

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED March 29, 2019

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM TO

Commission file number: 001-14845

TRIMBLE INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

94-2802192

(I.R.S. Employer Identification Number)

935 Stewart Drive, Sunnyvale, CA 94085
(Address of principal executive offices) (Zip Code)

Telephone Number (408) 481-8000
(Registrant's telephone number, including area code)

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

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

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

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	TRMB	The Nasdaq Capital Market

As of May 3, 2019, there were 251,625,057 shares of Common Stock, par value \$0.001 per share, outstanding.

TRIMBLE INC.
FORM 10-Q for the Quarter Ended March 29, 2019
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PART I – FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TRIMBLE INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

As of	First Quarter of 2019	Fiscal Year End 2018
<i>(In millions, except par value)</i>		
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 216.7	\$ 172.5
Accounts receivable, net	525.2	512.6
Other receivables	23.8	33.2
Inventories	303.7	298.0
Other current assets	78.4	72.8
Total current assets	1,147.8	1,089.1
Property and equipment, net	212.8	212.9
Operating lease right-of-use assets	121.1	—
Goodwill	3,540.8	3,540.0
Other purchased intangible assets, net	697.5	744.3
Deferred costs, non-current	41.3	41.3
Other non-current assets	158.8	148.8
Total assets	\$ 5,920.1	\$ 5,776.4
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	\$ 246.8	\$ 256.2
Accounts payable	147.6	147.6
Accrued compensation and benefits	112.1	169.2
Deferred revenue	422.9	348.4
Accrued warranty expense	14.1	15.3
Other current liabilities	146.5	118.5
Total current liabilities	1,090.0	1,055.2
Long-term debt	1,647.8	1,712.3
Deferred revenue, non-current	41.5	38.8
Deferred income tax liabilities	74.7	73.8
Income taxes payable	75.3	71.3
Operating lease liabilities	95.1	—
Other non-current liabilities	152.7	150.2
Total liabilities	3,177.1	3,101.6
Commitments and contingencies (Note 15)		
Stockholders' equity:		
Preferred stock, \$0.001 par value; 3.0 shares authorized; none issued and outstanding	—	—
Common stock, \$0.001 par value; 360.0 shares authorized; 251.5 and 250.9 shares issued and outstanding as of the end of the first quarter of fiscal 2019 and fiscal year end 2018, respectively	0.3	0.3
Additional paid-in-capital	1,634.5	1,591.9
Retained earnings	1,289.4	1,268.3
Accumulated other comprehensive loss	(182.5)	(186.1)
Total Trimble Inc. stockholders' equity	2,741.7	2,674.4
Noncontrolling interests	1.3	0.4
Total stockholders' equity	2,743.0	2,674.8
Total liabilities and stockholders' equity	\$ 5,920.1	\$ 5,776.4

See accompanying Notes to the Condensed Consolidated Financial Statements.

TRIMBLE INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

<i>(In millions, except per share amounts)</i>	First Quarter of	
	2019	2018
Revenue:		
Product	\$ 488.4	\$ 497.8
Service	159.2	128.8
Subscription	154.0	115.6
Total revenue	801.6	742.2
Cost of sales:		
Product	230.7	235.4
Service	64.0	59.6
Subscription	44.4	27.9
Amortization of purchased intangible assets	24.2	23.1
Total cost of sales	363.3	346.0
Gross margin	438.3	396.2
Operating expense:		
Research and development	118.2	109.3
Sales and marketing	127.4	122.1
General and administrative	82.8	81.6
Restructuring charges	3.5	1.6
Amortization of purchased intangible assets	20.1	17.4
Total operating expense	352.0	332.0
Operating income	86.3	64.2
Non-operating income (expense), net:		
Interest expense, net	(21.9)	(9.5)
Foreign currency transaction gain (loss), net	(0.9)	3.7
Income from equity method investments, net	8.8	4.9
Other income, net	2.9	3.4
Total non-operating income (expense), net	(11.1)	2.5
Income before taxes	75.2	66.7
Income tax provision	12.8	8.0
Net income	62.4	58.7
Net gain attributable to noncontrolling interests	0.1	0.2
Net income attributable to Trimble Inc.	\$ 62.3	\$ 58.5
Basic earnings per share	\$ 0.25	\$ 0.24
Shares used in calculating basic earnings per share	251.5	248.8
Diluted earnings per share	\$ 0.25	\$ 0.23
Shares used in calculating diluted earnings per share	254.0	253.2

See accompanying Notes to the Condensed Consolidated Financial Statements.

TRIMBLE INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)

	First Quarter of	
	2019	2018
<i>(In millions)</i>		
Net income	\$ 62.4	\$ 58.7
Foreign currency translation adjustments, net of tax	3.4	30.3
Net unrealized gain, net of tax	0.2	—
Comprehensive income	66.0	89.0
Comprehensive gain attributable to noncontrolling interests	0.1	0.2
Comprehensive income attributable to Trimble Inc.	<u>\$ 65.9</u>	<u>\$ 88.8</u>

See accompanying Notes to the Condensed Consolidated Financial Statements.

TRIMBLE INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)

	Common stock			Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Noncontrolling Interest	Total
	Shares	Amount	Additional Paid-In Capital					
<i>(In millions)</i>								
Balance at the end of fiscal 2018	250.9	\$ 0.3	\$ 1,591.9	\$ 1,268.3	\$ (186.1)	\$ 2,674.4	\$ 0.4	\$ 2,674.8
Net income	—	—	—	62.3	—	62.3	0.1	62.4
Other comprehensive income	—	—	—	—	3.6	3.6	—	3.6
Comprehensive income						65.9		66.0
Issuance of common stock under employee plans, net of tax withholdings	1.6	—	33.3	(7.7)	—	25.6	—	25.6
Stock repurchases	(1.0)	—	(6.5)	(33.5)	—	(40.0)	—	(40.0)
Stock-based compensation	—	—	16.6	—	—	16.6	—	16.6
Noncontrolling interest investments	—	—	(0.8)	—	—	(0.8)	0.8	—
Balance at the end of the first quarter of fiscal 2019	251.5	\$ 0.3	\$ 1,634.5	\$ 1,289.4	\$ (182.5)	\$ 2,741.7	\$ 1.3	\$ 2,743.0

	Common stock			Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Noncontrolling Interest	Total
	Shares	Amount	Additional Paid-In Capital					
<i>(In millions)</i>								
Balance at the end of fiscal 2017	248.9	\$ 0.2	\$ 1,461.1	\$ 1,084.6	\$ (131.4)	\$ 2,414.5	\$ —	\$ 2,414.5
Net income	—	—	—	58.5	—	58.5	0.2	58.7
Other comprehensive income	—	—	—	—	30.3	30.3	—	30.3
Comprehensive income						88.8		89.0
Issuance of common stock under employee plans, net of tax withholdings	1.1	—	25.8	3.0	—	28.8	—	28.8
Stock repurchases	(1.3)	—	(7.5)	(42.5)	—	(50.0)	—	(50.0)
Stock-based compensation	—	—	17.6	—	—	17.6	—	17.6
Balance at the end of the first quarter of fiscal 2018	248.7	\$ 0.2	\$ 1,497.0	\$ 1,103.6	\$ (101.1)	\$ 2,499.7	\$ 0.2	\$ 2,499.9

See accompanying Notes to the Condensed Consolidated Financial Statements.

