that it was a Qualifying Bank undertakes to notify the Borrower and the Paying Agent promptly upon becoming aware of it ceasing to be a Qualifying Bank.
- (3) The result of a transfer is that all of the resigning Lender's rights and obligations under this Loan Agreement and the Guarantee are passed over to the joining Lender to the extent that they are transferred. The effect of a transfer is that the existing Loan Agreement and the Guarantee remain unchanged in force between the new contract parties to the extent that rights and obligations are transferred.
- (4) By signing this Loan Agreement, the Borrower grants its prior consent to any such transfer made in compliance with § 10 (1).
- (5) The Lender shall be authorized to transfer all its claims under this Loan (incl. those under the Guarantee) to the Deutsche Bundesbank, Banque Centrale du Luxembourg or any other central bank of the ECB system or to the Swiss National Bank or any eurozone development bank ("*Förderbank*") as security for refinancing purposes. For the validity of such transfer expressly no formal requirements and obligations to inform the Borrower shall be required. Likewise, in case of such transfers being made by any central bank of the ECB system or eurozone development bank expressly no formal requirements and obligations to inform the Borrower shall be required. In case of the liquidation of any rights arising out of this Loan Agreement by any central bank of the ECB system, the restrictions under § 10(1) shall not apply.
- (6) For the purposes of this § 10, the Borrower and the Guarantor hereby give their consent to the forwarding of all information contained in this Loan Agreement to joining Lenders or potentially joining Lenders (including any relevant data such as joining Lender or potentially joining Lender may require for purposes of section 18 of the German Banking Act (KWG) or in order to meet any other "know your customer" requirements (the "**KYC Data**")), the respective central bank or development bank for such transfer and, if applicable, to third parties acquiring the participation from beneficiaries to whom a transfer in accordance with § 10 (5) has been made in case of an enforcement of such a security. Such consent shall also extend to measures of publication (e.g. recording the security in a register that authorised third parties have access to) which are required by law for the constitution or consistency of such a security and they exempt the Lender from the banking confidentiality in this respect.
- (7) No Lender shall enter into a sub-participation arrangement with another person or assign any rights or claims under this Loan Agreement without transferring the relevant contractual position at the same time and to the same transferee. The transfer of the contractual position to a Lender (i) which does not meet the definition of a Third Party or (ii) is a private individual is not permitted.

#### **§ 11 Nature of a Lender's Rights and Obligations**

- (1) The obligations of a Lender under this Loan Agreement are not joint and several (keine gesamtschuldnerische Haftung). No Lender is liable for the obligations of any other Lender under the Loan Agreement.
- (2) The rights of a Lender under this Loan Agreement (and under the Guarantee) are not joint and several (keine Gesamtgläubiger). The amounts owed at any time under the Loan Agreement from the Borrower to any Lender shall constitute a separate and independent debt and each Lender shall be entitled to protect and enforce its rights arising out of this Loan Agreement and out of the Guarantee independently from another Lender.

#### **§ 12 Information**

- (1) For the purposes of complying with the requirements under section 18 of the German Banking Act (KWG), the Borrower and the Guarantor shall submit in a timely manner to the Lender any

documents and information required to comply with the Lender's statutory obligations. During the term of the Loan, the Borrower and the Guarantor shall in particular supply the following documents to the Paying Agent for submission to the Lenders:

(a) the audited separate and consolidated (for the Guarantor) financial statements of the Borrower and the Guarantor as soon as they are publicly available but in any event no later than two hundred and seventy (270) days after the end of the respective financial year for the Borrower and no later than ninety (90) days after the end of the respective financial year for the Guarantor, for the latter subject to any extension period obtained by the Guarantor from the Securities and Exchange Commission for the filing of an equivalent periodic report under Rule 12b-25 of the General Rules and Regulations under the Securities Exchange Act of 1934, and

(b) any other information a Lender may reasonably request in order to comply with legal requirements.

(2) The obligation to disclose documents pursuant to § 12 para. 1 shall cease to apply if the documents necessary to comply with section 18 of the German Banking Act (KWG) or any other legal requirements are freely accessible on the Borrower's or Guarantor's website (in a form that can be saved or printed).

(3) The Borrower and the Guarantor hereby authorize the Lender to pass on or to disclose for review any such documents, data and information as the Lender may consider necessary, useful or appropriate to any potential Third Party (or to a member of the European system of central banks or to the Swiss National Bank for the purposes set out in § 10(4) or to such persons, who are involved in the settlement of the transfer for technical or legal reasons (such as legal advisors, rating agencies, auditors) or to governmental courts and authorities (especially supervisory authorities) that require disclosure by mandatory law, and therefore release the Lender from banking confidentiality.

(4) Apart from that, the Parties, the Guarantor and the Paying Agent agree to treat information and documents received in connection with this Loan as confidential. Legal or regulatory disclosure requirements that the Lender or Paying Agent are subject to remain unaffected.

### § 13 Notices

Any notices, queries or other communication under this Loan Agreement shall be made in writing (including by fax or pdf file) and shall be addressed as follows:

(1) If intended for the **Borrower**, to the following address:

Victor von Bruns-Strasse 17  
CH 8212 Neuhausen am Rheinfall  
Switzerland  
Phone: +41 52 725 22 00  
Facsimile: +41 52 725 2272  
e-Mail: roger.batkin@agcocorp.com  
Attention: Roger Batkin

(2) If intended for the **Guarantor**, to the following address:

4205 River Green Parkway  
Duluth, Georgia 30096-2568  
Telefon: +1 770 813 9200  
Telefax: +1 (770) 813-6158  
e-Mail: roger.batkin@agcocorp.com  
z. Hd.: Roger Batkin

(3) If intended for the **Lender** or for the **Paying Agent**, to the following address:

Bayerische Landesbank  
Brienner Strasse 18  
80333 Munich  
Federal Republic of Germany (FRG)  
Phone: +49 (0)89 - 2171 - 23714  
Facsimile: +49 (0)89 - 2171 - 23083  
e-mail: 4245.ssd-np@bayernlb.de  
Attention: 4245 Issues Administration &  
Credit Derivatives Service Team

In the event of a transfer pursuant to § 10, any notices to a joining Lender shall be addressed to the Paying Agent.

#### **§ 14 Miscellaneous**

- (1) For the term of this Loan Agreement and/or the Guarantee, the Borrower and the Guarantor each appoint AGCO GmbH, Johann-Georg-Fendt-Strasse, 4, 87616 Marktobendorf, Germany, as the agent for the service of process in Germany.
- (2) The Borrower undertakes to provide the Lender with all information and data the Lender deems necessary to fulfill the obligations of the German Anti-Money-Laundering Act (Geldwäschegesetz).
- (3) The Borrower and the Guarantor may only offset claims, exercise any liens or any retention rights that are uncontested or have been legally established with final and binding effect against claims of the Lender. The Borrower and the Guarantor hereby waive the exercise of any right of set-off, liens or any retention right if and to the extent that the Loan belongs to the reserved assets of the Lender within the meaning of section 125 German Insurance Supervisory Act (VAG) in conjunction with, if applicable, section 1 et seq. of the Ordinance on the Investment of Restricted Assets of Insurance Undertakings (Anlageverordnung) or to covering funds which must be set up pursuant to the laws of the Federal Republic of Germany (or comparable provisions of foreign law), including in cases of insolvency proceedings.
- (4) Any amendments of this Loan Agreement must be made in writing in order to become effective. This shall also apply to any waiver of this section. Insofar as the amendments refer to rights and obligations of the Paying Agent amendments must only be made with the written consent of the Paying Agent.
- (5) The Borrower and the Guarantor consent to the KYC Data being recorded, processed and, for the purposes of this Loan, disclosed to any joining or potentially joining Lenders in accordance with § 10 para 1.
- (6) Should any provision of this Loan Agreement be or become entirely or partially invalid or unenforceable, the validity or enforceability of the remaining provisions shall not be affected thereby. Any omission resulting therefrom shall be remedied by supplemental provision which takes due account of the interests of the Parties and the Paying Agent.
- (7) This Loan Agreement is executed in three (3) originals, one of which will be retained by the Borrower one by the Guarantor and one by the Lender.
- (8) This Loan Agreement and the Guarantee are subject to the laws of the Federal Republic of Germany. Non-exclusive place of jurisdiction for all disputes arising out of or in connection with this Loan Agreement shall be Munich.

(9) This Loan Agreement is drafted in the German language and provided with a non-binding English translation. Only the German text is valid and binding. The English translation is non-binding in every respect and provided for convenience only.

**AGCO International GmbH, Schweiz**

als Darlehensnehmerin

as Borrower

Neuhausen am Rheinfall, Schweiz, den 12. Oktober 2016

Neuhausen am Rheinfall, Switzerland, 12 October 2016

Unterschrift(en): /s/ ROGER N BATKIN

Signature(s):

Name(n): ROGER N BATKIN

Name(s):

**AGCO Corporation**

als Garantin

as Guarantor

Duluth, Georgia, Vereinigte Staaten von Amerika, den 12. Oktober 2016

Duluth, Georgia, United States of America, 12 October 2016

Unterschrift(en): /S/ DAVID WILLIAMS

Signature(s):

Name(n): DAVID WILLIAMS

Name(s):

**Bayerische Landesbank**  
als Darlehensgeberin und Zahlstelle  
as Lender and Paying Agent  
München, den 12. Oktober 2016  
Munich, 12 October 2016

Unterschrift(en): /s/ LINK GMEINWIESER  
Signature(s):

Name(n): LINK GMEINWIESER  
Name(s):

## Annex 1

### **Conditions Precedent**

- (1) Submission of the Loan Agreement duly signed by the Borrower and the Guarantor and the Paying Agency Agreement to the First Lender.
- (2) A legal opinion as to Swiss law from the Borrower's legal adviser regarding the Borrower's capacity and due authorisation to enter into the Loan Agreement, the due execution of the Loan Agreement of/by the Borrower and the validity of the choice of German law as well as the recognition of place of jurisdiction chosen pursuant to this Loan Agreement and the enforceability of a German court ruling under Swiss law in the English language satisfactory to Bayerische Landesbank.
- (3) A legal opinion as to US law from the Guarantor's legal adviser regarding the Guarantor's capacity and due authorisation to enter into the Loan Agreement, the due execution of the Loan Agreement of/by the Guarantor and the validity of the choice of German law as well as the submission to jurisdiction chosen pursuant to this Loan Agreement and the enforceability of a German court ruling under US federal law and the law of the US federal state of Georgia in the English language satisfactory to Bayerische Landesbank.
- (4) Delivery of identification documents for each authorized representative. *Note: Copies of identification documents can only be furnished to external parties with the approval of the owner of the identification document.*
- (5) A copy of the Borrower's and the Guarantor's memorandum and articles of association or certificate of incorporation as customarily delivered for transactions of this kind.
- (6) A confirmed list of members of the Borrower's and the Guarantor's management who are authorised representatives with signature specimens of persons able to represent the Borrower and the Guarantor in connection with this Loan Agreement and authorised to sign ("**Authorised Signatories**"), as well as current copies of the Authorised Signatories' ID cards or passports.
- (7) A confirmation by the Borrower and the Guarantor, that any approvals required under their statutes or articles of association to utilise this Loan or to provide the Guarantee have been obtained from the appropriate body.
- (8) A current excerpt or certificate of good standing (as applicable) of the Borrower's and Guarantor's listing in the commercial register or equivalent proof of existence as customarily delivered for transactions of this kind.
- (9) Copy of the Borrower's and Guarantor's audited separate and consolidated (for the Guarantor) annual financial statements for the two most recently completed financial years (as available) including (if such details are legally required or customarily delivered to the creditors or made available publicly) balance sheet, profit and loss account (statement of income), management report, notes and auditor's report (if prepared and available) plus any additional documents required pursuant to section 18 German Banking Act (KWG).
- (10) Confirmation that the process agents referred to in § 14 (1) has accepted its appointment (on behalf of the Borrower and the Guarantor).
- (11) Overview of the Borrower's corporate structure, showing all ownership structures and ownership breakdown up to the natural persons at the top of the ownership structure (e.g. an organisation chart)



of the Borrower detailing the percentage and the nominal amount of each natural person's ownership stake in regard to assets, equity and/or voting rights).

(12) Confirmation of the Borrower and the Guarantor that no events of default as stated in § 8 para. 1 have occurred.

**Certificate of Indebtedness (*Schuldschein*)**

AGCO International GmbH, Switzerland

hereby acknowledges to have received a loan from

**Bayerische Landesbank, Munich**

on 19 October 2016

arranged by

**Bayerische Landesbank, Munich**

and

**Coöperatieve Rabobank U.A.**

in the amount of

EUR 55,000,000

(in words: fifty-five million Euros)

guaranteed by :

AGCO Coproration

due for repayment on 19 October 2019 in accordance with the terms and conditions of the Loan Agreement dated 12 October 2016.

Datum: ●

Date: ●

Unterschrift(en):

Signature(s): \_\_\_\_\_

Name(n):

Name(s) \_\_\_\_\_

### Transfer Certificate

From:

1. ●, hereinafter "**Existing Lender**" and
2. ●, hereinafter "**New Lender**"

To: Bayerische Landesbank, as Paying Agent for the Borrower defined in the Loan Agreement referred to below

Date: ●

This Transfer Certificate relates to a Loan granted under a loan agreement dated 12 October 2016 made by and between AGCO International GmbH as Borrower and **Bayerische Landesbank** as First Lender and Paying Agent under which the First Lender has, subject to the terms thereof, made available to the Borrower a Loan in the amount of EUR 55,000,000 guaranteed by AGCO Corporation. Terms defined in the Loan Agreement shall, unless otherwise defined herein, have the same meanings in this Transfer Certificate as in the Loan Agreement.

1. The Existing Lender:

(a) hereby transfers and assigns by way of assumption of contract (Vertragsübernahme) subject to :

[(i)] the receipt of a duly completed and executed copy of this Transfer Certificate by the Paying Agent, and

[(ii) the satisfaction of the following further conditions to be fulfilled :

[•]

[•]]

all of its contractual rights under the Loan Agreement and the Guarantee in the proportion of the aggregate principal amount shown in the Schedule to this Transfer Certificate together with all related rights and claims with economic effect from the Transfer Date (including) as specified in the Schedule to this Transfer Certificate (the "**Transfer Date**") to the New Lender. Future claims to interest shall only be transferred to the extent they fall on or after the Transfer Date.

(b) confirms that to the extent that details appear in the Schedule to this Transfer Certificate under the heading "Existing Lender's Participation in the Loan to be transferred" such details accurately summarize the amount of its participation in the Loan (the "**Participation**").

2. The Existing Lender and the New Lender hereby request the Paying Agent to accept the executed copy of this Transfer Certificate in accordance with the Loan Agreement as being for the purposes of section 10 (Transfer) of the Loan Agreement in order to effect the transfer in accordance with the terms of the Loan Agreement on the Transfer Date.