TRIMBLE INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(In millions)	First Quarter of	
	2019	2018
Cash flow from operating activities:		
Net income	\$ 62.4	\$ 58.7
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense	10.2	8.5
Amortization expense	44.3	40.5
Deferred income taxes	1.1	(10.8)
Stock-based compensation	16.3	17.4
Income from equity method investments	(4.8)	(0.1)
Other non-cash items	1.8	(11.1)
(Increase) decrease in assets:		
Accounts receivable, net	(13.8)	(29.4)
Inventories	(6.8)	(21.7)
Other current and non-current assets	6.1	(1.1)
Increase (decrease) in liabilities:		
Accounts payable	3.4	11.1
Accrued compensation and benefits	(57.0)	(41.6)
Deferred revenue	77.1	69.6
Other current and non-current liabilities	7.3	(7.1)
Net cash provided by operating activities	147.6	82.9
Cash flow from investing activities:		
Acquisitions of businesses, net of cash acquired	4.9	(518.7)
Acquisitions of property and equipment	(14.5)	(18.2)
Purchases of short-term investments	—	(24.0)
Proceeds from maturities of short-term investments	—	6.2
Proceeds from sales of short-term investments	—	196.8
Other	—	4.4
Net cash used in investing activities	(9.6)	(353.5)
Cash flow from financing activities:		
Issuance of common stock, net of tax withholdings	25.6	25.3
Repurchases of common stock	(40.0)	(53.0)
Proceeds from debt and revolving credit lines	266.9	591.0
Payments on debt and revolving credit lines	(339.7)	(383.0)
Other	(7.1)	—
Net cash provided by (used in) financing activities	(94.3)	180.3
Effect of exchange rate changes on cash and cash equivalents	0.5	6.3
Net increase (decrease) in cash and cash equivalents	44.2	(84.0)
Cash and cash equivalents - beginning of period	172.5	358.5
Cash and cash equivalents - end of period	\$ 216.7	\$ 274.5

See accompanying Notes to the Condensed Consolidated Financial Statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – UNAUDITED

NOTE 1. OVERVIEW AND BASIS OF PRESENTATION***Company and Background***

The Company began operations in 1978 and was originally incorporated in California as Trimble Navigation Limited in 1981. On October 1, 2016, Trimble Navigation Limited changed its name to Trimble Inc. ("Trimble" or the "Company") and changed its state of incorporation from the State of California to the State of Delaware. Other than the change in corporate domicile, the reincorporation did not result in any change in the business, physical location, management, assets, liabilities, or total stockholders' equity of the Company, nor did it result in any change in location of the Company's employees, including the Company's management.

Basis of Presentation

The Company has a 52-53 week fiscal year, ending on the Friday nearest to December 31, which for fiscal 2019 is January 3, 2020 and for fiscal 2018 was December 28, 2018. The first quarter of fiscal 2019 and 2018 ended on March 29, 2019 and March 30, 2018, respectively. Fiscal 2019 is 53-week year and 2018 is 52-week year. Unless otherwise stated, all dates refer to the Company's fiscal year and fiscal periods.

The Condensed Consolidated Financial Statements include the results of the Company and its consolidated subsidiaries. Inter-company accounts and transactions have been eliminated. Noncontrolling interests represent the noncontrolling stockholders' proportionate share of the net assets and results of operations of the Company's consolidated subsidiaries.

The unaudited interim Condensed Consolidated Financial Statements and accompanying notes are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). In the opinion of management, the unaudited interim Condensed Consolidated Financial Statements reflect all adjustments of a normal recurring nature that are necessary for a fair presentation of the results for the interim periods presented. Interim results are not necessarily indicative of results for the full year. The information included in this Form 10-Q should be read in conjunction with information included in Trimble's Form 10-K filed with the U.S. Securities and Exchange Commission on February 21, 2019.

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in its Condensed Consolidated Financial Statements and accompanying notes. Estimates and assumptions are used for revenue recognition, including determining the nature and timing of satisfaction of performance obligations and determining standalone selling price of performance obligations, allowances for doubtful accounts, sales returns reserve, allowances for inventory valuation, warranty costs, investments, goodwill impairment, intangibles impairment, purchased intangibles, useful lives for tangible and intangible assets, stock-based compensation, and income taxes among others. Management bases its estimates on historical experience and various other assumptions believed to be reasonable. Actual results and outcomes may differ from management's estimates and assumptions.

NOTE 2. UPDATES TO SIGNIFICANT ACCOUNTING POLICIES

Summary of Significant Accounting Policies

There have been no material changes to the Company's significant accounting policies during the first quarter of fiscal 2019 from those disclosed in the Company's most recent Form 10-K, except for the following changes to our accounting policies as a result of adopting the new lease standard as discussed below:

Recently Adopted Accounting Pronouncements

Leases

In February 2016, the FASB issued a new lease standard that requires a lessee to recognize lease assets and lease liabilities on the balance sheet for most leases and provide enhanced disclosures. The Company adopted the new standard at the beginning of fiscal year 2019 by applying a modified retrospective method without restating comparative periods. Upon adoption, certain practical expedients were used to carry forward existing leases as previously defined and classified. Leases containing both lease and non-lease components are accounted for as part of the overall lease arrangement.

Operating leases with lease terms greater than one year are included in Operating lease right-of-use ("ROU") assets, Other current liabilities, and Operating lease liabilities on the Company's Condensed Consolidated Balance Sheets. Those ROU assets and liabilities are recognized at the present value of lease payments over the lease terms by utilizing the Company's incremental borrowing rate.

The standard had a material impact on the Company's Condensed Consolidated Balance Sheets but did not have an impact on its Condensed Consolidated Income Statements or Statement of Cash Flows. The most significant impact was the recognition of \$123.5 million ROU assets and \$126.1 million lease liabilities for its operating leases at the adoption date.

Recently issued Accounting Pronouncements not yet adopted

Financial Instruments - Credit Losses

In June 2016, the FASB issued new guidance that requires credit losses on financial assets measured at amortized cost basis to be presented based on the net amount expected to be collected, not based on incurred losses. Further, credit losses on available-for-sale debt securities should be recorded through an allowance for credit losses limited to the amount by which fair value is below amortized cost. The new standard is effective for the Company beginning in fiscal 2020. Early adoption for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018 is permitted. The Company is currently evaluating the effect of the updated standard on its Condensed Consolidated Financial Statements.

Intangibles - Goodwill and Other

In January 2017, the FASB issued new guidance that simplifies the accounting for goodwill impairment by requiring impairment charges to be based on the first step in the current two-step impairment test. The impairment test is performed by comparing the fair value of a reporting unit with its carrying amount, and an impairment charge would be recognized for the amount by which the carrying amount exceeds the reporting unit's fair value. The new standard is applied on a prospective basis and is effective for the Company beginning in fiscal 2020, and early adoption is permitted. The Company currently anticipates that the adoption will not have a material impact on its Condensed Consolidated Financial Statements.

Intangibles - Internal-Use Software

In August 2018, the FASB issued new guidance that clarifies the accounting for implementation costs incurred in a cloud computing arrangement that is a service contract. This guidance aligns the accounting for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the accounting for implementation costs incurred to develop or obtain internal-use software. The Company is required to adopt the guidance in the first quarter of fiscal year 2020. Early adoption is permitted. The Company is currently evaluating the effect of the new guidance on its Condensed Consolidated Financial Statements.

NOTE 3. STOCKHOLDERS' EQUITY

Stock Repurchase Activities

In November 2017, the Company's Board of Directors approved a stock repurchase program ("2017 Stock Repurchase Program"), authorizing the Company to repurchase up to \$600.0 million of Trimble's common stock.

Under the share repurchase program, the Company may repurchase shares from time to time in open market transactions, privately negotiated transactions, accelerated share buyback programs, tender offers, or by other means. The timing and amount of repurchase transactions will be determined by the Company's management based on its evaluation of market conditions, share price, legal requirements, and other factors. The program may be suspended, modified, or discontinued at any time without prior notice.

During the first quarter of fiscal 2019, the Company repurchased approximately 1.0 million shares of common stock in open market purchases, at an average price of \$39.59 per share, for a total of \$40.0 million under the 2017 Stock Repurchase Program.

Stock repurchases are reflected as a decrease to common stock based on par value and additional-paid-in-capital based on the average book value per share for all outstanding shares, calculated at the time of each individual repurchase transaction. The excess of the purchase price over this average for each repurchase is charged to retained earnings. As a result of the repurchases, retained earnings was reduced by \$33.5 million in the first quarter of fiscal 2019. Common stock repurchases under the program were recorded based upon the trade date for accounting purposes. At the end of the first quarter of fiscal 2019, the 2017 Stock Repurchase Program had remaining authorized funds of \$312.2 million.

NOTE 4. BUSINESS COMBINATIONS

The Company determined the total consideration paid for each of its acquisitions as well as the fair value of the assets acquired and liabilities assumed as of the date of acquisition. The excess of purchase consideration over the fair value of net tangible and identifiable intangible assets acquired was recorded as goodwill. The fair value of intangible assets acquired is generally determined based on a discounted cash flow analysis. The preliminary fair values of net tangible assets and intangible assets acquired were based on preliminary valuations and estimates and assumptions are subject to change within the measurement period (up to one year from the acquisition date). The primary areas that remain preliminary relate to the fair values of intangible assets acquired, certain tangible assets and liabilities acquired, income and non-income based taxes, and residual goodwill. The Company expects to continue to obtain information to assist in determining the fair values of the net assets acquired during the measurement period.

Intangible Assets

The following table presents details of the Company's total intangible assets:

As of	First Quarter of Fiscal 2019			Fiscal Year End 2018		
	Gross Carrying	Accumulated	Net Carrying	Gross Carrying	Accumulated	Net Carrying
	Amount	Amortization	Amount	Amount	Amortization	Amount
(In millions)						
Developed product technology	\$ 1,222.0	\$ (850.7)	\$ 371.3	\$ 1,220.3	\$ (825.3)	\$ 395.0
Trade names and trademarks	72.9	(54.7)	18.2	72.9	(53.3)	19.6
Customer relationships	715.6	(422.7)	292.9	715.1	(406.5)	308.6
Distribution rights and other intellectual property	78.4	(63.3)	15.1	84.4	(63.3)	21.1
	<u>\$ 2,088.9</u>	<u>\$ (1,391.4)</u>	<u>\$ 697.5</u>	<u>\$ 2,092.7</u>	<u>\$ (1,348.4)</u>	<u>\$ 744.3</u>

The estimated future amortization expense of purchased intangible assets as of the end of the first quarter of fiscal 2019 was as follows:

(In millions)	
2019 (Remaining)	\$ 121.0
2020	139.7
2021	118.3
2022	99.2
2023	85.6
Thereafter	133.7
Total	<u>\$ 697.5</u>

Goodwill

The changes in the carrying amount of goodwill by segment for the first quarter of fiscal 2019 were as follows:

	Buildings and Infrastructure	Geospatial	Resources and Utilities	Transportation	Total
(In millions)					
Balance as of fiscal year end 2018	\$ 1,970.2	\$ 403.1	\$ 305.7	\$ 861.0	\$ 3,540.0
Purchase price adjustments- prior years' acquisitions	(0.3)	—	—	(0.4)	(0.7)
Foreign currency translation adjustments	3.4	(1.6)	(0.5)	0.2	1.5
Balance as of the end of the first quarter of fiscal 2019	<u>\$ 1,973.3</u>	<u>\$ 401.5</u>	<u>\$ 305.2</u>	<u>\$ 860.8</u>	<u>\$ 3,540.8</u>

Viewpoint and e-Builder acquisitions

On July 2, 2018, the Company acquired all of the outstanding shares of Viewpoint in an all-cash transaction valued at \$1,211.3 million. Viewpoint is a provider of construction management software, which integrates a contractor's financial and resource management to their project operations in the field. The integration across the office, team, and field workflows enables contractors to employ Viewpoint to effectively manage and gain visibility over data and workflows that span the construction lifecycle from pre-production planning, to product operations and supply chain management, through project hand over, and asset operation and maintenance.

On February 2, 2018, the Company completed the acquisition of e-Builder in an all-cash transaction valued at \$485.5 million. e-Builder is a SaaS-based construction program management solution for capital program owners and program management firms that provides an integrated project delivery solution for owners, program managers, and contractors across the design, construct, and operate lifecycle.

Viewpoint and e-Builder's results of operations have been included in the Company's Condensed Consolidated Statements of Income since their respective acquisition dates and for the first quarter of fiscal 2019. Both Viewpoint and e-Builder's performance are reported under the Buildings and Infrastructure segment.

The two acquisitions were funded through the use of approximately \$211.2 million of the Company's existing cash, with the remainder funded through the issuance of senior notes and the Company's 2018 Credit Facilities (as defined in Note 7).

The following table summarizes the consideration transferred to acquire Viewpoint and e-Builder, the assets acquired, and liabilities assumed, and the estimated useful lives of the identifiable intangible assets as of the dates of the acquisitions:

<i>(In millions)</i>	Viewpoint		e-Builder	
Total purchase consideration	\$	1,211.3	\$	485.5
Net tangible assets acquired		(0.4)		2.0
Intangible assets acquired:		<u>Estimated Useful Life</u>		<u>Estimated Useful Life</u>
Developed product technology	225.4	6 years	60.5	7 years
In-Process Research & Development	12.9	n/a	—	
Order backlog	—		1.7	6 months
Customer relationships	158.6	10 years	42.4	10 years
Trade name	8.9	5 years	4.8	7 years
Favorable Lease	4.3	4 - 9 years	—	
Subtotal	410.1		109.4	
Deferred tax liability	(61.2)		(18.2)	
Less fair value of all assets/liabilities acquired	348.5		93.2	
Goodwill	<u>\$</u>	<u>862.8</u>	<u>\$</u>	<u>392.3</u>

Goodwill consisted of highly skilled and valuable assembled workforce, a proven ability to generate new products and services to drive future revenue, and a premium paid by the Company for synergies unique to its business. As of the first quarter of fiscal 2019, goodwill of \$95.8 million for Viewpoint is expected to be deductible for tax purposes.

The following table presents supplemental pro forma results of operations of the Company, Viewpoint, and e-Builder, as if the companies had been combined as of the beginning of the earliest period presented. The unaudited pro forma results of operations are not necessarily indicative of results that would have occurred had the acquisitions taken place on the first day of fiscal 2018, or of future results. Included in the pro forma results are fair value adjustments based on the fair values of assets acquired and liabilities assumed as of the applicable acquisition dates. For the first quarter of fiscal 2018, the major impacts for the pro forma results include amortization of intangible assets related to the acquisitions, impacts from adoption of Revenue from Contracts with Customers, interest expense for debt used to purchase Viewpoint and e-Builder, income tax effects, and other adjustments to reflect fair value. The pro forma information for the first quarter of fiscal 2018 is as follows:

<u>Fiscal Period</u>	<u>First Quarter of</u>	
	<u>2018</u>	
<i>(in millions, except per share data)</i>		
Revenue	\$	793.8
Net income attributable to Trimble Inc.		57.7
Basic earnings per share		0.23
Diluted earnings per share		0.23

NOTE 5. INVENTORIES

Inventories consisted of the following:

As of	First Quarter of	Fiscal Year End
(In millions)	2019	2018
Raw materials	\$ 104.3	\$ 96.2
Work-in-process	12.6	12.6
Finished goods	186.8	189.2
Total inventories	\$ 303.7	\$ 298.0

NOTE 6. SEGMENT INFORMATION

The Company's operating segments were determined based on how the Company's chief operating decision maker views and evaluates operations. The Company's reportable segments are described below:

- **Buildings and Infrastructure:** This segment primarily serves customers working in architecture, engineering, construction, and operations and maintenance.
- **Geospatial:** This segment primarily serves customers working in surveying, engineering, government, and land management.
- **Resources and Utilities:** This segment primarily serves customers working in agriculture, forestry, and utilities.
- **Transportation:** This segment primarily serves customers working in long haul trucking, field service management, rail, and military aviation.

The following Reporting Segment tables reflect the results of the Company's reportable operating segments under its management reporting system. These results are not necessarily in conformity with U.S. GAAP. The Company presents segment revenue and income excluding the effects of certain acquired deferred revenue that was written down to fair value in purchase accounting. Segment income presented also excludes the effects of certain acquired capitalized commissions that were eliminated in purchase accounting, along with other adjustments that have historically been excluded in prior periods, as though the acquired companies operated independently in the periods presented. This is consistent with the way the chief operating decision maker evaluates each of the segment's performance and allocates resources. Comparative period financial information by reportable segment has been recast to conform with the current presentation.