3. The New Lender confirms that it has previously confirmed to the Borrower that, and the New Lender herewith restates that it is: <sup>1</sup>  
( ) a Qualifying Bank;  
( ) not a Qualifying Bank, and that it only counts as one (1) non-bank lender for purposes of determining the number of non-bank lenders.

4. The New Lender:

- (a) hereby accepts the transfer and assignment as mentioned in clause 1 (a) above
- (b) confirms that it has received a copy of the Loan Agreement and all other documents and information which it has requested in connection with this transaction;

5. The Existing Lender does not assume any liability for:

- (a) the financial condition of the Borrower and the Guarantor, and
- (b) the performance of or the compliance with the obligations by the Borrower or the Guarantor under the Loan or the Guarantee (save as expressly agreed otherwise therein).

The Existing Lender assumes liability for the legal validity of the claims under the Loan in accordance with the statutory provisions (*Veritätshaftung*).

6. The New Lender acknowledges that the Existing Lender is under no obligation whatsoever (i) to accept in whole or in part a retransfer of the contractual position or individual rights or obligations under the Loan Agreement and the Guarantee from the New Lender or (ii) to bear any losses directly or indirectly incurred by the New Lender including losses resulting from the non-performance by the Borrower of its obligations under the Loan Agreement or by the Guarantor of its obligations under the Guarantee.

7. The New Lender confirms that in case the Paying Agent receives a Transfer Certificate less than five (5) Banking Days before an Interest Payment Date, any payment made by the Borrower or the Guarantor (through the Paying Agent) to the Existing Lender shall release the Borrower from its payment obligations towards the New Lender in the amount of such payment.

8. Should any provision of this Transfer Certificate be or become entirely or partially invalid or unenforceable, the validity or enforceability of the remaining provisions shall not be affected thereby. Any omission resulting therefrom shall be remedied by supplemental interpretation under due consideration to the interests of the Parties.

9. This Transfer Certificate shall be governed by German law. Non-exclusive place of jurisdiction for any disputes arising in connection with this agreement shall be [●].

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<sup>1</sup> Tick box as appropriate

Die Derzeitige Darlehensgeberin: ●

The Existing Lender: ●

Unterschrift(en):

Signature(s): \_\_\_\_\_

Name(n):

Name(s) \_\_\_\_\_

Die Neue Darlehensgeberin: ●

The New Lender: ●

Unterschrift(en):

Signature(s): \_\_\_\_\_

Name(n):

Name(s) \_\_\_\_\_

**Schedule to the Transfer Certificate**

Existing Lender: ●

New Lender: ●

Transfer Date: ●

**Existing Lender's Participation in the Loan to be transferred**

Amount of Participation in the Loan: EUR ●

Amount thereof to be transferred: EUR ●

**Details of New Lender:**

**Address for notices:**

●

Contact name: ●

Phone: ●

Facsimile: ●

Account number: ●

**Loan Agreement**  
(the "**Loan Agreement**")

for a loan in the amount of

EUR 73,500,000

with a fixed rate of interest of 1.334 per cent per annum

due on 19 October 2023

arranged by Bayerische Landesbank and Coöperatieve Rabobank U.A., jointly the "**Arrangers**"

with Bayerische Landesbank

as the "**Paying Agent**"

Bayerische Landesbank  
Brienner Strasse 18  
80333 Munich, Germany

- hereinafter the "**Lender**" or the "**First Lender**" -

grants to

AGCO International GmbH, Switzerland

- hereinafter the "**Borrower**" -

a loan (the "**Loan**") in the aggregate principal amount of  
EUR 73,500,000

(in words: seventy-three million five hundred thousand Euros)

guaranteed by  
AGCO Corporation, USA

hereinafter the "**Guarantor**"

- The Borrower, the Guarantor and the Lender hereinafter jointly the "**Parties**" –

#### **§ 1 Disbursement, Certificate of Indebtedness, Definitions**

- (1) The Loan shall be disbursed on 19 October 2016 (the "**Disbursement Date**") in accordance with the instructions of the Borrower provided the conditions precedent in Annex 1 are fulfilled at least two (2) Banking Days prior to the Disbursement Date.
- (2) The Loan shall be placed by the Arrangers, whereby Coöperatieve Rabobank U.A. will cooperate with Raiffeisen Bank International AG as regards *inter alia* the placement, on a so-called "best efforts" basis. Thus, the disbursement of the Loan is further subject to the condition precedent that the amount of the Loan is made available by the joining Lenders to the First Lender in accordance with § 10 (1) in same day and immediately available funds, freely transferable for disbursement to the Borrower. The Borrower acknowledges and agrees that it is only entitled to demand disbursement under the Loan from the First Lender to the extent funds are made available by the joining Lenders to the First Lender pursuant to § 10 (1).
- (3) The purpose of this Loan shall be the refinancing of the Cimbria acquisition and general corporate purposes.
- (4) The Borrower shall immediately, in no event later than on the Banking Day following the Disbursement Date of the Loan, make available to the Paying Agent a duly executed certificate of indebtedness (*Schuldschein*) in the form as attached hereto in Annex 2.
- (5) Unless otherwise provided for herein, the definitions of terms in this Loan Agreement apply to every reference made herein to such defined terms.

**"Banking Day"** means any day other than a Saturday or Sunday on which (i) TARGET2 is operating and (ii) banks in Munich and Frankfurt are generally open for business.



"**Lender**" includes all Lenders to whom the contractual position is transferred under the terms of § 10 of this Loan Agreement, as well as all legal successors.

"**Cimbria**" means A/S Cimbria, Faartoftvej 22,  
P.O. Box 40, 7700 Thisted  
Demark, a Danish-headquartered manufacturer of equipment and processing lines for seed and grain.

"**Third Party**" for the purposes of § 10 (1) means:

- (a) any **Credit Institution**,
- (b) any **Development Bank**,
- (c) any **Investment Company**,
- (d) any **Insurance Company**,
- (e) any **Pension Insurance Carrier**,
- (f) any **Pension Fund**.

"**FATCA**" means Sections 1471 through 1474 of the US Internal Revenue Code and any regulations thereunder or official governmental interpretations thereof, and any agreements entered into pursuant to Section 1471(b)(1) of the US Internal Revenue Code and any intergovernmental agreement between the United States and another jurisdiction implementing the foregoing (or any law, regulations or other official administrative interpretation implementing such intergovernmental agreement).

"**FATCA Deduction**" means a deduction or withholding from a payment required by FATCA.

"**Financial Indebtedness**" shall mean

- (a) all on and off balance sheet interest-bearing payment obligations and
- (b) obligations to repay borrowed monies as securitized, represented or documented by
  - (i) a certificate of indebtedness (*Schuld-schein*) or a bilateral or syndicated loan; or
  - (ii) bonds, notes, loan stock or other securities which are, or are eligible to be quoted, listed, dealt in or traded on a stock exchange or other recognized securities market.

in each case owed to a person or entity which is not a member of the Group.

"**Development Bank**" shall mean public sector development institutions (*Förderinstitute*) (such as LfA, KfW or similar institutions).

"**Guarantee**" means the guarantee issued by the Guarantor pursuant to § 9 (*Guarantee*) hereof.

"**Investment Company**" shall mean an investment management company within the meaning of section 2 para. 1 no. 3b of the German Banking Act (KWG) or an EU-management company within the meaning of section 2 para. 1 no. 3c of the German Banking Act (KWG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

"**Change of Control**" means the occurrence of any of the following: (a) any person or two or more persons (including any "group" as that term is used in Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934) acting in concert shall have acquired beneficial ownership (within the meaning of

Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934), directly or indirectly, of voting equity interests in the Guarantor (or other securities convertible into such voting equity interests) representing thirty-five percent (35%) or more of the combined voting power of all voting equity interests in the Guarantor; or (b) a majority of the members of the board of directors of the Guarantor shall cease to be composed of individuals (i) who were members of that board on the date of this Loan Agreement or (ii) whose election to that board, or whose nomination for election by the Guarantor's stockholders, was approved by a vote of at least two-thirds of the members of the board of directors of the Guarantor who were either directors on the date of this Loan Agreement or whose election or nomination for election was previously so approved; or (c) the Guarantor shall fail to own, directly or indirectly, one hundred percent (100%) of the equity interests of the Borrower.

**"Group"** means the Guarantor and any of its Subsidiaries.

**"Credit Institution"** shall mean a company within the meaning of section 1 para. 1 German Banking Act (KWG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

**"Pension Fund"** shall mean a pension fund within the meaning of section 236 of the Supervision of German Insurance Companies Act (VAG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

**"Permitted Non-Qualifying Bank Lender"** means a Lender which is not a Qualifying Bank but has been accepted by the Borrower as a Lender.

**"TARGET2"** means the Trans-European Automated Realtime Gross Settlement Express Transfer System 2 which utilises a single shared platform and which was launched on 19 November 2007.

**"Subsidiary"** of any person means a corporation, partnership, joint venture, limited liability company or other entity (i) of which a majority of the equity interests having ordinary voting power for the election of the board of directors or other governing body (other than equity interests having such power only by reason of the happening of a contingency) are at the time beneficially owned or (ii) the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Guarantor.

**"Swiss Guidelines"** means, together, the guideline "Interbank Loans" of 22 September 1986 (S-02.123) (*Merkblatt "Verrechnungssteuer auf Zinsen von Bankguthaben, deren Gläubiger Banken sind (Interbankguthaben)" vom 22. September 1986*); the guideline "Syndicated Loans" of January 2000 (S-02.128) (*Merkblatt "Steuerliche Behandlung von Konsortialdarlehen, Schuldscheindarlehen, Wechseln und Unterbeteiligungen" vom Januar 2000*); the circular letter no. 34 "Client Credit Balances" of 26 July 2011 (1-034-V-2011) (*Kreisschreiben Nr. 34 Kundenguthaben vom 26. Juli 2011*); and the circular letter no. 15 of 7 February 2007 "Bonds and derivative financial instruments as subject matter of taxation of Swiss federal income tax, Swiss withholding tax and Swiss stamp taxes" (1-015-DVS-2007) (*Kreisschreiben Nr. 15 Obligationen und derivative Finanzinstrumente als Gegenstand der direkten Bundessteuer, der Verrechnungssteuer und der Stempelabgaben vom 7. Februar 2007*) and circular letter No. 34 of 26 July 2011 in relation to deposits (*Kreisschreiben Nr. 34 "Kundenguthaben" vom 26. Juli 2011*); each as issued, and as amended from time to time, by the Swiss federal tax administration or as substituted or superseded and overruled by any law, statute, ordinance, court decision, regulation or the like as in force from time to time (including the ordinance of the Swiss Federal Council of 18 June 2010, amending Swiss Withholding tax and Swiss Stamp Tax regulations entered into force as of August 1, 2010).

**"Swiss Non-Bank Rules"** means, together, the Swiss Ten Non-Bank Rule and the Swiss Twenty Non-Bank Rule.

"**Swiss Ten Non-Bank Rule**" means the rule that the aggregate number of Lenders which are not Qualifying Banks must not at any time exceed 10 (ten), all in accordance with the meaning of the Swiss Guidelines.

"**Swiss Twenty Non-Bank Rule**" means the rule that the aggregate number of creditors (other than Qualifying Banks) of the Borrower under all outstanding borrowings (including under this Loan Agreement), such as loans, facilities and private placements, made or deemed to be made by the Borrower must not at any time exceed 20 (twenty), all in accordance with the meaning of the Swiss Guidelines.

"**Swiss Withholding Tax**" means taxes imposed under the Swiss Withholding Tax Act.

"**Swiss Withholding Tax Act**" means the Swiss Federal Act on the Withholding Tax of 13 October 1965 (*Bundesgesetz über die Verrechnungssteuer*), together with the related ordinances, regulations and guidelines, all as amended and applicable from time to time.

"**Qualifying Bank**" means any entity, which effectively conducts banking activities as principal purpose with its own infrastructure and staff and which is recognized as a bank by the banking laws in force in the jurisdiction of its incorporation, or if such entity is acting through a branch in a jurisdiction other than the jurisdiction of its incorporation, in the jurisdiction where such branch is located or registered all in accordance with the Swiss Guidelines.

"**Pension Insurance Carrier**" (*Versorgungswerk*) means any professional public organisation for pension schemes for members of the respective profession established and regulated under the respective German state Laws (or comparable provisions of foreign law).

"**Insurance Company**" shall mean an insurance company within the meaning of section 2 para. 1 no. 4 of the German Banking Act (KWG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

"**Principal Subsidiary**" means any Subsidiary of the Borrower or the Guarantor.

- (i) whose income from continuing operations, in the aggregate, before income taxes, extraordinary items and cumulative effect of a change in accounting principles (excluding intra-Group transactions) is at least 10 per cent of the net operating income of the Group or whose total assets (excluding balance sheet items based on intra-Group transactions) amount to at least 10 per cent of the total assets of the Group, in each case calculated by reference to the latest audited accounts of the Group, or
- (ii) to which all or substantially all the assets and liabilities of another Principal Subsidiary are transferred.

## § 2 Interest

- (1) The Loan shall bear interest on its aggregate principal amount at the rate of 1.334 per cent per annum from (and including) the Disbursement Date to (but excluding) the Repayment Date as specified in § 3 (1).
- (2) Interest shall be payable in arrears on 19 October in each year (each an "**Interest Payment Date**"). The first interest payment shall be made on 19 October 2017.
- (3) If any such Interest Payment Date is not a Banking Day, payment shall be due on the immediately following Banking Day. The Lender shall not be entitled to claim any further interest or any other payments as a result of such deferral. Interest shall be calculated on an act/act basis (ICMA).

- (4) If interest payable by the Borrower is subject to Swiss Withholding Tax and should § 5(1) be unenforceable for any reason, the applicable interest rate in relation to that interest payment shall be (i) the interest rate which would have applied to that interest payment (as provided for in this § 2 in the absence of this sub-paragraph) divided by (ii) 1 minus the rate at which the relevant tax deduction is required to be made (where the rate at which the relevant tax deduction is required to be made is for this purpose expressed as a fraction of 1 rather than as a percentage).
- (5) To the extent that interest payable by the Borrower under this Loan Agreement becomes subject to Swiss Withholding Tax, each relevant Lender and the Borrower shall promptly cooperate by completing any procedural formalities (including submitting forms and documents required by the appropriate tax authority) to the extent possible and necessary for a Lender to obtain a full or partial refund of Swiss Withholding Tax under applicable double taxation treaties. The Borrower shall provide the Lenders with such documents and information required for applying for a refund of such Swiss Withholding Tax. In the event Swiss Withholding Tax is refunded to a Lender by the Swiss Federal Tax Administration, the relevant Lender shall forward, after deduction of costs, such amount to the Borrower, unless an event of default as specified under § 8 of this Loan Agreement is continuing.
- (6) A payment shall not be increased pursuant to this § 2 if and to the extent that on the date on which the payment falls due (i) the payment could have been made to the relevant Lender (which is not a Permitted Non-Qualifying Bank Lender) without a tax deduction in respect of Swiss Withholding Tax if the Lender had been a Qualifying Bank, but on that date that Lender is not or has ceased to be a Qualifying Bank other than as a result of any change after the date it became a Lender under this Loan Agreement in (or in the interpretation, administration, or application of) any law or treaty, or any published practice or published concession of any relevant taxing authority; or (ii) the Borrower is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under § 10.

### § 3 Repayment, early Redemption

- (1) The Loan shall be repaid at its aggregate principal amount in full on 19 October 2023, provided, however, that if such day is not a Banking Day, payment shall be due on the following Banking Day (the "**Repayment Date**"). The Lender shall not be entitled to claim any further interest or any other payments as a result of such deferral.
- (2) In the event a Change of Control has occurred, the Borrower shall inform the Lenders through the Paying Agent whether it requests to enter into negotiations with the Lenders. Each Lender shall, upon such request, enter into good faith negotiations with the Borrower with a view to continuing the Loan for a negotiation period of up to thirty (30) days after receipt of that request (or such longer period as may be agreed by the Borrower and each respective Lender) (such period, in each case, the "**Consultation Period**"). Each Lender shall, after the expiry of the relevant Consultation Period, be entitled to terminate the Loan in writing to the Borrower (copy to the Paying Agent) at its partial amount of the aggregate principal amount thereof with interest accrued to the date fixed for prepayment on giving not less than thirty (30) days' prior notice. Such notice will be irrevocable and must specify the date fixed for prepayment.

### § 4 Payments, Paying Agent

- (1) The Borrower and – in case of the utilization of the Guarantee – the Guarantor irrevocably undertake to pay, as and when due, any sum of principal or interest owed under the Loan Agreement in Euros to the account of the Paying Agent by 12:00 (Munich time).

- (2) If any sum of principal is not paid to and available on the account of the Paying Agent by 12:00 (Munich time) when due, the Paying Agent shall not be obliged to forward the due amount to the Lender on the same day. The respective sum shall bear interest from (and including) the due date to (but excluding) the date of actual payment of the sum overdue at a rate of 1 per cent per annum above the rate of interest applicable to the Loan on the respective due date without prejudice to the right of the Lender to claim any further damages and without prejudice to the right of the Borrower to present evidence that the loss due to the late payment was less.
- (3) If an interest payment is not made to the account of the Paying Agent by 12:00 (Munich time) when due, the Paying Agent shall not be obliged to forward the due amount to the Lender on the same day. The Lender has the right to demand indemnification for the loss caused by the delay in payment.
- (4) Payments by the Borrower and the Guarantor shall be applied in the sequence provided for in section 367 para. 1 of the German Civil Code (BGB) to the amounts falling due. If, in the event of a full or partial transfer of the contractual position pursuant to § 10, the payments by the Borrower or the Guarantor are not sufficient to fully redeem any given amount due, the payments of the Borrower and the Guarantor shall be distributed among the Lenders on a pro rata basis in conformity with their relevant participations in the Loan.
- (5) By a separate agreement, the Borrower and the Guarantor have mandated Bayerische Landesbank to exercise the role of paying agent (Bayerische Landesbank shall hereinafter be referred to as "**Paying Agent**" with respect to the duties in connection with this role). The Paying Agent shall exercise this role in accordance with the paying agency agreement dated as of 12 October 2016. The Borrower together with the Guarantor may at any time mandate another Credit Institution in the Federal Republic of Germany to exercise the role of Paying Agent provided the Borrower informs the Paying Agent (with copy to the Lender) in writing two weeks in advance of the planned change. Any reference in this Loan Agreement to the "Paying Agent" shall include any further Credit Institutions that exercise the role of Paying Agent.
- (6) By order of the Borrower the Paying Agent acts as custodian for the Lenders (according to their respective partial amount of the Loan) with regard to the original certificate of Indebtedness (*Schuldschein*). The custodianship of the Paying Agent shall end once the Lender's respective partial amount of the Loan has been repaid (including interest). Above that the Paying Agent acts solely as agent of the Borrower and the Guarantor and does not have any obligations towards or relationship of agency or trust to any Lender.
- (7) Subject to the aforementioned provisions of this § 4, fulfilment in relation to the Lender shall only occur once it receives the relevant payments or these are credited to an account it has designated.

## § 5 Taxes

- (1) All payments of principal and interest under the Loan Agreement by the Borrower as well as those payable under the Guarantee by the Guarantor shall be made without deduction or withholding for, or on account of, any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the country where the Borrower or the Guarantor has its legal seat or any governmental authority there ("**Withholding Taxes**") unless such deduction or withholding is required by law. If the Borrower or the Guarantor is required by law to make such withholding or deduction, then the Borrower or the Guarantor shall pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received by the Lender after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable under the Loan Agreement in the absence of such deduction or withholding. The foregoing does not apply to the extent any such withholding or deduction is attributable to a FATCA Deduction required to be made by a party to this Loan Agreement.

- (2) A payment shall not be increased pursuant to this § 5 if and to the extent that on the date on which the payment falls due: (i) the payment could have been made to the relevant Lender (which is not a Permitted Non-Qualifying Bank Lender) without a Tax Deduction if the Lender had been a Qualifying Bank, but on that date that Lender is not or has ceased to be a Qualifying Bank other than as a result of any change after the date it became a Lender under this Loan Agreement in (or in the interpretation, administration, or application of) any law or treaty, or any published practice or published concession of any relevant taxing authority; or (ii) the Borrower is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under § 10.
- (3) If (i) as a consequence of any amendments of the legal regulations valid in the country where the Borrower or the Guarantor has its legal seat that take effect on the date of this Loan Agreement or thereafter, Withholding Taxes regarding payments of principal or interest under the Loan need to be made (and cannot be avoided despite the Borrower and the Lender having made every reasonable effort to prevent such a situation) and (ii) the Borrower or the Guarantor is obliged to pay Additional Amounts pursuant to § 5 para. 1 of this Loan Agreement, the Borrower shall be entitled to repay the Loan on giving not less than (30) days' prior notice, either at the aggregate principal amount thereof or at the partial amount of the aggregate principal amount of such Lender, in each case with interest accrued to the date fixed for prepayment.  
Any such notice of prepayment shall not be effected earlier than ninety (90) days prior to the date on which the Borrower or the Guarantor first becomes obliged to make Additional Payments pursuant to § 5 para 1.  
Any such notice of prepayment in accordance with this § 5 para. 2 shall be given in writing and shall be addressed to the Lender (via the Paying Agent). Such notice will be irrevocable and must specify the date fixed for prepayment. The Paying Agent shall immediately inform the Lenders about such notice of prepayment. The Borrower shall indemnify the Lender for any loss incurred by the latter as a result of the premature repayment (early repayment penalty).

*For the avoidance of doubt: any prepayments on the income or corporate income tax made by the Lender such as the German flat rate interest tax (Abgeltungssteuer and Zinsertragssteuer) do not constitute withholding taxes within the meaning of the provision above.*

## **§ 6 Increased Costs**

If - after the date hereof - by reason of introduction or change of the interpretation or application by the respective competent authority with respect to any law or regulation or compliance with any law or regulation (except for such laws and regulations which have been in force as of the date of this Loan Agreement and with which the respective Lender was not in compliance as of the date hereof), there is (a) any substantial increase in the costs for a Lender to fund or maintain the Loan or (b) a reduction in the rate of return on the Loan or a decrease in the net return on the Loan in relation to the equity of the respective Lender, then the affected Lender, the Guarantor and the Borrower shall enter into negotiations with the aim of finding an acceptable solution for the Parties.

## **§ 7 Negative Pledge, Status (pari passu), Non-Bank Rules**

- (1) For the term of this Loan Agreement, the Borrower and the Guarantor will not, and will ensure that none of their respective Principal Subsidiaries will, create or permit to subsist any mortgage, lien, charge, pledge or other form of in rem security interest (the "**Security**") upon any of their respective assets, to secure (i) any Financial Indebtedness or (ii) any guarantee or indemnity in respect of any Financial Indebtedness unless, at the same time or prior thereto, the Borrower's obligations under the Loan Agreement are equally and rateably secured.

This § 7(1) does not apply to: (i) any Security created or to be created pursuant to mandatory law or created or to be created contractually in the ordinary course of business, including (without limitation) Security (x) in favor of banks with which accounts or deposit accounts are kept with respect to cash, cash equivalents (being readily marketable direct obligations of a government or any agency or instrumentality thereof, insured certificates of deposit of, time deposits, or bankers' acceptances with any commercial bank that issues (or the parent of which issues) commercial paper, commercial paper issued by any corporate entity or any commercial bank) or investment property kept or deposited with that bank (for the avoidance of doubt, to the extent the creation of such Security is based on and required by the general terms of business of such bank or mandatory law) and/or (y) securing reimbursement obligations with respect to letters of credit or (z) in respect of obligations resulting from transactions entered into to hedge risks or reduce costs with respect to interest rates, currency or commodity exposure (but not for speculative purposes); (ii) Security existing on the assets of a person prior to acquisition of the shares or participation in that relevant person or Security existing on any acquired asset at the time of such acquisition; (iii) Security granted in connection with (x) factoring arrangements (with or without recourse) or (y) transactions qualifying as financial leases or (z) under any sale and lease- back arrangements or in connection with transactions (A) profiting from "new market tax credits" provided by Section 45D of the US Internal Revenue Code or (B) entered into with local development authorities for the purpose of providing abatement of local taxes; and (iv) any Security over assets which do not at any time exceed 10% of the book value of the consolidated assets of the Guarantor.

- (2) The Borrower and the Guarantor shall ensure that for the term of this Loan Agreement, their respective payment obligations under this Loan Agreement or the Guarantee will rank *pari passu* with all their other present and future, unsecured and unsubordinated payment obligations. This shall not apply to payment obligations whose prior servicing results from mandatory, generally applicable laws or regulations or governmental requirements or in the connection with national or local tax laws or regulations.
- (3) The Borrower shall ensure that it is at all times in compliance with the Swiss Non-Bank Rules, provided that the Borrower shall not be in breach of this undertaking if its number of creditors in respect of either the Swiss Ten Non-Bank-Rule or the Swiss Twenty Non-Bank Rule is exceeded solely by reason of a failure by one or more Lenders to comply with their obligations under § 10. For the purpose of its compliance with the Swiss Twenty Non-Bank Rule under this § 7(3), the number of Lenders under this Agreement which are not Qualifying Banks shall be deemed to be eight (irrespective of whether or not there are, at any time, any such Lenders).

## **§ 8 Events of Default**

- (1) The Lender shall be entitled to terminate the Loan Agreement immediately and to demand immediate redemption of the Loan and all related claims in particular if
  - (a) the Borrower fails to pay interest or principal on the relevant due date unless such non-payment results from technical or other administrative reasons beyond the control of the Borrower and is not remedied within five (5) Banking Days; or
  - (b) the Borrower or Guarantor fails to perform any other material obligation under this Loan Agreement and such failure is not remedied within thirty (30) calendar days after notice thereof has been given by the Lender to the Borrower or Guarantor (as applicable); or
  - (c) (i) any Financial Indebtedness of the Borrower, the Guarantor or of any of its Principal Subsidiaries, which exceeds an amount of USD 50 Mio., is not paid when due or after the expiry of any relevant grace period as set forth under the terms of the instrument governing that Financial Indebtedness, or

- (ii) any Financial Indebtedness of the Borrower, the Guarantor or of any of its Principal Subsidiaries, which exceeds an amount of USD 50 Mio., is declared or may be declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (d) the Borrower, the Guarantor or any of its Principal Subsidiaries is unable to pay its debts as they fall due or is over-indebted or admits its inability to pay its debts as they fall due or its over-indebtedness, suspends making payments on its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes an assignment for the benefit of or a composition with its creditors; or
- (e) a competent court opens insolvency proceedings against the Borrower's, Guarantor's or a Principal Subsidiary's assets (or does not commence such proceedings due to the absence of cost-covering assets), such proceedings are instituted but not discharged or stayed within sixty (60) days, or the Borrower, the Guarantor or the Principal Subsidiary applies for or institutes such proceedings; or
- (f) the Borrower or the Guarantor enters formal liquidation proceedings provided that such liquidation does not occur as part of any transaction permitted under § 8(1)(i); or
- (g) any secured party takes possession of all or material parts of the assets or the operations of the Borrower, the Guarantor or of any Principal Subsidiary, or an administrative receiver for those assets or operations is appointed or other enforcement measures have been approved/granted in this regard; or
- (h) the Borrower, the Guarantor or any Principal Subsidiary ceases its business operations in whole or in material parts thereof, provided that this does not occur as part of any transaction permitted under § 8(1)(i); or
- (i) the Borrower or the Guarantor is merged into another entity or all or substantially all of its assets are conveyed or transferred to another entity, unless (i) the entity is a corporation domiciled in the Federal Republic of Germany, Switzerland or the Federal States of Delaware or Georgia (both in the United States of America) which assumes all obligations of the Borrower under this Loan Agreement either by an agreement or by operation of law, and (ii) the economic and financial situation of such entity is not less sound than that of the Borrower or the Guarantor (as applicable) at the time of the occurrence of such event; or
- (j) the Borrower or the Guarantor transfers or conveys individual items of its fixed assets to another person or entity which is not a member of the Group. This does not apply to any transfers or conveyances:
- (aa) of assets made at arm's length in the ordinary course of business;
  - (bb) of receivables under factoring arrangements (with or without recourse ) in the ordinary course of business;
  - (cc) made with the prior written consent of the Lender;
  - (dd) of obsolete, worn-out or surplus assets in the ordinary course of business;
  - (ee) constituting Security permitted under § 7 para. 1 (Negative Pledge);
  - (ff) of fixed assets under any sale and lease- back arrangements or in connection with transactions (A) profiting from "new market tax credits" provided by Section 45D of the



US Internal Revenue Code or (B) entered into with local development authorities for the purpose of providing abatement of local taxes;

(gg) where the proceeds of such transfers or conveyances (less customary transaction costs) are reinvested for the corporate purpose or used for repayment of Financial Indebtedness or remains within the Group as liquid funds; or

(hh) of assets book value of which (or, in the case of a disposal of shares in a Group member, the value of the shares to be sold as a percentage of the consolidated group assets as shown in the Guarantor's most recent consolidated financial accounts), when aggregated with the book value of all other assets disposed of (other than any of those permitted under paragraphs (aa) to (gg)) does not exceed 10 per cent of the book value of the Guarantor's consolidated net assets in each of the Borrower's financial years.