(In millions)	Reporting Segments					Total
	Buildings and Infrastructure	Geospatial	Resources and Utilities	Transportation		
First Quarter of Fiscal 2019						
Revenue	\$ 292.0	\$ 161.2	\$ 159.3	\$ 189.1	\$ 801.6	
Acquired deferred revenue adjustment	2.7	—	0.2	—	2.9	
Segment revenue	\$ 294.7	\$ 161.2	\$ 159.5	\$ 189.1	\$ 804.5	
Operating income	\$ 61.4	\$ 29.4	\$ 51.0	\$ 31.2	\$ 173.0	
Acquired deferred revenue adjustment	2.7	—	0.2	—	2.9	
Amortization of acquired capitalized commissions	(1.6)	—	(0.1)	—	(1.7)	
Segment operating income	\$ 62.5	\$ 29.4	\$ 51.1	\$ 31.2	\$ 174.2	
Depreciation expense	\$ 2.1	\$ 1.6	\$ 1.1	\$ 1.1	\$ 5.9	
First Quarter of Fiscal 2018						
Revenue	\$ 224.7	\$ 174.5	\$ 159.2	\$ 183.8	\$ 742.2	
Acquired deferred revenue adjustment	2.5	—	0.3	0.1	2.9	
Segment revenue	\$ 227.2	\$ 174.5	\$ 159.5	\$ 183.9	\$ 745.1	
Operating income	\$ 43.5	\$ 37.3	\$ 51.7	\$ 30.4	\$ 162.9	
Acquired deferred revenue adjustment	2.5	—	0.3	0.1	2.9	
Amortization of acquired capitalized commissions	(0.4)	—	(0.1)	—	(0.5)	
Segment operating income	\$ 45.6	\$ 37.3	\$ 51.9	\$ 30.5	\$ 165.3	
Depreciation expense	\$ 1.4	\$ 1.4	\$ 1.0	\$ 1.1	\$ 4.9	

(In millions)	Reporting Segments				
	Buildings and Infrastructure	Geospatial	Resources and Utilities	Transportation	Total

As of the First Quarter of Fiscal 2019

Accounts receivable, net	\$	186.2	\$	111.3	\$	101.7	\$	126.0	\$	525.2
Inventories		64.7		136.7		43.9		58.4		303.7
Goodwill		1,973.3		401.5		305.2		860.8		3,540.8
As of Fiscal Year End 2018										
Accounts receivable, net		177.5		118.7		83.8		132.6		512.6
Inventories		70.3		133.5		46.2		48.0		298.0
Goodwill	\$	1,970.2	\$	403.1	\$	305.7	\$	861.0	\$	3,540.0

A reconciliation of the Company's consolidated segment operating income to consolidated income before income taxes is as follows:

	First Quarter of			
	2019	2018		
<i>(In millions)</i>				
Consolidated segment operating income	\$	174.2	\$	165.3
Unallocated corporate expense		(21.3)		(23.4)
Restructuring charges		(3.7)		(1.4)
Acquired deferred revenue adjustment		(2.9)		(2.9)
Amortization of purchased intangible assets		(44.3)		(40.5)
Stock-based compensation		(16.3)		(17.4)
Amortization of acquired capitalized commissions		1.7		0.5
Acquisition / divestiture items		(1.1)		(16.0)
Consolidated operating income		86.3		64.2
Non-operating income (expense), net:		(11.1)		2.5
Consolidated income before taxes	\$	75.2	\$	66.7

On a total Company basis, the disaggregation of revenue by geography is summarized in the tables below. Revenue is defined as revenue from external customers attributed to countries based on the location of the customer and excludes the effects of certain acquired deferred revenue that was written down to fair value in purchase accounting, consistent with the Reporting Segment tables above.

	Reporting Segments									
	Buildings and Infrastructure	Geospatial	Resources and Utilities	Transportation	Total					
<i>(In millions)</i>										
First Quarter of Fiscal 2019										
North America	\$	165.6	\$	62.9	\$	41.9	\$	152.0	\$	422.4
Europe		83.9		54.7		88.9		21.1		248.6
Asia Pacific		38.5		31.7		12.7		10.5		93.4
Rest of World		6.7		11.9		16.0		5.5		40.1
Total consolidated revenue	\$	294.7	\$	161.2	\$	159.5	\$	189.1	\$	804.5
First Quarter of Fiscal 2018										
North America	\$	115.9	\$	69.4	\$	48.4	\$	151.2	\$	384.9
Europe		75.6		49.6		80.2		21.4		226.8
Asia Pacific		29.2		43.3		11.2		10.8		94.5
Rest of World		6.5		12.2		19.7		0.5		38.9
Total consolidated revenue	\$	227.2	\$	174.5	\$	159.5	\$	183.9	\$	745.1

NOTE 7. DEBT

Debt consisted of the following:

As of Instrument	Date of Issuance	First Quarter of		Fiscal Year End
		2019		2018
(In millions)		Effective Interest Rate	Amount	Amount
Senior Notes:				
2023 Senior Notes, 4.15%, due June 2023	June 2018	4.36%	\$ 300.0	\$ 300.0
2028 Senior Notes, 4.90%, due June 2028	June 2018	5.04%	600.0	600.0
2024 Senior Notes, 4.75%, due December 2024	November 2014	4.95%	400.0	400.0
Credit Facilities:				
2018 Credit Facility, floating rate:				
Term Loan, due May 2021	May 2018	3.98%	350.0	425.0
Revolving Credit Facility		4.19%	10.0	—
Uncommitted facilities, floating rate		2.12%	246.7	255.9
Promissory notes and other debt			0.5	1.0
Unamortized discount and issuance costs			(12.6)	(13.4)
Total debt			1,894.6	1,968.5
Less: Short-term debt			246.8	256.2
Long-term debt			\$ 1,647.8	\$ 1,712.3

Each of the Company's debt agreements requires it to maintain compliance with certain debt covenants. The Company was in compliance with all its debt covenants at the end of the first quarter of fiscal 2019.

Debt Maturities

At the end of the first quarter of fiscal 2019, the Company's debt maturities based on outstanding principal were as follows (in millions):

<u>Year Payable</u>	
2019 (Remaining)	\$ 246.8
2020	0.3
2021	350.0
2022	—
2023	310.0
Thereafter	1,000.0
Total	\$ 1,907.1

Senior Notes

All series of Senior Notes in the above table bear interest that is payable semi-annually in June and December of each year. For the 2023 and 2028 Senior Notes, the interest rate is subject to adjustment from time to time if Moody's or S&P (or, if applicable, a substitute rating agency) downgrades (or subsequently upgrades) its rating assigned to the notes.

Senior Notes are unsecured and rank equally in right of payment with all of the Company's other senior unsecured indebtedness. The Company may redeem the notes of each series of Senior Notes at its option in whole or in part at any time. Such indenture also contains covenants limiting the Company's ability to create certain liens, enter into sale and lease-back transactions, and consolidate or merge with or into, or convey, transfer or lease all or substantially all of the Company's properties and assets, each subject to certain exceptions.

2018 Credit facilities

The Credit Facility in the above table provides for unsecured credit facilities in the aggregate principal amount of \$1.75 billion, which is comprised of \$1.25 billion revolving credit facility maturing May 2023 and \$500.0 million delayed draw term loan facility that matures on the third anniversary of the funding date. The Company may request an additional loan facility up to \$500.0 million.

Uncommitted Facilities

The Company has two \$75.0 million and one €100.0 million revolving credit facilities, which are uncommitted (the "Uncommitted Facilities") at the end of the first quarter of fiscal 2019.

For further information, refer to Note 7 of the Notes to the Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for fiscal year 2018.