(k) the Guarantee is not or ceases to be in full force and effect.

(2) The Borrower or the Guarantor shall promptly notify the Paying Agent in writing who in turn will promptly inform the Lender on all matters which could lead to any event of default as set out in § 8 para. 1. Notices of termination have to be provided in writing to the Borrower with a copy to the Paying Agent and the Guarantor. If the Loan is terminated prematurely in whole or in part for any reason set out in § 8 para. 1, the Borrower shall be obliged to compensate the Lender for any loss which the Lender suffers due to the early repayment of the Loan (early repayment penalty).

## § 9 Guarantee

(1) The Guarantor hereby irrevocably and unconditionally guarantees in favour of the Lender subject to German law to pay to the Lender all present and future claims (whether contingent or subject to a time limit) of the Lender under this Loan Agreement against the Borrower. The payment shall be due pay within five (5) Business Days of a written demand by the Lender and assertion that the Borrower has failed to pay an amount payable under the Loan when due. § 4 shall apply on the payments under the Guarantee. For the avoidance of doubt, this Guarantee does not constitute a guarantee upon first demand (*Garantie auf erstes Anfordern*) and, in particular, receipt of such written demand shall not preclude any rights and/or defenses the Guarantor may have with respect to any payment requested by the Lender under this guarantee and indemnity.

(2) This Guarantee is an independent payment obligation of the Guarantor which shall remain binding irrespective of the legal validity and enforceability of the Loan Agreement and notwithstanding any defenses or remedies (*Einwendungen und Einreden*) that the Borrower or any third party may raise.

(3) The Guarantee shall terminate once all amounts due under the Loan Agreement have been unconditionally and finally paid.

Notwithstanding the termination, the Guarantee shall be reinstated and continue in full force and effect if the Lender has to repay any amounts received as a payment under the Loan Agreement or the Guarantee due to insolvency proceedings before court or any similar proceedings regarding the Borrower.

(4) Until all amounts which are or may become payable by the Guarantor under this Loan Agreement have been irrevocably paid in full, (i) any claims of the Guarantor against the Borrower resulting from any payment made by the Guarantor to the Lender hereunder shall be subordinated to any outstanding claims of the Lender against the Borrower under this Loan Agreement, and (ii) the Guarantor undertakes not to claim any payments from the Borrower arising out of or based upon any right of subrogation.

- (5) The Guarantor hereby waives its rights to terminate the Guarantee by depositing the guarantee amount with the competent local court (*Amtsgericht*) by way of security.

## § 10 Transfer

- (1) The Lender may transfer its contractual position hereunder (including those under the Guarantee) in full or in partial amounts of at least EUR 500,000 and in whole multiples of EUR 500,000 above that - to a Third Party by way of assumption of contract.

(a) In case of the first transfer of the contractual position by the First Lender the following shall apply:

- (i) A transfer to a Lender which is not a Qualifying Bank is subject to the consent of the Borrower. The consent of the Borrower to such transfer must not be unreasonably withheld or delayed. It is not unreasonable for the Borrower to withhold its consent if, following such transfer, the number of Lenders that are not Qualifying Banks would exceed eight.

Each Lender will confirm to the Borrower before the date on which it intends to become a party to this Loan Agreement in its capacity as such whether it is a Qualifying Bank, and if it is not a Qualifying Bank, that it only counts as one (1) non-bank lender for purposes of determining the number of non-bank lenders. If a Lender fails to indicate its status in accordance with this provision then such Lender shall be treated for the purposes of this Loan Agreement as if it is not a Qualifying Bank.

- (ii) The transfer will be effected by a confirmation of transaction (*Geschäftsbestätigung*) to be issued by the First Lender and countersigned by the joining Lender. The Paying Agent shall inform the Borrower with respect to each transfer without undue delay.

(b) For all following transfers of the contractual position the following shall apply:

- (i) The transfer of the contractual position to a Lender which does not meet the definition of a Qualifying Bank is only permitted with the prior written consent of the Borrower. The consent of the Borrower to such transfer must not be unreasonably withheld or delayed; in particular it is not unreasonable for the Borrower to withhold its consent if, following such transfer, the number of Lenders that are not Qualifying Banks would exceed eight. Each Lender will confirm to the Borrower before the date on which it intends to become a party to this Loan Agreement in its capacity as such whether it is a Qualifying Bank, and if it is not a Qualifying Bank, that it only counts as one (1) non-bank lender for purposes of determining the number of non-bank lenders. If a Lender fails to indicate its status in accordance with this provision then such Lender shall not be treated as a Qualifying Bank for the purposes of this Loan Agreement.

- (ii) Such transfer shall become effective as of the transfer date set forth in the Transfer Certificate (Annex 3), provided that the Paying Agent has received a duly completed and duly executed Transfer Certificate substantially in the form set out in the example in Annex 3. The Paying Agent shall inform the Borrower with respect to each transfer without undue delay by submitting a copy of the relevant Transfer Certificate.

- (iii) In the event that the Paying Agent receives a Transfer Certificate less than five (5) Banking Days before an Interest Payment Date, any payment made by the Borrower or the Guarantor to the resigning Lender shall release the Borrower from its payment obligations to the joining Lender in the amount of such payment.

- (2) Each Lender which confirmed that it was a Qualifying Bank undertakes to notify the Borrower and the Paying Agent promptly upon becoming aware of it ceasing to be a Qualifying Bank.
- (3) The result of a transfer is that all of the resigning Lender's rights and obligations under this Loan Agreement and the Guarantee are passed over to the joining Lender to the extent that they are transferred. The effect of a transfer is that the existing Loan Agreement and the Guarantee remain unchanged in force between the new contract parties to the extent that rights and obligations are transferred.
- (4) By signing this Loan Agreement, the Borrower grants its prior consent to any such transfer made in compliance with § 10 (1).
- (5) The Lender shall be authorized to transfer all its claims under this Loan (incl. those under the Guarantee) to the Deutsche Bundesbank, Banque Centrale du Luxembourg or any other central bank of the ECB system or to the Swiss National Bank or any eurozone development bank ("*Förderbank*") as security for refinancing purposes. For the validity of such transfer expressly no formal requirements and obligations to inform the Borrower shall be required. Likewise, in case of such transfers being made by any central bank of the ECB system or eurozone development bank expressly no formal requirements and obligations to inform the Borrower shall be required. In case of the liquidation of any rights arising out of this Loan Agreement by any central bank of the ECB system, the restrictions under § 10(1) shall not apply.
- (6) For the purposes of this § 10, the Borrower and the Guarantor hereby give their consent to the forwarding of all information contained in this Loan Agreement to joining Lenders or potentially joining Lenders (including any relevant data such as joining Lender or potentially joining Lender may require for purposes of section 18 of the German Banking Act (KWG) or in order to meet any other "know your customer" requirements (the "**KYC Data**")), the respective central bank or development bank for such transfer and, if applicable, to third parties acquiring the participation from beneficiaries to whom a transfer in accordance with § 10 (5) has been made in case of an enforcement of such a security. Such consent shall also extend to measures of publication (e.g. recording the security in a register that authorised third parties have access to) which are required by law for the constitution or consistency of such a security and they exempt the Lender from the banking confidentiality in this respect.
- (7) No Lender shall enter into a sub-participation arrangement with another person or assign any rights or claims under this Loan Agreement without transferring the relevant contractual position at the same time and to the same transferee. The transfer of the contractual position to a Lender (i) which does not meet the definition of a Third Party or (ii) is a private individual is not permitted.

#### **§ 11 Nature of a Lender's Rights and Obligations**

- (1) The obligations of a Lender under this Loan Agreement are not joint and several (keine gesamtschuldnerische Haftung). No Lender is liable for the obligations of any other Lender under the Loan Agreement.
- (2) The rights of a Lender under this Loan Agreement (and under the Guarantee) are not joint and several (keine Gesamtgläubiger). The amounts owed at any time under the Loan Agreement from the Borrower to any Lender shall constitute a separate and independent debt and each Lender shall be entitled to protect and enforce its rights arising out of this Loan Agreement and out of the Guarantee independently from another Lender.

#### **§ 12 Information**

- (1) For the purposes of complying with the requirements under section 18 of the German Banking Act (KWG), the Borrower and the Guarantor shall submit in a timely manner to the Lender any

documents and information required to comply with the Lender's statutory obligations. During the term of the Loan, the Borrower and the Guarantor shall in particular supply the following documents to the Paying Agent for submission to the Lenders:

(a) the audited separate and consolidated (for the Guarantor) financial statements of the Borrower and the Guarantor as soon as they are publicly available but in any event no later than two hundred and seventy (270) days after the end of the respective financial year for the Borrower and no later than ninety (90) days after the end of the respective financial year for the Guarantor, for the latter subject to any extension period obtained by the Guarantor from the Securities and Exchange Commission for the filing of an equivalent periodic report under Rule 12b-25 of the General Rules and Regulations under the Securities Exchange Act of 1934, and

(b) any other information a Lender may reasonably request in order to comply with legal requirements.

(2) The obligation to disclose documents pursuant to § 12 para. 1 shall cease to apply if the documents necessary to comply with section 18 of the German Banking Act (KWG) or any other legal requirements are freely accessible on the Borrower's or Guarantor's website (in a form that can be saved or printed).

(3) The Borrower and the Guarantor hereby authorize the Lender to pass on or to disclose for review any such documents, data and information as the Lender may consider necessary, useful or appropriate to any potential Third Party (or to a member of the European system of central banks or to the Swiss National Bank for the purposes set out in § 10(4) or to such persons, who are involved in the settlement of the transfer for technical or legal reasons (such as legal advisors, rating agencies, auditors) or to governmental courts and authorities (especially supervisory authorities) that require disclosure by mandatory law, and therefore release the Lender from banking confidentiality.

(4) Apart from that, the Parties, the Guarantor and the Paying Agent agree to treat information and documents received in connection with this Loan as confidential. Legal or regulatory disclosure requirements that the Lender or Paying Agent are subject to remain unaffected.

### § 13 Notices

Any notices, queries or other communication under this Loan Agreement shall be made in writing (including by fax or pdf file) and shall be addressed as follows:

(1) If intended for the **Borrower**, to the following address:

Victor von Bruns-Strasse 17  
CH 8212 Neuhausen am Rheinfall  
Switzerland  
Phone: +41 52 725 22 00  
Facsimile: +41 52 725 2272  
e-Mail: roger.batkin@agcocorp.com  
Attention: Roger Batkin

(2) If intended for the **Guarantor**, to the following address:

4205 River Green Parkway  
Duluth, Georgia 30096-2568  
Telefon: +1 770 813 9200  
Telefax: +1 (770) 813-6158  
e-Mail: roger.batkin@agcocorp.com  
z. Hd.: Roger Batkin

(3) If intended for the **Lender** or for the **Paying Agent**, to the following address:

Bayerische Landesbank  
Brienner Strasse 18  
80333 Munich  
Federal Republic of Germany (FRG)  
Phone: +49 (0)89 - 2171 - 23714  
Facsimile: +49 (0)89 - 2171 - 23083  
e-mail: 4245.ssd-np@bayernlb.de  
Attention: 4245 Issues Administration &  
Credit Derivatives Service Team

In the event of a transfer pursuant to § 10, any notices to a joining Lender shall be addressed to the Paying Agent.

#### **§ 14 Miscellaneous**

- (1) For the term of this Loan Agreement and/or the Guarantee, the Borrower and the Guarantor each appoint AGCO GmbH, Johann-Georg-Fendt-Strasse, 4, 87616 Marktobendorf, Germany, as the agent for the service of process in Germany.
- (2) The Borrower undertakes to provide the Lender with all information and data the Lender deems necessary to fulfill the obligations of the German Anti-Money-Laundering Act (Geldwäschegesetz).
- (3) The Borrower and the Guarantor may only offset claims, exercise any liens or any retention rights that are uncontested or have been legally established with final and binding effect against claims of the Lender. The Borrower and the Guarantor hereby waive the exercise of any right of set-off, liens or any retention right if and to the extent that the Loan belongs to the reserved assets of the Lender within the meaning of section 125 German Insurance Supervisory Act (VAG) in conjunction with, if applicable, section 1 et seq. of the Ordinance on the Investment of Restricted Assets of Insurance Undertakings (Anlageverordnung) or to covering funds which must be set up pursuant to the laws of the Federal Republic of Germany (or comparable provisions of foreign law), including in cases of insolvency proceedings.
- (4) Any amendments of this Loan Agreement must be made in writing in order to become effective. This shall also apply to any waiver of this section. Insofar as the amendments refer to rights and obligations of the Paying Agent amendments must only be made with the written consent of the Paying Agent.
- (5) The Borrower and the Guarantor consent to the KYC Data being recorded, processed and, for the purposes of this Loan, disclosed to any joining or potentially joining Lenders in accordance with § 10 para 1.
- (6) Should any provision of this Loan Agreement be or become entirely or partially invalid or unenforceable, the validity or enforceability of the remaining provisions shall not be affected thereby. Any omission resulting therefrom shall be remedied by supplemental provision which takes due account of the interests of the Parties and the Paying Agent.
- (7) This Loan Agreement is executed in three (3) originals, one of which will be retained by the Borrower one by the Guarantor and one by the Lender.
- (8) This Loan Agreement and the Guarantee are subject to the laws of the Federal Republic of Germany. Non-exclusive place of jurisdiction for all disputes arising out of or in connection with this Loan Agreement shall be Munich.

(9) This Loan Agreement is drafted in the German language and provided with a non-binding English translation. Only the German text is valid and binding. The English translation is non-binding in every respect and provided for convenience only.

**AGCO International GmbH, Schweiz**

als Darlehensnehmerin

as Borrower

Neuhausen am Rheinfall, Schweiz, den 12. Oktober 2016

Neuhausen am Rheinfall, Switzerland, 12 October 2016

Unterschrift(en): /s/ ROGER N BATKIN

Signature(s):

Name(n): ROGER N BATKIN

Name(s):

**AGCO Corporation**

als Garantin

as Guarantor

Duluth, Georgia, Vereinigte Staaten von Amerika, den 12. Oktober 2016

Duluth, Georgia, United States of America, 12 October 2016

Unterschrift(en): /S/ DAVID WILLIAMS

Signature(s):

Name(n): DAVID WILLIAMS

Name(s):

**Bayerische Landesbank**  
als Darlehensgeberin und Zahlstelle  
as Lender and Paying Agent  
München, den 12. Oktober 2016  
Munich, 12 October 2016

Unterschrift(en): /s/ LINK GMEINWIESER  
Signature(s):

Name(n): LINK GMEINWIESER  
Name(s):



**Conditions Precedent**

- (1) Submission of the Loan Agreement duly signed by the Borrower and the Guarantor and the Paying Agency Agreement to the First Lender.
- (2) A legal opinion as to Swiss law from the Borrower's legal adviser regarding the Borrower's capacity and due authorisation to enter into the Loan Agreement, the due execution of the Loan Agreement of/by the Borrower and the validity of the choice of German law as well as the recognition of place of jurisdiction chosen pursuant to this Loan Agreement and the enforceability of a German court ruling under Swiss law in the English language satisfactory to Bayerische Landesbank.
- (3) A legal opinion as to US law from the Guarantor's legal adviser regarding the Guarantor's capacity and due authorisation to enter into the Loan Agreement, the due execution of the Loan Agreement of/by the Guarantor and the validity of the choice of German law as well as the submission to jurisdiction chosen pursuant to this Loan Agreement and the enforceability of a German court ruling under US federal law and the law of the US federal state of Georgia in the English language satisfactory to Bayerische Landesbank.
- (4) Delivery of identification documents for each authorized representative. *Note: Copies of identification documents can only be furnished to external parties with the approval of the owner of the identification document.*
- (5) A copy of the Borrower's and the Guarantor's memorandum and articles of association or certificate of incorporation as customarily delivered for transactions of this kind.
- (6) A confirmed list of members of the Borrower's and the Guarantor's management who are authorised representatives with signature specimens of persons able to represent the Borrower and the Guarantor in connection with this Loan Agreement and authorised to sign ("**Authorised Signatories**"), as well as current copies of the Authorised Signatories' ID cards or passports.
- (7) A confirmation by the Borrower and the Guarantor, that any approvals required under their statutes or articles of association to utilise this Loan or to provide the Guarantee have been obtained from the appropriate body.
- (8) A current excerpt or certificate of good standing (as applicable) of the Borrower's and Guarantor's listing in the commercial register or equivalent proof of existence as customarily delivered for transactions of this kind.
- (9) Copy of the Borrower's and Guarantor's audited separate and consolidated (for the Guarantor) annual financial statements for the two most recently completed financial years (as available) including (if such details are legally required or customarily delivered to the creditors or made available publicly) balance sheet, profit and loss account (statement of income), management report, notes and auditor's report (if prepared and available) plus any additional documents required pursuant to section 18 German Banking Act (KWG).
- (10) Confirmation that the process agents referred to in § 14 (1) has accepted its appointment (on behalf of the Borrower and the Guarantor).
- (11) Overview of the Borrower's corporate structure, showing all ownership structures and ownership breakdown up to the natural persons at the top of the ownership structure (e.g. an organisation chart of the Borrower detailing the percentage and the nominal amount of each natural person's ownership stake in regard to assets, equity and/or voting rights).

(12) Confirmation of the Borrower and the Guarantor that no events of default as stated in § 8 para. 1 have occurred.

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**Certificate of Indebtedness (*Schuldschein*)**

AGCO International GmbH, Switzerland

hereby acknowledges to have received a loan from

**Bayerische Landesbank, Munich**

on 19 October 2016

arranged by

**Bayerische Landesbank, Munich**

and

**Coöperatieve Rabobank U.A.**

in the amount of

EUR 73,500,000

(in words: seventy-three million five hundred thousand Euros)

guaranteed by :

AGCO Coproration

due for repayment on 19 October 2023 in accordance with the terms and conditions of the Loan Agreement dated 12 October 2016.

Datum: ●

Date: ●

Unterschrift(en):

Signature(s): \_\_\_\_\_

Name(n):

Name(s) \_\_\_\_\_

**Transfer Certificate**

From:

1. ●, hereinafter "**Existing Lender**" and

2. ●, hereinafter "**New Lender**"

To: Bayerische Landesbank, as Paying Agent for the Borrower defined in the Loan Agreement referred to below

Date: ●

This Transfer Certificate relates to a Loan granted under a loan agreement dated 12 October 2016 made by and between AGCO International GmbH as Borrower and **Bayerische Landesbank** as First Lender and Paying Agent under which the First Lender has, subject to the terms thereof, made available to the Borrower a Loan in the amount of EUR 73,500,000 guaranteed by AGCO Corporation. Terms defined in the Loan Agreement shall, unless otherwise defined herein, have the same meanings in this Transfer Certificate as in the Loan Agreement.

1. The Existing Lender:

(a) hereby transfers and assigns by way of assumption of contract (Vertragsübernahme) subject to :

[(i)] the receipt of a duly completed and executed copy of this Transfer Certificate by the Paying Agent, and

[(ii)] the satisfaction of the following further conditions to be fulfilled :

[•]

[•]]

all of its contractual rights under the Loan Agreement and the Guarantee in the proportion of the aggregate principal amount shown in the Schedule to this Transfer Certificate together with all related rights and claims with economic effect from the Transfer Date (including) as specified in the Schedule to this Transfer Certificate (the "**Transfer Date**") to the New Lender. Future claims to interest shall only be transferred to the extent they fall on or after the Transfer Date.

(b) confirms that to the extent that details appear in the Schedule to this Transfer Certificate under the heading "Existing Lender's Participation in the Loan to be transferred" such details accurately summarize the amount of its participation in the Loan (the "**Participation**").

2. The Existing Lender and the New Lender hereby request the Paying Agent to accept the executed copy of this Transfer Certificate in accordance with the Loan Agreement as being for the purposes of section 10 (Transfer) of the Loan Agreement in order to effect the transfer in accordance with the terms of the Loan Agreement on the Transfer Date.

3. The New Lender confirms that it has previously confirmed to the Borrower that, and the New Lender herewith restates that it is: <sup>1</sup>  
( ) a Qualifying Bank;  
( ) not a Qualifying Bank, and that it only counts as one (1) non-bank lender for purposes of determining the number of non-bank lenders.

4. The New Lender:

- (a) hereby accepts the transfer and assignment as mentioned in clause 1 (a) above
- (b) confirms that it has received a copy of the Loan Agreement and all other documents and information which it has requested in connection with this transaction;

5. The Existing Lender does not assume any liability for:

- (a) the financial condition of the Borrower and the Guarantor, and
- (b) the performance of or the compliance with the obligations by the Borrower or the Guarantor under the Loan or the Guarantee (save as expressly agreed otherwise therein).

The Existing Lender assumes liability for the legal validity of the claims under the Loan in accordance with the statutory provisions (*Veritätshaftung*).

6. The New Lender acknowledges that the Existing Lender is under no obligation whatsoever (i) to accept in whole or in part a retransfer of the contractual position or individual rights or obligations under the Loan Agreement and the Guarantee from the New Lender or (ii) to bear any losses directly or indirectly incurred by the New Lender including losses resulting from the non-performance by the Borrower of its obligations under the Loan Agreement or by the Guarantor of its obligations under the Guarantee.
7. The New Lender confirms that in case the Paying Agent receives a Transfer Certificate less than five (5) Banking Days before an Interest Payment Date, any payment made by the Borrower or the Guarantor (through the Paying Agent) to the Existing Lender shall release the Borrower from its payment obligations towards the New Lender in the amount of such payment.
8. Should any provision of this Transfer Certificate be or become entirely or partially invalid or unenforceable, the validity or enforceability of the remaining provisions shall not be affected thereby. Any omission resulting therefrom shall be remedied by supplemental interpretation under due consideration to the interests of the Parties.
9. This Transfer Certificate shall be governed by German law. Non-exclusive place of jurisdiction for any disputes arising in connection with this agreement shall be [●].

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<sup>1</sup> Tick box as appropriate

**Schedule to the Transfer Certificate**

Existing Lender: ●

New Lender: ●

Transfer Date: ●

**Existing Lender's Participation in the Loan to be transferred**

Amount of Participation in the Loan: EUR ●

Amount thereof to be transferred: EUR ●

**Details of New Lender:**

**Address for notices:**

●

Contact name: ●

Phone: ●

Facsimile: ●

Account number: ●

**Loan Agreement**  
(the "**Loan Agreement**")

for a loan in the amount of  
EUR 166,500,000

with a fixed rate of interest of 1.000 per cent per annum  
due on 19 October 2021

arranged by Bayerische Landesbank and Coöperatieve Rabobank U.A., jointly the "**Arrangers**"

with Bayerische Landesbank  
as the "**Paying Agent**"

Bayerische Landesbank  
Brienner Strasse 18  
80333 Munich, Germany

- hereinafter the "**Lender**" or the "**First Lender**" -

grants to

AGCO International GmbH, Switzerland

- hereinafter the "**Borrower**" -

a loan (the "Loan") in the aggregate principal amount of  
EUR 166,500,000

(in words: one hundred sixty-six million five hundred thousand Euros)

guaranteed by  
AGCO Corporation, USA

hereinafter the "**Guarantor**"

- The Borrower, the Guarantor and the Lender hereinafter jointly the "**Parties**" –

#### **§ 1 Disbursement, Certificate of Indebtedness, Definitions**

- (1) The Loan shall be disbursed on 19 October 2016 (the "**Disbursement Date**") in accordance with the instructions of the Borrower provided the conditions precedent in Annex 1 are fulfilled at least two (2) Banking Days prior to the Disbursement Date.
- (2) The Loan shall be placed by the Arrangers, whereby Coöperatieve Rabobank U.A. will cooperate with Raiffeisen Bank International AG as regards *inter alia* the placement, on a so-called "best efforts" basis. Thus, the disbursement of the Loan is further subject to the condition precedent that the amount of the Loan is made available by the joining Lenders to the First Lender in accordance with § 10 (1) in same day and immediately available funds, freely transferable for disbursement to the Borrower. The Borrower acknowledges and agrees that it is only entitled to demand disbursement under the Loan from the First Lender to the extent funds are made available by the joining Lenders to the First Lender pursuant to § 10 (1).
- (3) The purpose of this Loan shall be the refinancing of the Cimbria acquisition and general corporate purposes.
- (4) The Borrower shall immediately, in no event later than on the Banking Day following the Disbursement Date of the Loan, make available to the Paying Agent a duly executed certificate of indebtedness (*Schuldschein*) in the form as attached hereto in Annex 2.
- (5) Unless otherwise provided for herein, the definitions of terms in this Loan Agreement apply to every reference made herein to such defined terms.

**"Banking Day"** means any day other than a Saturday or Sunday on which (i) TARGET2 is operating and (ii) banks in Munich and Frankfurt are generally open for business.



"**Lender**" includes all Lenders to whom the contractual position is transferred under the terms of § 10 of this Loan Agreement, as well as all legal successors.

"**Cimbria**" means A/S Cimbria, Faartoftvej 22,  
P.O. Box 40, 7700 Thisted  
Demark, a Danish-headquartered manufacturer of equipment and processing lines for seed and grain.

"**Third Party**" for the purposes of § 10 (1) means:

- (a) any **Credit Institution**,
- (b) any **Development Bank**,
- (c) any **Investment Company**,
- (d) any **Insurance Company**,
- (e) any **Pension Insurance Carrier**,
- (f) any **Pension Fund**.

"**FATCA**" means Sections 1471 through 1474 of the US Internal Revenue Code and any regulations thereunder or official governmental interpretations thereof, and any agreements entered into pursuant to Section 1471(b)(1) of the US Internal Revenue Code and any intergovernmental agreement between the United States and another jurisdiction implementing the foregoing (or any law, regulations or other official administrative interpretation implementing such intergovernmental agreement).

"**FATCA Deduction**" means a deduction or withholding from a payment required by FATCA.

"**Financial Indebtedness**" shall mean

- (a) all on and off balance sheet interest-bearing payment obligations and
- (b) obligations to repay borrowed monies as securitized, represented or documented by
  - (i) a certificate of indebtedness (*Schuld-schein*) or a bilateral or syndicated loan; or
  - (ii) bonds, notes, loan stock or other securities which are, or are eligible to be quoted, listed, dealt in or traded on a stock exchange or other recognized securities market.

in each case owed to a person or entity which is not a member of the Group.

"**Development Bank**" shall mean public sector development institutions (*Förderinstitute*) (such as LfA, KfW or similar institutions).

"**Guarantee**" means the guarantee issued by the Guarantor pursuant to § 9 (*Guarantee*) hereof.

"**Investment Company**" shall mean an investment management company within the meaning of section 2 para. 1 no. 3b of the German Banking Act (KWG) or an EU-management company within the meaning of section 2 para. 1 no. 3c of the German Banking Act (KWG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

A "**Change of Control**" means the occurrence of any of the following: (a) any person or two or more persons (including any "group" as that term is used in Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934) acting in concert shall have acquired beneficial ownership (within the meaning of

Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934), directly or indirectly, of voting equity interests in the Guarantor (or other securities convertible into such voting equity interests) representing thirty-five percent (35%) or more of the combined voting power of all voting equity interests in the Guarantor; or (b) a majority of the members of the board of directors of the Guarantor shall cease to be composed of individuals (i) who were members of that board on the date of this Loan Agreement or (ii) whose election to that board, or whose nomination for election by the Guarantor's stockholders, was approved by a vote of at least two-thirds of the members of the board of directors of the Guarantor who were either directors on the date of this Loan Agreement or whose election or nomination for election was previously so approved; or (c) the Guarantor shall fail to own, directly or indirectly, one hundred percent (100%) of the equity interests of the Borrower.

**"Group"** means the Guarantor and any of its Subsidiaries.

**"Credit Institution"** shall mean a company within the meaning of section 1 para. 1 German Banking Act (KWG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

**"Pension Fund"** shall mean a pension fund within the meaning of section 236 of the Supervision of German Insurance Companies Act (VAG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

**"Permitted Non-Qualifying Bank Lender"** means a Lender which is not a Qualifying Bank but has been accepted by the Borrower as a Lender.

**"TARGET2"** means the Trans-European Automated Realtime Gross Settlement Express Transfer System 2 which utilises a single shared platform and which was launched on 19 November 2007.

**"Subsidiary"** of any person means a corporation, partnership, joint venture, limited liability company or other entity (i) of which a majority of the equity interests having ordinary voting power for the election of the board of directors or other governing body (other than equity interests having such power only by reason of the happening of a contingency) are at the time beneficially owned or (ii) the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Guarantor.