NOTE 8. LEASES

The Company has operating leases primarily for certain of its major facilities, including corporate offices, research and development facilities, and manufacturing facilities. The leases have remaining lease terms generally ranging from 1 to 8 years, some that include options to extend the lease for up to 10 years. The Company considers options to extend the lease in determining the lease term.

Operating lease expense for the first quarter of fiscal 2019 and 2018 was \$14.4 million and \$10.3 million, respectively. For the first quarter of fiscal 2019, \$2.7 million of the lease expense was related to leases with terms of one year or less that are not recognized on the Company's Condensed Consolidated Balance Sheets.

Supplemental cash flow information related to leases was as follows:

As of	First Quarter of
(In millions)	2019
Cash paid for liabilities included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 9.5
Right-of-use assets obtained in exchange for Operating lease liabilities:	\$ 7.2

Supplemental balance sheet information related to leases was as follows:

As of	First Quarter of
(In millions)	2019
Operating lease right-of-use assets	\$ 121.1
Other current liabilities	\$ 28.3
Operating lease liabilities	95.1
Total operating lease liabilities	<u>\$ 123.4</u>

Weighted-average discount rate	4.3%
Weighted-average remaining lease term	5 years

At the end of the first quarter of fiscal 2019, the Company's maturities of lease liabilities were as follows (in millions):

<u>Year Payable</u>		
2019 (Remaining)	\$	24.9
2020		30.3
2021		24.9
2022		20.1
2023		15.3
Thereafter		22.4
Total lease payments	\$	137.9
Less imputed interest	\$	14.5
Total	\$	123.4

NOTE 9. FAIR VALUE MEASUREMENTS

The Company determines fair value based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Hierarchical levels are directly related to the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities and are as follows:

Level I—Observable inputs such as unadjusted, quoted prices in active markets for identical assets or liabilities.

Level II—Inputs (other than quoted prices included in Level I) are either directly or indirectly observable for the asset or liability. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level III—Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

Fair Value on a Recurring Basis

The fair value of assets and liabilities measured and recorded at fair value on a recurring basis at the end of period were as follows:

<i>(In millions)</i>	Fair Values as of the end of the First Quarter of Fiscal 2019				Fair Values as of Fiscal Year End 2018			
	Level I	Level II	Level III	Total	Level I	Level II	Level III	Total
Assets								
Deferred compensation plan assets (1)	\$ 33.9	\$ —	\$ —	\$ 33.9	\$ 28.5	\$ —	\$ —	\$ 28.5
Derivatives assets (2)	—	0.5	—	0.5	—	0.4	—	0.4
Total assets measured at fair value	<u>\$ 33.9</u>	<u>\$ 0.5</u>	<u>\$ —</u>	<u>\$ 34.4</u>	<u>\$ 28.5</u>	<u>\$ 0.4</u>	<u>\$ —</u>	<u>\$ 28.9</u>
Liabilities								
Deferred compensation plan liabilities (1)	33.9	—	—	33.9	\$ 28.5	\$ —	\$ —	\$ 28.5
Derivatives liabilities (2)	—	0.4	—	0.4	—	—	—	—
Contingent consideration liabilities (3)	—	—	5.3	5.3	—	—	5.6	5.6
Total liabilities measured at fair value	<u>\$ 33.9</u>	<u>\$ 0.4</u>	<u>\$ 5.3</u>	<u>\$ 39.6</u>	<u>\$ 28.5</u>	<u>\$ —</u>	<u>\$ 5.6</u>	<u>\$ 34.1</u>

- (1) The Company maintains a self-directed, non-qualified deferred compensation plan for certain executives and other highly compensated employees. The plan assets and liabilities are invested in actively traded mutual funds and individual stocks valued using observable quoted prices in active markets.
- (2) Derivative assets and liabilities primarily represent forward currency exchange contracts to minimize the short-term impact of foreign currency exchange rates on certain trade and inter-company receivables and payables.

- (3) Contingent consideration liabilities represent arrangements to pay the former owners of certain companies that Trimble acquired. The fair values are estimated using scenario-based methods or option pricing methods based upon estimated future revenues, gross margins or other milestones.

Additional Fair Value Information

The total estimated fair value of all outstanding financial instruments that are not recorded at fair value on a recurring basis (debt) was approximately \$1.9 billion and \$2.0 billion for the first quarter of 2019 and fiscal year end 2018, respectively, consistent with the carrying values.

The fair value of the Senior Notes was determined based on observable market prices in less active markets and is categorized accordingly as Level II in the fair value hierarchy. The fair value of the bank borrowings and promissory notes has been calculated using an estimate of the interest rate the Company would have had to pay on the issuance of notes with a similar maturity and by discounting the cash flows at that rate and is categorized as Level II in the fair value hierarchy. The fair values do not give an indication of the amount that the Company would currently have to pay to extinguish any of this debt.

NOTE 10. DEFERRED COSTS TO OBTAIN CUSTOMER CONTRACTS

The Company classifies all deferred costs to obtain customer contracts, which consists of deferred commissions, as a non-current asset included in Deferred Costs, non-current on the Company's Condensed Consolidated Balance Sheets. At the end of the first quarter of fiscal 2019 and fiscal year end 2018, the Company had \$41.3 million of deferred costs to obtain customer contracts.

Amortization expense related to deferred costs to obtain customer contracts for the first quarter of fiscal 2019 and 2018 was \$5.6 million and \$5.4 million, respectively. This expense was included in Sales and marketing expenses in the Company's Condensed Consolidated Statements of Income. There was no impairment loss related to the deferred commissions for either period presented.

NOTE 11. PRODUCT WARRANTIES

The Company accrues for warranty costs as part of its cost of sales based on associated material product costs, technical support, labor costs, and costs incurred by third parties performing work on the Company's behalf. The Company's expected future costs are primarily estimated based upon historical trends in the volume of product returns within the warranty period and the costs to repair or replace the equipment. When products sold include warranty provisions, they are covered by a warranty for periods ranging generally from one year to two years.

While the Company engages in extensive product quality programs and processes, including actively monitoring and evaluating the quality of component suppliers, its warranty obligation is affected by product failure rates, material usage, and service delivery costs incurred in correcting a product failure. Should actual product failure rates, material usage or service delivery costs differ from the estimates, revisions to the estimated warranty accrual and related costs may be required.

Changes in the Company's product warranty liability during the first quarter of fiscal 2019 are as follows:

(In millions)

Balance as of fiscal year end 2018	\$	15.3
Accruals for warranties issued		3.4
Changes in estimates		0.3
Warranty settlements (in cash or in kind)		(4.9)
Balance as of the end of the first quarter of fiscal 2019	<u>\$</u>	<u>14.1</u>

NOTE 12. DEFERRED REVENUE AND REMAINING PERFORMANCE OBLIGATIONS
Deferred Revenue

Changes in the Company's deferred revenue during the first quarter of fiscal 2019 and 2018 were as follows:

<i>(In millions)</i>	First Quarter of	
	2019	2018
Beginning balance of the period	\$ 387.3	\$ 276.6
Revenue recognized	(138.4)	(98.0)
Acquired deferred revenue	—	22.3
Net deferred revenue activity	215.5	159.5
Ending balance of the period	\$ 464.4	\$ 360.4

Remaining Performance Obligations

As of the end of the first quarter of fiscal 2019, approximately \$1.1 billion of revenue is expected to be recognized from remaining performance obligations for which goods or services have not been delivered, primarily subscription and software maintenance, and to a lesser extent, hardware and professional services contracts. The Company expects to recognize revenue of approximately 72% and 17% on these remaining performance obligations over the next 12 and 24 months, respectively, with the remainder recognized thereafter.

NOTE 13. EARNINGS PER SHARE

Basic earnings per share is computed by dividing Net income attributable to Trimble Inc. by the weighted-average number of shares of common stock outstanding during the period. Diluted earnings per share is computed by dividing Net income attributable to Trimble Inc. by the weighted-average number of shares of common stock outstanding during the period increased to include the number of additional shares of common stock that would have been outstanding if the potentially dilutive securities had been issued. Potentially dilutive securities include outstanding stock options, shares to be purchased under the Company's employee stock purchase plan, restricted stock units, and contingently issuable shares.