**"Swiss Guidelines"** means, together, the guideline "Interbank Loans" of 22 September 1986 (S-02.123) (*Merkblatt "Verrechnungssteuer auf Zinsen von Bankguthaben, deren Gläubiger Banken sind (Interbankguthaben)" vom 22. September 1986*); the guideline "Syndicated Loans" of January 2000 (S-02.128) (*Merkblatt "Steuerliche Behandlung von Konsortialdarlehen, Schuldscheindarlehen, Wechseln und Unterbeteiligungen" vom Januar 2000*); the circular letter no. 34 "Client Credit Balances" of 26 July 2011 (1-034-V-2011) (*Kreisschreiben Nr. 34 Kundenguthaben vom 26. Juli 2011*); and the circular letter no. 15 of 7 February 2007 "Bonds and derivative financial instruments as subject matter of taxation of Swiss federal income tax, Swiss withholding tax and Swiss stamp taxes" (1-015-DVS-2007) (*Kreisschreiben Nr. 15 Obligationen und derivative Finanzinstrumente als Gegenstand der direkten Bundessteuer, der Verrechnungssteuer und der Stempelabgaben vom 7. Februar 2007*) and circular letter No. 34 of 26 July 2011 in relation to deposits (*Kreisschreiben Nr. 34 "Kundenguthaben" vom 26. Juli 2011*); each as issued, and as amended from time to time, by the Swiss federal tax administration or as substituted or superseded and overruled by any law, statute, ordinance, court decision, regulation or the like as in force from time to time (including the ordinance of the Swiss Federal Council of 18 June 2010, amending Swiss Withholding tax and Swiss Stamp Tax regulations entered into force as of August 1, 2010).

**"Swiss Non-Bank Rules"** means, together, the Swiss Ten Non-Bank Rule and the Swiss Twenty Non-Bank Rule.

"**Swiss Ten Non-Bank Rule**" means the rule that the aggregate number of Lenders which are not Qualifying Banks must not at any time exceed 10 (ten), all in accordance with the meaning of the Swiss Guidelines.

"**Swiss Twenty Non-Bank Rule**" means the rule that the aggregate number of creditors (other than Qualifying Banks) of the Borrower under all outstanding borrowings (including under this Loan Agreement), such as loans, facilities and private placements, made or deemed to be made by the Borrower must not at any time exceed 20 (twenty), all in accordance with the meaning of the Swiss Guidelines.

"**Swiss Withholding Tax**" means taxes imposed under the Swiss Withholding Tax Act.

"**Swiss Withholding Tax Act**" means the Swiss Federal Act on the Withholding Tax of 13 October 1965 (*Bundesgesetz über die Verrechnungssteuer*), together with the related ordinances, regulations and guidelines, all as amended and applicable from time to time.

"**Qualifying Bank**" means any entity, which effectively conducts banking activities as principal purpose with its own infrastructure and staff and which is recognized as a bank by the banking laws in force in the jurisdiction of its incorporation, or if such entity is acting through a branch in a jurisdiction other than the jurisdiction of its incorporation, in the jurisdiction where such branch is located or registered all in accordance with the Swiss Guidelines.

"**Pension Insurance Carrier**" (*Versorgungswerk*) means any professional public organisation for pension schemes for members of the respective profession established and regulated under the respective German state Laws (or comparable provisions of foreign law).

"**Insurance Company**" shall mean an insurance company within the meaning of section 2 para. 1 no. 4 of the German Banking Act (KWG), provided that it is licensed to do such business and regulated within Germany, in any member state of the European Economic Area (EEA) or in Switzerland.

"**Principal Subsidiary**" means any Subsidiary of the Borrower or the Guarantor.

(i) whose income from continuing operations, in the aggregate, before income taxes, extraordinary items and cumulative effect of a change in accounting principles (excluding intra-Group transactions) is at least 10 per cent of the net operating income of the Group or whose total assets (excluding balance sheet items based on intra-Group transactions) amount to at least 10 per cent of the total assets of the Group, in each case calculated by reference to the latest audited accounts of the Group, or

(ii) to which all or substantially all the assets and liabilities of another Principal Subsidiary are transferred.

## § 2 Interest

(1) The Loan shall bear interest on its aggregate principal amount at the rate of 1.000 per cent per annum from (and including) the Disbursement Date to (but excluding) the Repayment Date as specified in § 3 (1).

(2) Interest shall be payable in arrears on 19 October in each year (each an "**Interest Payment Date**"). The first interest payment shall be made on 19 October 2017.

(3) If any such Interest Payment Date is not a Banking Day, payment shall be due on the immediately following Banking Day. The Lender shall not be entitled to claim any further interest or any other payments as a result of such deferral. Interest shall be calculated on an act/act basis (ICMA).

- (4) If interest payable by the Borrower is subject to Swiss Withholding Tax and should § 5(1) be unenforceable for any reason, the applicable interest rate in relation to that interest payment shall be (i) the interest rate which would have applied to that interest payment (as provided for in this § 2 in the absence of this sub-paragraph) divided by (ii) 1 minus the rate at which the relevant tax deduction is required to be made (where the rate at which the relevant tax deduction is required to be made is for this purpose expressed as a fraction of 1 rather than as a percentage).
- (5) To the extent that interest payable by the Borrower under this Loan Agreement becomes subject to Swiss Withholding Tax, each relevant Lender and the Borrower shall promptly cooperate by completing any procedural formalities (including submitting forms and documents required by the appropriate tax authority) to the extent possible and necessary for a Lender to obtain a full or partial refund of Swiss Withholding Tax under applicable double taxation treaties. The Borrower shall provide the Lenders with such documents and information required for applying for a refund of such Swiss Withholding Tax. In the event Swiss Withholding Tax is refunded to a Lender by the Swiss Federal Tax Administration, the relevant Lender shall forward, after deduction of costs, such amount to the Borrower, unless an event of default as specified under § 8 of this Loan Agreement is continuing.
- (6) A payment shall not be increased pursuant to this § 2 if and to the extent that on the date on which the payment falls due (i) the payment could have been made to the relevant Lender (which is not a Permitted Non-Qualifying Bank Lender) without a tax deduction in respect of Swiss Withholding Tax if the Lender had been a Qualifying Bank, but on that date that Lender is not or has ceased to be a Qualifying Bank other than as a result of any change after the date it became a Lender under this Loan Agreement in (or in the interpretation, administration, or application of) any law or treaty, or any published practice or published concession of any relevant taxing authority; or (ii) the Borrower is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under § 10.

### § 3 Repayment, early Redemption

- (1) The Loan shall be repaid at its aggregate principal amount in full on 19 October 2021, provided, however, that if such day is not a Banking Day, payment shall be due on the following Banking Day (the "**Repayment Date**"). The Lender shall not be entitled to claim any further interest or any other payments as a result of such deferral.
- (2) In the event a Change of Control has occurred, the Borrower shall inform the Lenders through the Paying Agent whether it requests to enter into negotiations with the Lenders. Each Lender shall, upon such request, enter into good faith negotiations with the Borrower with a view to continuing the Loan for a negotiation period of up to thirty (30) days after receipt of that request (or such longer period as may be agreed by the Borrower and each respective Lender) (such period, in each case, the "**Consultation Period**"). Each Lender shall, after the expiry of the relevant Consultation Period, be entitled to terminate the Loan in writing to the Borrower (copy to the Paying Agent) at its partial amount of the aggregate principal amount thereof with interest accrued to the date fixed for prepayment on giving not less than thirty (30) days' prior notice. Such notice will be irrevocable and must specify the date fixed for prepayment.

### § 4 Payments, Paying Agent

- (1) The Borrower and – in case of the utilization of the Guarantee – the Guarantor irrevocably undertake to pay, as and when due, any sum of principal or interest owed under the Loan Agreement in Euros to the account of the Paying Agent by 12:00 (Munich time).

- (2) If any sum of principal is not paid to and available on the account of the Paying Agent by 12:00 (Munich time) when due, the Paying Agent shall not be obliged to forward the due amount to the Lender on the same day. The respective sum shall bear interest from (and including) the due date to (but excluding) the date of actual payment of the sum overdue at a rate of 1 per cent per annum above the rate of interest applicable to the Loan on the respective due date without prejudice to the right of the Lender to claim any further damages and without prejudice to the right of the Borrower to present evidence that the loss due to the late payment was less.
- (3) If an interest payment is not made to the account of the Paying Agent by 12:00 (Munich time) when due, the Paying Agent shall not be obliged to forward the due amount to the Lender on the same day. The Lender has the right to demand indemnification for the loss caused by the delay in payment.
- (4) Payments by the Borrower and the Guarantor shall be applied in the sequence provided for in section 367 para. 1 of the German Civil Code (BGB) to the amounts falling due. If, in the event of a full or partial transfer of the contractual position pursuant to § 10, the payments by the Borrower or the Guarantor are not sufficient to fully redeem any given amount due, the payments of the Borrower and the Guarantor shall be distributed among the Lenders on a pro rata basis in conformity with their relevant participations in the Loan.
- (5) By a separate agreement, the Borrower and the Guarantor have mandated Bayerische Landesbank to exercise the role of paying agent (Bayerische Landesbank shall hereinafter be referred to as "**Paying Agent**" with respect to the duties in connection with this role). The Paying Agent shall exercise this role in accordance with the paying agency agreement dated as of 12 October 2016. The Borrower together with the Guarantor may at any time mandate another Credit Institution in the Federal Republic of Germany to exercise the role of Paying Agent provided the Borrower informs the Paying Agent (with copy to the Lender) in writing two weeks in advance of the planned change. Any reference in this Loan Agreement to the "Paying Agent" shall include any further Credit Institutions that exercise the role of Paying Agent.
- (6) By order of the Borrower the Paying Agent acts as custodian for the Lenders (according to their respective partial amount of the Loan) with regard to the original certificate of Indebtedness (*Schuldschein*). The custodianship of the Paying Agent shall end once the Lender's respective partial amount of the Loan has been repaid (including interest). Above that the Paying Agent acts solely as agent of the Borrower and the Guarantor and does not have any obligations towards or relationship of agency or trust to any Lender.
- (7) Subject to the aforementioned provisions of this § 4, fulfilment in relation to the Lender shall only occur once it receives the relevant payments or these are credited to an account it has designated.

## § 5 Taxes

- (1) All payments of principal and interest under the Loan Agreement by the Borrower as well as those payable under the Guarantee by the Guarantor shall be made without deduction or withholding for, or on account of, any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the country where the Borrower or the Guarantor has its legal seat or any governmental authority there ("**Withholding Taxes**") unless such deduction or withholding is required by law. If the Borrower or the Guarantor is required by law to make such withholding or deduction, then the Borrower or the Guarantor shall pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received by the Lender after such deduction or withholding shall equal the respective amounts of principal and interest which would have been receivable under the Loan Agreement in the absence of such deduction or withholding. The foregoing does not apply to the extent any such withholding or deduction is attributable to a FATCA Deduction required to be made by a party to this Loan Agreement.

- (2) A payment shall not be increased pursuant to this § 5 if and to the extent that on the date on which the payment falls due: (i) the payment could have been made to the relevant Lender (which is not a Permitted Non-Qualifying Bank Lender) without a Tax Deduction if the Lender had been a Qualifying Bank, but on that date that Lender is not or has ceased to be a Qualifying Bank other than as a result of any change after the date it became a Lender under this Loan Agreement in (or in the interpretation, administration, or application of) any law or treaty, or any published practice or published concession of any relevant taxing authority; or (ii) the Borrower is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under § 10.
- (3) If (i) as a consequence of any amendments of the legal regulations valid in the country where the Borrower or the Guarantor has its legal seat that take effect on the date of this Loan Agreement or thereafter, Withholding Taxes regarding payments of principal or interest under the Loan need to be made (and cannot be avoided despite the Borrower and the Lender having made every reasonable effort to prevent such a situation) and (ii) the Borrower or the Guarantor is obliged to pay Additional Amounts pursuant to § 5 para. 1 of this Loan Agreement, the Borrower shall be entitled to repay the Loan on giving not less than (30) days' prior notice, either at the aggregate principal amount thereof or at the partial amount of the aggregate principal amount of such Lender, in each case with interest accrued to the date fixed for prepayment.  
Any such notice of prepayment shall not be effected earlier than ninety (90) days prior to the date on which the Borrower or the Guarantor first becomes obliged to make Additional Payments pursuant to § 5 para. 1.  
Any such notice of prepayment in accordance with this § 5 para. 2 shall be given in writing and shall be addressed to the Lender (via the Paying Agent). Such notice will be irrevocable and must specify the date fixed for prepayment. The Paying Agent shall immediately inform the Lenders about such notice of prepayment. The Borrower shall indemnify the Lender for any loss incurred by the latter as a result of the premature repayment (early repayment penalty).

*For the avoidance of doubt: any prepayments on the income or corporate income tax made by the Lender such as the German flat rate interest tax (Abgeltungssteuer and Zinsertragssteuer) do not constitute withholding taxes within the meaning of the provision above.*

## **§ 6 Increased Costs**

If - after the date hereof - by reason of introduction or change of the interpretation or application by the respective competent authority with respect to any law or regulation or compliance with any law or regulation (except for such laws and regulations which have been in force as of the date of this Loan Agreement and with which the respective Lender was not in compliance as of the date hereof), there is (a) any substantial increase in the costs for a Lender to fund or maintain the Loan or (b) a reduction in the rate of return on the Loan or a decrease in the net return on the Loan in relation to the equity of the respective Lender, then the affected Lender, the Guarantor and the Borrower shall enter into negotiations with the aim of finding an acceptable solution for the Parties.

## **§ 7 Negative Pledge, Status (pari passu), Non-Bank Rules**

- (1) For the term of this Loan Agreement, the Borrower and the Guarantor will not, and will ensure that none of their respective Principal Subsidiaries will, create or permit to subsist any mortgage, lien, charge, pledge or other form of in rem security interest (the "**Security**") upon any of their respective assets, to secure (i) any Financial Indebtedness or (ii) any guarantee or indemnity in respect of any Financial Indebtedness unless, at the same time or prior thereto, the Borrower's obligations under the Loan Agreement are equally and rateably secured.

This § 7(1) does not apply to: (i) any Security created or to be created pursuant to mandatory law or created or to be created contractually in the ordinary course of business, including (without limitation) Security (x) in favor of banks with which accounts or deposit accounts are kept with respect to cash, cash equivalents (being readily marketable direct obligations of a government or any agency or instrumentality thereof, insured certificates of deposit of, time deposits, or bankers' acceptances with any commercial bank that issues (or the parent of which issues) commercial paper, commercial paper issued by any corporate entity or any commercial bank) or investment property kept or deposited with that bank (for the avoidance of doubt, to the extent the creation of such Security is based on and required by the general terms of business of such bank or mandatory law) and/or (y) securing reimbursement obligations with respect to letters of credit or (z) in respect of obligations resulting from transactions entered into to hedge risks or reduce costs with respect to interest rates, currency or commodity exposure (but not for speculative purposes); (ii) Security existing on the assets of a person prior to acquisition of the shares or participation in that relevant person or Security existing on any acquired asset at the time of such acquisition; (iii) Security granted in connection with (x) factoring arrangements (with or without recourse) or (y) transactions qualifying as financial leases or (z) under any sale and lease- back arrangements or in connection with transactions (A) profiting from "new market tax credits" provided by Section 45D of the US Internal Revenue Code or (B) entered into with local development authorities for the purpose of providing abatement of local taxes; and (iv) any Security over assets which do not at any time exceed 10% of the book value of the consolidated assets of the Guarantor.