The following table shows the computation of basic and diluted earnings per share:

<i>(In millions, except per share amounts)</i>	First Quarter of	
	2019	2018
Numerator:		
Net income attributable to Trimble Inc.	\$ 62.3	\$ 58.5
Denominator:		
Weighted average number of common shares used in basic earnings per share	251.5	248.8
Effect of dilutive securities	2.5	4.4
Weighted average number of common shares and dilutive potential common shares used in diluted earnings per share	254.0	253.2
Basic earnings per share	\$ 0.25	\$ 0.24
Diluted earnings per share	\$ 0.25	\$ 0.23

For the first quarter of fiscal 2019 and 2018, the Company excluded insignificant shares of outstanding stock options from the calculation of diluted earnings per share because their effect would have been antidilutive.

NOTE 14. INCOME TAXES

For the first quarter of fiscal 2019, the Company's effective income tax rate, after including discrete items, was 17%, as compared to 12% in the corresponding period in fiscal 2018, primarily due to a one-time tax benefit from foreign deferred tax adjustments in the first quarter of fiscal 2018.

The Company's effective tax rate is lower than the U.S. federal statutory rate of 21% primarily due to favorable tax rates associated with certain earnings from operations in lower-tax jurisdictions, a benefit from U.S. federal R&D credit, and stock-based compensation deductions.

The Company and its subsidiaries are subject to U.S. federal and state and foreign income tax. The Company is currently in different stages of multiple year examinations by the Internal Revenue Service (the "IRS") as well as various state and foreign taxing authorities. In addition, as discussed below, the Company has a pending matter in U.S. tax court regarding fiscal 2011. The Company believes its reserves are more likely than not to be adequate to cover final resolution of all open tax matters.

In the first quarter of fiscal 2018, the Company received a formal Notice of Deficiency from the IRS for fiscal year 2011, assessing tax and penalties totaling \$51.2 million. The Company does not agree with the IRS position. Accordingly, on June 1, 2018, the Company filed a petition with the U.S. tax court relating to the Notice of Deficiency. On August 3, 2018, the IRS filed its response to the Company's petition, with no changes to its position. In April 2019, the tax court issued an order for the case to begin on or after May 1, 2020.

Although timing of the resolution and/or closure of audits is not certain, the Company does not believe that its gross unrecognized tax benefits would materially change in the next twelve months.

Unrecognized tax benefits of \$62.8 million and \$60.5 million as of the end of the first quarter of fiscal 2019 and fiscal year end 2018, respectively, if recognized, would favorably affect the effective income tax rate in future periods. Unrecognized tax benefits are recorded in Other non-current liabilities and in the deferred tax accounts in the accompanying Condensed Consolidated Balance Sheets.

The Company's practice is to recognize interest and/or penalties related to income tax matters in income tax expense. As of the end of the first quarter of fiscal 2019 and fiscal year end 2018, the Company had accrued \$12.0 million and \$11.0 million, respectively, for interest and penalties, which are recorded in Other non-current liabilities in the accompanying Condensed Consolidated Balance Sheets.

NOTE 15. COMMITMENTS AND CONTINGENCIES

Commitments

As of the end of the first quarter of fiscal 2019, the Company had unconditional purchase obligations of approximately \$258.3 million. These unconditional purchase obligations primarily represent open non-cancelable purchase orders for material purchases with the Company's vendors. Purchase obligations exclude agreements that are cancelable without penalty.

Litigation

From time to time, the Company is also involved in litigation arising out of the ordinary course of its business. There are no material legal proceedings, other than ordinary routine litigation incidental to the business, to which the Company or any of its subsidiaries is a party or of which any of the Company's or its subsidiaries' property is subject.

SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which are subject to the “safe harbor” created by those sections. These statements include, among other things:

- the portion of our revenue expected to come from sales to customers located in countries outside of the U.S.;
- seasonal fluctuations in our construction equipment revenues, sales to U.S. governmental agencies, agricultural equipment business revenues, global macroeconomic conditions, and expectations that we may experience less seasonality in the future;
- our plans to continue to invest in research and development to actively develop and introduce new products and to deliver targeted solutions to the markets we serve;
- a continued shift in revenue towards a more significant mix of software, recurring revenue, and services;
- our belief that increases in recurring revenue from our software and subscription solutions will provide us with enhanced business visibility over time;
- our belief that our cash and cash equivalents, together with borrowings under the commitments for our credit facilities and senior notes, will be sufficient to meet our anticipated operating cash needs, debt service, and planned capital expenditures for at least the next twelve months;
- any anticipated benefits to us from the acquisitions of e-Builder and Viewpoint and our ability to successfully integrate e-Builder and Viewpoint businesses;
- fluctuations in interest rates and foreign currency exchange rates;
- our belief that our gross unrecognized tax benefits will materially change in the next twelve months; and
- our growth strategy, including our focus on historically underserved large markets, the relative importance of organic growth versus strategic acquisitions, and the reasons that we acquire businesses.

The forward-looking statements regarding future events and the future results of Trimble Inc. (“Trimble” or “the Company” or “we” or “our” or “us”) are based on current expectations, estimates, forecasts, and projections about the industries in which Trimble operates and the beliefs and assumptions of the management of Trimble. Discussions containing such forward-looking statements may be found in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” below. In some cases, forward-looking statements can be identified by terminology such as “may,” “will,” “should,” “could,” “predicts,” “potential,” “continue,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates,” and similar expressions. These forward-looking statements involve certain risks and uncertainties that could cause actual results, levels of activity, performance, achievements, and events to differ materially from those implied by such forward-looking statements, including but not limited to those discussed in “Risk Factors” below and elsewhere in this report, as well as in the Company’s Annual Report on Form 10-K for fiscal year 2018 and in other reports Trimble files with the Securities and Exchange Commission, each as it may be amended from time to time. These forward-looking statements are made as of the date of this Quarterly Report on Form 10-Q. We reserve the right to update these forward-looking statements for any reason, including the occurrence of material events, but assume no duty to update these statements to reflect subsequent events.

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

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Management’s Discussion and Analysis of Financial Condition and Results of Operations is based on our Condensed Consolidated Financial Statements. The preparation of financial statements and related disclosures in conformity with U.S. generally accepted accounting principles requires us to make judgments, assumptions, and estimates that affect the amounts reported in the Condensed Consolidated Financial Statements and accompanying Notes. Management bases its estimates on historical experience and various other assumptions believed to be reasonable. Although these estimates are based on management’s best knowledge of current events and actions that may impact the company in the future, actual results may be different from the estimates. Management believes that, except for the adoption of the new lease standard as discussed in Note 2 of the Notes to the Condensed Consolidated Financial Statements, there have been no significant changes during the first quarter of fiscal 2019 to the items that we disclosed as our critical accounting policies and estimates in the Management’s Discussion and Analysis of Financial Condition and Results of Operations in our 2018 Annual Report on Form 10-K.

RECENT ACCOUNTING PRONOUNCEMENTS

For a summary of recent accounting pronouncements applicable to our Consolidated Financial Statements, see Note 2 of the Notes to our Condensed Consolidated Financial Statements in Item 1, which is incorporated herein by reference.

EXECUTIVE LEVEL OVERVIEW

Trimble began operations in 1978 and was originally incorporated in California as Trimble Navigation Limited in 1981. On October 1, 2016, Trimble Navigation Limited changed its name to Trimble Inc. and changed its state of incorporation from the State of California to the State of Delaware.

Trimble is a leading provider of technology solutions that optimize the work processes of office and mobile field professionals around the world. Our comprehensive work process solutions are used across a range of industries including agriculture, architecture, civil engineering, construction, government, natural resources, transportation, and utilities. Representative Trimble customers include engineering and construction firms, contractors, surveying companies, farmers and agricultural companies, long haul trucking companies, energy, utility companies, and state, federal, and municipal governments.

Trimble focuses on integrating its broad technological and application capabilities to create vertically-focused, system-level solutions that transform how work is done within the industries we serve. The integration of sensors, software, connectivity, and information in our portfolio gives us the unique ability to provide an information model specific to the customer's workflow. For example, in construction, our strategy is centered on the concept of a "constructible model" that is at the center of our "Connected Construction" solutions, which provide real-time, connected, and cohesive information environments for the design, build, and operational phases of construction projects. In agriculture, we continue to develop "Connected Farm" solutions to optimize operations across the agriculture workflow. In long haul trucking, our "Connected Fleet" solutions provide transportation companies with tools to enhance fuel efficiency, safety, and transparency through connected vehicles and fleets across the enterprise.

Our growth strategy is centered on multiple elements:

- *Focus on attractive markets with significant growth and profitability potential* - We focus on large markets historically underserved by technology that offer significant potential for long-term revenue growth, profitability, and market leadership. Our core industries such as construction, agriculture, and transportation markets are each multi-trillion dollar global industries that operate in increasingly demanding environments with technology adoption in the early phases relative to other industries. With the emergence of mobile computing capabilities, the increasing technological know-how of end users, and the compelling return on investment to our customers, we believe many of our markets are attractive for substituting Trimble's technology and solutions in place of traditional operating methods.
- *Domain knowledge and technological innovation that benefit a diverse customer base* - We have redefined our technological focus from hardware-driven point solutions to integrated work process solutions by developing domain expertise and heavily reinvesting in R&D and acquisitions. We have been spending approximately 15% of revenue over the past two years on R&D and currently have over 1,200 unique patents. We intend to continue to take advantage of our technology portfolio and deep domain knowledge to quickly and cost-effectively deliver specific, targeted solutions to each of the vertical markets we serve. We look for opportunities where the opportunity for technological change is high and that have a requirement for the integration of multiple technologies into complete vertical solutions.
- *Increasing focus on software and subscription offerings* - Software and subscription services are increasingly important elements of our solutions and are core to our growth strategy. Trimble has an open application programming interface philosophy and open vendor environment, which leads to increased adoption of our software and subscription offerings. We believe that increased recurring revenue from these solutions will provide us with enhanced business visibility over time. Professional services constitute an additional growth channel that helps our customers integrate and optimize the use of our offerings in their environment.
- *Geographic expansion with localization strategy* - We view international expansion as an important element of our strategy, and we continue to position ourselves in geographic markets that will serve as important sources of future growth. We currently have a physical presence in over 40 countries and distribution channels in over 100 countries.
- *Optimized go to market strategies to best access our markets* - We utilize vertically-focused distribution channels that leverage domain expertise to best serve the needs of individual markets domestically and abroad. These channels include independent dealers, joint ventures, original equipment manufacturers ("OEM") sales and distribution alliances with key partners, such as CNH Global, Caterpillar, and Nikon, as well as direct sales to end-users, that provide us with broad market reach and localization capabilities to effectively serve our markets.
- *Strategic acquisitions* - Organic growth continues to be our primary focus, while acquisitions serve to enhance our market position. We acquire businesses that bring domain expertise, technology, products, or distribution capabilities that augment our portfolio and allow us to penetrate existing markets more effectively, or to establish a market beachhead. Our success in targeting and effectively integrating acquisitions is an important aspect of our growth strategy.

Trimble's focus on these growth drivers has led over time to growth in revenue and profitability as well as an increasingly diversified business model. Software and subscription growth is driving increased recurring revenue, leading to improved visibility in some of our businesses. As our solutions have expanded, our go to market model has also evolved, with a balanced mix between direct, distribution, and OEM customers, and an increasing number of enterprise level customer relationships.

For the first quarter of fiscal 2019, total revenue increased by \$59.4 million compared to the first quarter of fiscal 2018. By geography, North America and Europe were up, and to a lesser extent, rest of world. Asia Pacific was slightly down year over year. We continue to experience a shift in revenue towards a more significant mix of software, recurring revenue and services, driven both by organic growth and acquisitions.

During fiscal 2018, we acquired six businesses, with total cash consideration of \$1.8 billion. The largest acquisition was Viewpoint, which we acquired in the third quarter of 2018 with total cash consideration of \$1.2 billion. Viewpoint is a provider of construction management software, which integrates a contractor’s financial and resource management to their project operations in the field. The acquisition is highly complementary to our construction technology portfolio and positions us to further our strategy to lead the industry’s transformation. With Viewpoint, we offer customers a central workflow platform for delivering integrated end-to-end construction management, while further enabling connectivity across the complete construction lifecycle.

Our Condensed Consolidated Statements of Income includes the operating results of the businesses from the date of acquisition.

Seasonality of Business

Construction equipment revenue, within our Buildings and Infrastructure segment, historically has been higher in early spring. Our agricultural equipment revenue, within our Resources and Utilities segment, has historically been the highest in the first quarter, followed by the second quarter, reflecting buying in anticipation of the spring planting season in the Northern hemisphere. However, overall as a company, as a result of diversification of our business across segments and the increased impact of subscription revenues, we may experience less seasonality in the future. Changes in global macroeconomic conditions could also impact the level of seasonality we experience.

RESULTS OF OPERATIONS

Overview

The following table is a summary of revenue, gross margin, and operating income for the periods indicated and should be read in conjunction with the narrative descriptions below:

	First Quarter of	
	2019	2018
<i>(In millions)</i>		
Revenue:		
Product	\$ 488.4	\$ 497.8
Service	159.2	128.8
Subscription	154.0	115.6
Total revenue	801.6	742.2
Gross margin	\$ 438.3	\$ 396.2
Gross margin %	54.7%	53.4%
Operating income	\$ 86.3	\$ 64.2
Operating income %	10.8%	8.6%
Diluted earnings per share	\$ 0.25	\$ 0.23
Total non-GAAP revenue *	\$ 804.5	\$ 745.1
Non-GAAP operating income *	\$ 152.9	\$ 141.9
Non-GAAP operating income % *	19.0%	19.0%
Non-GAAP diluted earnings per share *	\$ 0.45	\$ 0.45

* See **SUPPLEMENTAL DISCLOSURE OF NON-GAAP FINANCIAL MEASURES** for a reconciliation of our GAAP results to our non-GAAP measures.

Revenue

Total revenue increased \$59.4 million or 8% for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018. Excluding unfavorable foreign current impacts of approximately 2%, revenue increased due to the Viewpoint acquisition and, to a lesser extent, organic growth in Buildings and Infrastructure, Transportation, and Resources and Utilities. The increases

were partially offset by Geospatial, which was down. We consider organic growth to include revenue from acquisitions completed in, or before, the corresponding prior year period.

By revenue category, for the first quarter of fiscal 2019, product revenue decreased \$9.4 million or 2%, service revenue increased \$30.4 million or 24%, and subscription revenue increased \$38.4 million or 33%, compared to the corresponding period in fiscal 2018. Product revenue decreased primarily due to weakness in our Geospatial OEM hardware sales in Asia Pacific and, to a lesser extent, prior year higher hardware demand in Transportation due to Electronic Logging Device (ELD) regulatory deadlines. Service and subscription revenue were significantly up due to Viewpoint software maintenance and subscription revenue and, to a lesser extent, organic growth, particularly in Buildings and Infrastructure and Transportation subscription revenue.

Gross Margin

Gross margin varies due to a combination of factors including product mix, pricing, distribution channel, and production volumes.

Gross margin increased by \$42.1 million for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018, primarily due to the Viewpoint acquisition and increased revenue growth in Buildings and Infrastructure and Transportation. Gross margin as a percentage of total revenue was 54.7% for the first quarter of fiscal 2019, compared to 53.4% for the corresponding period in fiscal 2018, primarily due to improved revenue mix across all segments, with the exception of Geospatial, which was down due to revenue declines.

Operating Income

Operating income increased by \$22.1 million for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018. Operating income as a percentage of total revenue was 10.8% for the first quarter of fiscal 2019, compared to 8.6% for the corresponding period in fiscal 2018.