- (2) The Borrower and the Guarantor shall ensure that for the term of this Loan Agreement, their respective payment obligations under this Loan Agreement or the Guarantee will rank *pari passu* with all their other present and future, unsecured and unsubordinated payment obligations. This shall not apply to payment obligations whose prior servicing results from mandatory, generally applicable laws or regulations or governmental requirements or in the connection with national or local tax laws or regulations.
- (3) The Borrower shall ensure that it is at all times in compliance with the Swiss Non-Bank Rules, provided that the Borrower shall not be in breach of this undertaking if its number of creditors in respect of either the Swiss Ten Non-Bank-Rule or the Swiss Twenty Non-Bank Rule is exceeded solely by reason of a failure by one or more Lenders to comply with their obligations under § 10. For the purpose of its compliance with the Swiss Twenty Non-Bank Rule under this § 7(3), the number of Lenders under this Agreement which are not Qualifying Banks shall be deemed to be eight (irrespective of whether or not there are, at any time, any such Lenders).

## **§ 8 Events of Default**

- (1) The Lender shall be entitled to terminate the Loan Agreement immediately and to demand immediate redemption of the Loan and all related claims in particular if
  - (a) the Borrower fails to pay interest or principal on the relevant due date unless such non-payment results from technical or other administrative reasons beyond the control of the Borrower and is not remedied within five (5) Banking Days; or
  - (b) the Borrower or Guarantor fails to perform any other material obligation under this Loan Agreement and such failure is not remedied within thirty (30) calendar days after notice thereof has been given by the Lender to the Borrower or Guarantor (as applicable); or
  - (c) (i) any Financial Indebtedness of the Borrower, the Guarantor or of any of its Principal Subsidiaries, which exceeds an amount of USD 50 Mio., is not paid when due or after the expiry of any relevant grace period as set forth under the terms of the instrument governing that Financial Indebtedness, or

- (ii) any Financial Indebtedness of the Borrower, the Guarantor or of any of its Principal Subsidiaries, which exceeds an amount of USD 50 Mio., is declared or may be declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (d) the Borrower, the Guarantor or any of its Principal Subsidiaries is unable to pay its debts as they fall due or is over-indebted or admits its inability to pay its debts as they fall due or its over-indebtedness, suspends making payments on its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes an assignment for the benefit of or a composition with its creditors; or
- (e) a competent court opens insolvency proceedings against the Borrower's, Guarantor's or a Principal Subsidiary's assets (or does not commence such proceedings due to the absence of cost-covering assets), such proceedings are instituted but not discharged or stayed within sixty (60) days, or the Borrower, the Guarantor or the Principal Subsidiary applies for or institutes such proceedings; or
- (f) the Borrower or the Guarantor enters formal liquidation proceedings provided that such liquidation does not occur as part of any transaction permitted under § 8(1)(i); or
- (g) any secured party takes possession of all or material parts of the assets or the operations of the Borrower, the Guarantor or of any Principal Subsidiary, or an administrative receiver for those assets or operations is appointed or other enforcement measures have been approved/granted in this regard; or
- (h) the Borrower, the Guarantor or any Principal Subsidiary ceases its business operations in whole or in material parts thereof, provided that this does not occur as part of any transaction permitted under § 8(1)(i); or
- (i) the Borrower or the Guarantor is merged into another entity or all or substantially all of its assets are conveyed or transferred to another entity, unless (i) the entity is a corporation domiciled in the Federal Republic of Germany, Switzerland or the Federal States of Delaware or Georgia (both in the United States of America) which assumes all obligations of the Borrower under this Loan Agreement either by an agreement or by operation of law, and (ii) the economic and financial situation of such entity is not less sound than that of the Borrower or the Guarantor (as applicable) at the time of the occurrence of such event; or
- (j) the Borrower or the Guarantor transfers or conveys individual items of its fixed assets to another person or entity which is not a member of the Group. This does not apply to any transfers or conveyances:
- (aa) of assets made at arm's length in the ordinary course of business;
- (bb) of receivables under factoring arrangements (with or without recourse ) in the ordinary course of business;
- (cc) made with the prior written consent of the Lender;
- (dd) of obsolete, worn-out or surplus assets in the ordinary course of business;
- (ee) constituting Security permitted under § 7 para. 1 (Negative Pledge);
- (ff) of fixed assets under any sale and lease- back arrangements or in connection with transactions (A) profiting from "new market tax credits" provided by Section 45D of the



US Internal Revenue Code or (B) entered into with local development authorities for the purpose of providing abatement of local taxes;

(gg) where the proceeds of such transfers or conveyances (less customary transaction costs) are reinvested for the corporate purpose or used for repayment of Financial Indebtedness or remains within the Group as liquid funds; or

(hh) of assets book value of which (or, in the case of a disposal of shares in a Group member, the value of the shares to be sold as a percentage of the consolidated group assets as shown in the Guarantor's most recent consolidated financial accounts), when aggregated with the book value of all other assets disposed of (other than any of those permitted under paragraphs (aa) to (gg)) does not exceed 10 per cent of the book value of the Guarantor's consolidated net assets in each of the Borrower's financial years.

(k) the Guarantee is not or ceases to be in full force and effect.

(2) The Borrower or the Guarantor shall promptly notify the Paying Agent in writing who in turn will promptly inform the Lender on all matters which could lead to any event of default as set out in § 8 para. 1. Notices of termination have to be provided in writing to the Borrower with a copy to the Paying Agent and the Guarantor. If the Loan is terminated prematurely in whole or in part for any reason set out in § 8 para. 1, the Borrower shall be obliged to compensate the Lender for any loss which the Lender suffers due to the early repayment of the Loan (early repayment penalty).

## § 9 Guarantee

(1) The Guarantor hereby irrevocably and unconditionally guarantees in favour of the Lender subject to German law to pay to the Lender all present and future claims (whether contingent or subject to a time limit) of the Lender under this Loan Agreement against the Borrower. The payment shall be due pay within five (5) Business Days of a written demand by the Lender and assertion that the Borrower has failed to pay an amount payable under the Loan when due. § 4 shall apply on the payments under the Guarantee. For the avoidance of doubt, this Guarantee does not constitute a guarantee upon first demand (*Garantie auf erstes Anfordern*) and, in particular, receipt of such written demand shall not preclude any rights and/or defenses the Guarantor may have with respect to any payment requested by the Lender under this guarantee and indemnity.

(2) This Guarantee is an independent payment obligation of the Guarantor which shall remain binding irrespective of the legal validity and enforceability of the Loan Agreement and notwithstanding any defenses or remedies (*Einwendungen und Einreden*) that the Borrower or any third party may raise.

(3) The Guarantee shall terminate once all amounts due under the Loan Agreement have been unconditionally and finally paid.

Notwithstanding the termination, the Guarantee shall be reinstated and continue in full force and effect if the Lender has to repay any amounts received as a payment under the Loan Agreement or the Guarantee due to insolvency proceedings before court or any similar proceedings regarding the Borrower.

(4) Until all amounts which are or may become payable by the Guarantor under this Loan Agreement have been irrevocably paid in full, (i) any claims of the Guarantor against the Borrower resulting from any payment made by the Guarantor to the Lender hereunder shall be subordinated to any outstanding claims of the Lender against the Borrower under this Loan Agreement, and (ii) the Guarantor undertakes not to claim any payments from the Borrower arising out of or based upon any right of subrogation.

- (5) The Guarantor hereby waives its rights to terminate the Guarantee by depositing the guarantee amount with the competent local court (*Amtsgericht*) by way of security.

## § 10 Transfer

- (1) The Lender may transfer its contractual position hereunder (including those under the Guarantee) in full or in partial amounts of at least EUR 500,000 and in whole multiples of EUR 500,000 above that - to a Third Party by way of assumption of contract.

(a) In case of the first transfer of the contractual position by the First Lender the following shall apply:

- (i) A transfer to a Lender which is not a Qualifying Bank is subject to the consent of the Borrower. The consent of the Borrower to such transfer must not be unreasonably withheld or delayed. It is not unreasonable for the Borrower to withhold its consent if, following such transfer, the number of Lenders that are not Qualifying Banks would exceed eight.

Each Lender will confirm to the Borrower before the date on which it intends to become a party to this Loan Agreement in its capacity as such whether it is a Qualifying Bank, and if it is not a Qualifying Bank, that it only counts as one (1) non-bank lender for purposes of determining the number of non-bank lenders. If a Lender fails to indicate its status in accordance with this provision then such Lender shall be treated for the purposes of this Loan Agreement as if it is not a Qualifying Bank.

- (ii) The transfer will be effected by a confirmation of transaction (*Geschäftsbestätigung*) to be issued by the First Lender and countersigned by the joining Lender. The Paying Agent shall inform the Borrower with respect to each transfer without undue delay.

(b) For all following transfers of the contractual position the following shall apply:

- (i) The transfer of the contractual position to a Lender which does not meet the definition of a Qualifying Bank is only permitted with the prior written consent of the Borrower. The consent of the Borrower to such transfer must not be unreasonably withheld or delayed; in particular it is not unreasonable for the Borrower to withhold its consent if, following such transfer, the number of Lenders that are not Qualifying Banks would exceed eight. Each Lender will confirm to the Borrower before the date on which it intends to become a party to this Loan Agreement in its capacity as such whether it is a Qualifying Bank, and if it is not a Qualifying Bank, that it only counts as one (1) non-bank lender for purposes of determining the number of non-bank lenders. If a Lender fails to indicate its status in accordance with this provision then such Lender shall not be treated as a Qualifying Bank for the purposes of this Loan Agreement.

- (ii) Such transfer shall become effective as of the transfer date set forth in the Transfer Certificate (Annex 3), provided that the Paying Agent has received a duly completed and duly executed Transfer Certificate substantially in the form set out in the example in Annex 3. The Paying Agent shall inform the Borrower with respect to each transfer without undue delay by submitting a copy of the relevant Transfer Certificate.

- (iii) In the event that the Paying Agent receives a Transfer Certificate less than five (5) Banking Days before an Interest Payment Date, any payment made by the Borrower or the Guarantor to the resigning Lender shall release the Borrower from its payment obligations to the joining Lender in the amount of such payment.

- (2) Each Lender which confirmed that it was a Qualifying Bank undertakes to notify the Borrower and the Paying Agent promptly upon becoming aware of it ceasing to be a Qualifying Bank.
- (3) The result of a transfer is that all of the resigning Lender's rights and obligations under this Loan Agreement and the Guarantee are passed over to the joining Lender to the extent that they are transferred. The effect of a transfer is that the existing Loan Agreement and the Guarantee remain unchanged in force between the new contract parties to the extent that rights and obligations are transferred.
- (4) By signing this Loan Agreement, the Borrower grants its prior consent to any such transfer made in compliance with § 10 (1).
- (5) The Lender shall be authorized to transfer all its claims under this Loan (incl. those under the Guarantee) to the Deutsche Bundesbank, Banque Centrale du Luxembourg or any other central bank of the ECB system or to the Swiss National Bank or any eurozone development bank ("*Förderbank*") as security for refinancing purposes. For the validity of such transfer expressly no formal requirements and obligations to inform the Borrower shall be required. Likewise, in case of such transfers being made by any central bank of the ECB system or eurozone development bank expressly no formal requirements and obligations to inform the Borrower shall be required. In case of the liquidation of any rights arising out of this Loan Agreement by any central bank of the ECB system, the restrictions under § 10(1) shall not apply.
- (6) For the purposes of this § 10, the Borrower and the Guarantor hereby give their consent to the forwarding of all information contained in this Loan Agreement to joining Lenders or potentially joining Lenders (including any relevant data such as joining Lender or potentially joining Lender may require for purposes of section 18 of the German Banking Act (KWG) or in order to meet any other "know your customer" requirements (the "**KYC Data**")), the respective central bank or development bank for such transfer and, if applicable, to third parties acquiring the participation from beneficiaries to whom a transfer in accordance with § 10 (5) has been made in case of an enforcement of such a security. Such consent shall also extend to measures of publication (e.g. recording the security in a register that authorised third parties have access to) which are required by law for the constitution or consistency of such a security and they exempt the Lender from the banking confidentiality in this respect.
- (7) No Lender shall enter into a sub-participation arrangement with another person or assign any rights or claims under this Loan Agreement without transferring the relevant contractual position at the same time and to the same transferee. The transfer of the contractual position to a Lender (i) which does not meet the definition of a Third Party or (ii) is a private individual is not permitted.

#### **§ 11 Nature of a Lender's Rights and Obligations**

- (1) The obligations of a Lender under this Loan Agreement are not joint and several (keine gesamtschuldnerische Haftung). No Lender is liable for the obligations of any other Lender under the Loan Agreement.
- (2) The rights of a Lender under this Loan Agreement (and under the Guarantee) are not joint and several (keine Gesamtgläubiger). The amounts owed at any time under the Loan Agreement from the Borrower to any Lender shall constitute a separate and independent debt and each Lender shall be entitled to protect and enforce its rights arising out of this Loan Agreement and out of the Guarantee independently from another Lender.

#### **§ 12 Information**

- (1) For the purposes of complying with the requirements under section 18 of the German Banking Act (KWG), the Borrower and the Guarantor shall submit in a timely manner to the Lender any

documents and information required to comply with the Lender's statutory obligations. During the term of the Loan, the Borrower and the Guarantor shall in particular supply the following documents to the Paying Agent for submission to the Lenders:

(a) the audited separate and consolidated (for the Guarantor) financial statements of the Borrower and the Guarantor as soon as they are publicly available but in any event no later than two hundred and seventy (270) days after the end of the respective financial year for the Borrower and no later than ninety (90) days after the end of the respective financial year for the Guarantor, for the latter subject to any extension period obtained by the Guarantor from the Securities and Exchange Commission for the filing of an equivalent periodic report under Rule 12b-25 of the General Rules and Regulations under the Securities Exchange Act of 1934, and

(b) any other information a Lender may reasonably request in order to comply with legal requirements.

(2) The obligation to disclose documents pursuant to § 12 para. 1 shall cease to apply if the documents necessary to comply with section 18 of the German Banking Act (KWG) or any other legal requirements are freely accessible on the Borrower's or Guarantor's website (in a form that can be saved or printed).

(3) The Borrower and the Guarantor hereby authorize the Lender to pass on or to disclose for review any such documents, data and information as the Lender may consider necessary, useful or appropriate to any potential Third Party (or to a member of the European system of central banks or to the Swiss National Bank for the purposes set out in § 10(4) or to such persons, who are involved in the settlement of the transfer for technical or legal reasons (such as legal advisors, rating agencies, auditors) or to governmental courts and authorities (especially supervisory authorities) that require disclosure by mandatory law, and therefore release the Lender from banking confidentiality.

(4) Apart from that, the Parties, the Guarantor and the Paying Agent agree to treat information and documents received in connection with this Loan as confidential. Legal or regulatory disclosure requirements that the Lender or Paying Agent are subject to remain unaffected.

### § 13 Notices

Any notices, queries or other communication under this Loan Agreement shall be made in writing (including by fax or pdf file) and shall be addressed as follows:

(1) If intended for the **Borrower**, to the following address:

Victor von Bruns-Strasse 17  
CH 8212 Neuhausen am Rheinfall  
Switzerland  
Phone: +41 52 725 22 00  
Facsimile: +41 52 725 2272  
e-Mail: roger.batkin@agcocorp.com  
Attention: Roger Batkin

(2) If intended for the **Guarantor**, to the following address:

4205 River Green Parkway  
Duluth, Georgia 30096-2568  
Telefon: +1 770 813 9200  
Telefax: +1 (770) 813-6158  
e-Mail: roger.batkin@agcocorp.com  
z. Hd.: Roger Batkin

(3) If intended for the **Lender** or for the **Paying Agent**, to the following address:

Bayerische Landesbank  
Brienner Strasse 18  
80333 Munich  
Federal Republic of Germany (FRG)  
Phone: +49 (0)89 - 2171 - 23714  
Facsimile: +49 (0)89 - 2171 - 23083  
e-mail: 4245.ssd-np@bayernlb.de  
Attention: 4245 Issues Administration &  
Credit Derivatives Service Team

In the event of a transfer pursuant to § 10, any notices to a joining Lender shall be addressed to the Paying Agent.

#### **§ 14 Miscellaneous**

- (1) For the term of this Loan Agreement and/or the Guarantee, the Borrower and the Guarantor each appoint AGCO GmbH, Johann-Georg-Fendt-Strasse, 4, 87616 Marktobendorf, Germany, as the agent for the service of process in Germany.
- (2) The Borrower undertakes to provide the Lender with all information and data the Lender deems necessary to fulfill the obligations of the German Anti-Money-Laundering Act (Geldwäschegesetz).
- (3) The Borrower and the Guarantor may only offset claims, exercise any liens or any retention rights that are uncontested or have been legally established with final and binding effect against claims of the Lender. The Borrower and the Guarantor hereby waive the exercise of any right of set-off, liens or any retention right if and to the extent that the Loan belongs to the reserved assets of the Lender within the meaning of section 125 German Insurance Supervisory Act (VAG) in conjunction with, if applicable, section 1 et seq. of the Ordinance on the Investment of Restricted Assets of Insurance Undertakings (Anlageverordnung) or to covering funds which must be set up pursuant to the laws of the Federal Republic of Germany (or comparable provisions of foreign law), including in cases of insolvency proceedings.
- (4) Any amendments of this Loan Agreement must be made in writing in order to become effective. This shall also apply to any waiver of this section. Insofar as the amendments refer to rights and obligations of the Paying Agent amendments must only be made with the written consent of the Paying Agent.
- (5) The Borrower and the Guarantor consent to the KYC Data being recorded, processed and, for the purposes of this Loan, disclosed to any joining or potentially joining Lenders in accordance with § 10 para 1.
- (6) Should any provision of this Loan Agreement be or become entirely or partially invalid or unenforceable, the validity or enforceability of the remaining provisions shall not be affected thereby. Any omission resulting therefrom shall be remedied by supplemental provision which takes due account of the interests of the Parties and the Paying Agent.
- (7) This Loan Agreement is executed in three (3) originals, one of which will be retained by the Borrower one by the Guarantor and one by the Lender.
- (8) This Loan Agreement and the Guarantee are subject to the laws of the Federal Republic of Germany. Non-exclusive place of jurisdiction for all disputes arising out of or in connection with this Loan Agreement shall be Munich.

(9) This Loan Agreement is drafted in the German language and provided with a non-binding English translation. Only the German text is valid and binding. The English translation is non-binding in every respect and provided for convenience only.

**AGCO International GmbH, Schweiz**

als Darlehensnehmerin

as Borrower

Neuhausen am Rheinfall, Schweiz, den 12. Oktober 2016

Neuhausen am Rheinfall, Switzerland, 12 October 2016

Unterschrift(en): /s/ ROGER N BATKIN

Signature(s):

Name(n): ROGER N BATKIN

Name(s):

**AGCO Corporation**

als Garantin

as Guarantor

Duluth, Georgia, Vereinigte Staaten von Amerika, den 12. Oktober 2016

Duluth, Georgia, United States of America, 12 October 2016

Unterschrift(en): /S/ DAVID WILLIAMS

Signature(s):

Name(n): DAVID WILLIAMS

Name(s):

**Bayerische Landesbank**  
als Darlehensgeberin und Zahlstelle  
as Lender and Paying Agent  
München, den 12. Oktober 2016  
Munich, 12 October 2016

Unterschrift(en): /s/ LINK GMEINWIESER  
Signature(s):

Name(n): LINK GMEINWIESER  
Name(s):



## Annex 1

### **Conditions Precedent**

- (1) Submission of the Loan Agreement duly signed by the Borrower and the Guarantor and the Paying Agency Agreement to the First Lender.
- (2) A legal opinion as to Swiss law from the Borrower's legal adviser regarding the Borrower's capacity and due authorisation to enter into the Loan Agreement, the due execution of the Loan Agreement of/by the Borrower and the validity of the choice of German law as well as the recognition of place of jurisdiction chosen pursuant to this Loan Agreement and the enforceability of a German court ruling under Swiss law in the English language satisfactory to Bayerische Landesbank.
- (3) A legal opinion as to US law from the Guarantor's legal adviser regarding the Guarantor's capacity and due authorisation to enter into the Loan Agreement, the due execution of the Loan Agreement of/by the Guarantor and the validity of the choice of German law as well as the submission to jurisdiction chosen pursuant to this Loan Agreement and the enforceability of a German court ruling under US federal law and the law of the US federal state of Georgia in the English language satisfactory to Bayerische Landesbank.
- (4) Delivery of identification documents for each authorized representative. *Note: Copies of identification documents can only be furnished to external parties with the approval of the owner of the identification document.*
- (5) A copy of the Borrower's and the Guarantor's memorandum and articles of association or certificate of incorporation as customarily delivered for transactions of this kind.
- (6) A confirmed list of members of the Borrower's and the Guarantor's management who are authorised representatives with signature specimens of persons able to represent the Borrower and the Guarantor in connection with this Loan Agreement and authorised to sign ("**Authorised Signatories**"), as well as current copies of the Authorised Signatories' ID cards or passports.
- (7) A confirmation by the Borrower and the Guarantor, that any approvals required under their statutes or articles of association to utilise this Loan or to provide the Guarantee have been obtained from the appropriate body.
- (8) A current excerpt or certificate of good standing (as applicable) of the Borrower's and Guarantor's listing in the commercial register or equivalent proof of existence as customarily delivered for transactions of this kind.
- (9) Copy of the Borrower's and Guarantor's audited separate and consolidated (for the Guarantor) annual financial statements for the two most recently completed financial years (as available) including (if such details are legally required or customarily delivered to the creditors or made available publicly) balance sheet, profit and loss account (statement of income), management report, notes and auditor's report (if prepared and available) plus any additional documents required pursuant to section 18 German Banking Act (KWG).
- (10) Confirmation that the process agents referred to in § 14 (1) has accepted its appointment (on behalf of the Borrower and the Guarantor).
- (11) Overview of the Borrower's corporate structure, showing all ownership structures and ownership breakdown up to the natural persons at the top of the ownership structure (e.g. an organisation chart of the Borrower detailing the percentage and the nominal amount of each natural person's ownership stake in regard to assets, equity and/or voting rights).

(12) Confirmation of the Borrower and the Guarantor that no events of default as stated in § 8 para. 1 have occurred.

**Certificate of Indebtedness (*Schuldschein*)**

AGCO International GmbH, Switzerland

hereby acknowledges to have received a loan from

**Bayerische Landesbank, Munich**

on 19 October 2016

arranged by

**Bayerische Landesbank, Munich**

and

**Coöperatieve Rabobank U.A.**

in the amount of

EUR 166,500,000

(in words: one hundred sixty-six million five hundred thousand Euros)

guaranteed by :

AGCO Coproration

due for repayment on 19 October 2021 in accordance with the terms and conditions of the Loan Agreement dated 12 October 2016.

Datum: ●

Date: ●

Unterschrift(en):

Signature(s): \_\_\_\_\_

Name(n):

Name(s) \_\_\_\_\_

### Transfer Certificate

From:

1. ●, hereinafter "**Existing Lender**" and
2. ●, hereinafter "**New Lender**"

To: Bayerische Landesbank, as Paying Agent for the Borrower defined in the Loan Agreement referred to below

Date: ●

This Transfer Certificate relates to a Loan granted under a loan agreement dated 12 October 2016 made by and between AGCO International GmbH as Borrower and **Bayerische Landesbank** as First Lender and Paying Agent under which the First Lender has, subject to the terms thereof, made available to the Borrower a Loan in the amount of EUR 166,500,000 guaranteed by AGCO Corporation. Terms defined in the Loan Agreement shall, unless otherwise defined herein, have the same meanings in this Transfer Certificate as in the Loan Agreement.

1. The Existing Lender:

(a) hereby transfers and assigns by way of assumption of contract (Vertragsübernahme) subject to :

[(i)] the receipt of a duly completed and executed copy of this Transfer Certificate by the Paying Agent, and

[(ii) the satisfaction of the following further conditions to be fulfilled :

[•]

[•]

all of its contractual rights under the Loan Agreement and the Guarantee in the proportion of the aggregate principal amount shown in the Schedule to this Transfer Certificate together with all related rights and claims with economic effect from the Transfer Date (including) as specified in the Schedule to this Transfer Certificate (the "**Transfer Date**") to the New Lender. Future claims to interest shall only be transferred to the extent they fall on or after the Transfer Date.

(b) confirms that to the extent that details appear in the Schedule to this Transfer Certificate under the heading "Existing Lender's Participation in the Loan to be transferred" such details accurately summarize the amount of its participation in the Loan (the "**Participation**").

2. The Existing Lender and the New Lender hereby request the Paying Agent to accept the executed copy of this Transfer Certificate in accordance with the Loan Agreement as being for the purposes of section 10 (Transfer) of the Loan Agreement in order to effect the transfer in accordance with the terms of the Loan Agreement on the Transfer Date.

3. The New Lender confirms that it has previously confirmed to the Borrower that, and the New Lender herewith restates that it is: <sup>1</sup>
- ( ) a Qualifying Bank;
  - ( ) not a Qualifying Bank, and that it only counts as one (1) non-bank lender for purposes of determining the number of non-bank lenders.

4. The New Lender:

- (a) hereby accepts the transfer and assignment as mentioned in clause 1 (a) above
- (b) confirms that it has received a copy of the Loan Agreement and all other documents and information which it has requested in connection with this transaction;

5. The Existing Lender does not assume any liability for:

- (a) the financial condition of the Borrower and the Guarantor, and
- (b) the performance of or the compliance with the obligations by the Borrower or the Guarantor under the Loan or the Guarantee (save as expressly agreed otherwise therein).

The Existing Lender assumes liability for the legal validity of the claims under the Loan in accordance with the statutory provisions (*Veritätshaftung*).

6. The New Lender acknowledges that the Existing Lender is under no obligation whatsoever (i) to accept in whole or in part a retransfer of the contractual position or individual rights or obligations under the Loan Agreement and the Guarantee from the New Lender or (ii) to bear any losses directly or indirectly incurred by the New Lender including losses resulting from the non-performance by the Borrower of its obligations under the Loan Agreement or by the Guarantor of its obligations under the Guarantee.
7. The New Lender confirms that in case the Paying Agent receives a Transfer Certificate less than five (5) Banking Days before an Interest Payment Date, any payment made by the Borrower or the Guarantor (through the Paying Agent) to the Existing Lender shall release the Borrower from its payment obligations towards the New Lender in the amount of such payment.
8. Should any provision of this Transfer Certificate be or become entirely or partially invalid or unenforceable, the validity or enforceability of the remaining provisions shall not be affected thereby. Any omission resulting therefrom shall be remedied by supplemental interpretation under due consideration to the interests of the Parties.
9. This Transfer Certificate shall be governed by German law. Non-exclusive place of jurisdiction for any disputes arising in connection with this agreement shall be [●].

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<sup>1</sup> Tick box as appropriate

Die Derzeitige Darlehensgeberin: ●

The Existing Lender: ●

Unterschrift(en):

Signature(s): \_\_\_\_\_

Name(n):

Name(s) \_\_\_\_\_

Die Neue Darlehensgeberin: ●

The New Lender: ●

Unterschrift(en):

Signature(s): \_\_\_\_\_

Name(n):

Name(s) \_\_\_\_\_

Schedule to the Transfer Certificate
Existing Lender: ●
New Lender: ●
Transfer Date: ●
<b>Existing Lender's Participation in the Loan to be transferred</b>
Amount of Participation in the Loan: EUR ●
Amount thereof to be transferred: EUR ●
<b>Details of New Lender:</b>
<b>Address for notices:</b> ●
Contact name: ●
Phone: ●
Facsimile: ●
Account number: ●

## Certification Pursuant to § 302 of the Sarbanes-Oxley Act of 2002

I, Martin Richenhagen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of AGCO Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) 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 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(s) 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 registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weakness 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.

Dated: November 8, 2016

/s/ Martin Richenhagen

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Martin Richenhagen  
Chairman of the Board, President and Chief Executive Officer



## Certification Pursuant to § 302 of the Sarbanes-Oxley Act of 2002

I, Andrew H. Beck, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of AGCO Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) 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 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(s) 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 registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weakness 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.

Dated: November 8, 2016

/s/ Andrew H. Beck

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Andrew H. Beck  
Senior Vice President and Chief Financial Officer

**CERTIFICATION**

The undersigned, as the Chairman of the Board, President and Chief Executive Officer and as the Senior Vice President and Chief Financial Officer of AGCO Corporation, respectively, certify that, to the best of their knowledge and belief, the Quarterly Report on Form 10-Q for the period ended September 30, 2016, which accompanies this certification fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and the information contained in the periodic report fairly presents, in all material respects, the financial condition and results of operations of AGCO Corporation at the dates and for the periods indicated. The foregoing certifications are made pursuant to 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350) and shall not be relied upon for any other purpose.

/s/ Martin Richenhagen

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Martin Richenhagen  
Chairman of the Board, President and Chief Executive Officer  
November 8, 2016

/s/Andrew H. Beck

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Andrew H. Beck  
Senior Vice President and Chief Financial Officer  
November 8, 2016

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to AGCO Corporation and will be retained by AGCO Corporation and furnished to the Securities and Exchange Commission or its staff upon request.