For the first quarter of fiscal 2019, the increase in operating income was primarily attributable to organic revenue and gross margin expansion, and operating expense control in Buildings and Infrastructure, including the civil and building construction product families, the Viewpoint acquisition, and lower corporate expense, as the prior year included compensation expense related to the acceleration of acquisition stock options. The operating income increase was partially offset by Geospatial, which was down due to revenue declines.

Research and Development, Sales and Marketing and General and Administrative Expense

Research and development (R&D), sales and marketing (S&M) and general and administrative (G&A) expense are summarized in the following table:

	First Quarter of	
	2019	2018
<i>(In millions)</i>		
Research and development	\$ 118.2	\$ 109.3
Percentage of revenue	15%	15%
Sales and marketing	\$ 127.4	\$ 122.1
Percentage of revenue	16%	16%
General and administrative	\$ 82.8	\$ 81.6
Percentage of revenue	10%	11%
Total	\$ 328.4	\$ 313.0

Overall, R&D, S&M and G&A expense increased by approximately \$15.4 million for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018.

Research and development expense increased by \$8.9 million or 8% for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018. As compared to the prior year, the increase in the first quarter of fiscal 2019 was primarily due to the impact of Viewpoint expense not applicable in the prior corresponding period, and to a lesser extent, increased compensation expense associated with increased headcount, particularly in Transportation, partially offset by favorable foreign currency impacts.

Overall, research and development spending was 15% of revenue in the first quarter of fiscal 2019 and 2018. We believe that the development and introduction of new products are critical to our future success and we expect to continue active development of new products.

Sales and marketing expense increased by \$5.3 million or 4% in the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018. As compared to the prior year, the increase in the first quarter of fiscal 2018 was primarily due to the impact of Viewpoint expense not applicable in the prior corresponding period, partially offset by lower compensation expense and favorable foreign currency impacts.

Overall, spending for sales and marketing was 16% of revenue in the first quarter of fiscal 2019 and 2018.

General and administrative expense increased by \$1.2 million, or 1% for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018. As compared to the prior year, the increase in the first quarter of fiscal 2018 was primarily due to the impact of Viewpoint expense not applicable in the prior corresponding period, partially offset by lower compensation and stock based compensation expense, as well as lower consulting costs.

Overall, general and administrative spending was 10% of revenue in the first quarter of fiscal 2019, compared to 11% in the corresponding period in fiscal 2018.

Amortization of Purchased Intangible Assets

	First Quarter of	
	2019	2018
<i>(In millions)</i>		
Cost of sales	\$ 24.2	\$ 23.1
Operating expenses	20.1	17.4
Total amortization expense of purchased intangibles	\$ 44.3	\$ 40.5

Total amortization expense of purchased intangibles represented 6% of revenue in the first quarter of fiscal 2019 and 2018. The expense for the first quarter of fiscal 2019 was higher as compared to the corresponding period in fiscal 2018 due to new acquisitions amortization, primarily the Viewpoint acquisition, which was not applicable in the prior year, partially offset by the expiration of prior acquisitions' amortization.

Non-operating Income (Expense), Net

The components of Non-operating income (expense), net, were as follows:

	First Quarter of	
	2019	2018
<i>(In millions)</i>		
Interest expense, net	\$ (21.9)	\$ (9.5)
Foreign currency transaction gain (loss), net	(0.9)	3.7
Income from equity method investments, net	8.8	4.9
Other income, net	2.9	3.4
Total non-operating income (expense), net	\$ (11.1)	\$ 2.5

Non-operating income (expense), net decreased by \$13.6 million for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018. The decrease for the first quarter was primarily due to higher interest costs associated with increased debt, and to a lesser extent, fluctuations in foreign currency transaction gain/(loss), partially offset by an increase in joint venture profitability.

Income Tax Provision

Our effective income tax rate, after including discrete items, for the first quarter of fiscal 2019 was 17%, compared to 12% in the corresponding period in fiscal 2018, primarily due to a one-time tax benefit from foreign deferred tax adjustments in the first quarter of fiscal 2018. Our effective tax rate is lower than the U.S. federal statutory rate of 21% primarily due to favorable tax rates associated with certain earnings from operations in lower-tax jurisdictions, a benefit from U.S. federal R&D credit and stock-based compensation deductions.

Results by Segment

Our Chief Executive Officer (chief operating decision maker) views and evaluates operations based on the results of our reportable operating segments under our management reporting system. For additional discussion of our segments, see Note 6 of the Notes to the Condensed Consolidated Financial Statements.

The following table is a summary of revenue and operating income by segment:

	First Quarter of	
	2019	2018
<i>(In millions)</i>		
Buildings and Infrastructure		
Segment revenue	\$ 292.0	\$ 224.7
Segment revenue as a percent of total revenue	36%	30%
Segment operating income	\$ 61.4	\$ 43.5
Segment operating income as a percent of segment revenue	21%	19%
Geospatial		
Segment revenue	\$ 161.2	\$ 174.5
Segment revenue as a percent of total revenue	20%	24%
Segment operating income	\$ 29.4	\$ 37.3
Segment operating income as a percent of segment revenue	18%	21%
Resources and Utilities		
Segment revenue	\$ 159.3	\$ 159.2
Segment revenue as a percent of total revenue	20%	21%
Segment operating income	\$ 51.0	\$ 51.7
Segment operating income as a percent of segment revenue	32%	32%
Transportation		
Segment revenue	\$ 189.1	\$ 183.8
Segment revenue as a percent of total revenue	24%	25%
Segment operating income	\$ 31.2	\$ 30.4
Segment operating income as a percent of segment revenue	16%	17%

A reconciliation of our consolidated segment operating income to consolidated income before taxes follows:

	First Quarter of	
	2019	2018
<i>(In millions)</i>		
Consolidated segment operating income	\$ 174.2	\$ 165.3
Unallocated corporate expense	(21.3)	(23.4)
Restructuring charges	(3.7)	(1.4)
Acquired deferred revenue adjustment	(2.9)	(2.9)
Amortization of purchased intangible assets	(44.3)	(40.5)
Stock-based compensation	(16.3)	(17.4)
Amortization of acquired capitalized commissions	1.7	0.5
Acquisition / divestiture items	(1.1)	(16.0)
Consolidated operating income	86.3	64.2
Non-operating income (expense), net:	(11.1)	2.5
Consolidated income before taxes	\$ 75.2	\$ 66.7

Buildings and Infrastructure

Buildings and Infrastructure revenue increased by \$67.3 million or 30% for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018. Segment operating income increased \$17.9 million or 41% for the first quarter of fiscal 2019, compared to the first quarter of fiscal 2018.

For the first quarter of fiscal 2019, excluding unfavorable foreign currency impacts of approximately 3%, revenue increased due to the Viewpoint acquisition, including software maintenance and subscription revenue, and to a lesser extent, organic growth driven primarily by increased software and subscription revenue. Building construction, including e-Builder, experienced organic growth in North America, and to a lesser extent, Europe, and Asia Pacific. Civil engineering and construction experienced organic growth in North America due to software and subscription growth; although hardware machine sales were flat, lower U.S. government demand was primarily offset by channel growth reflecting the relative strength of our distribution network and new product introductions. Segment operating income increased for the first quarter of fiscal 2019 primarily due to organic revenue growth and gross margin expansion due to higher software and subscription product mix, as well as the Viewpoint acquisition.

Geospatial

Geospatial revenue decreased \$13.3 million or 8% for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018. Segment operating income decreased by \$7.9 million or 21% for the first quarter of fiscal 2019, compared to the corresponding periods in fiscal 2018.

For the first quarter of fiscal 2019, excluding unfavorable foreign currency impacts of approximately 2%, revenue was down due to weakness in our OEM hardware sales in Asia Pacific. The OEM hardware weakness was partially offset by core geospatial product sales which were up in Europe, partially offset by North America sales which were down. Segment operating income decreased for the first quarter of fiscal 2019 primarily due to the revenue decline.

Resources and Utilities

Resources and Utilities revenue increased \$0.1 million for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018. Segment operating income decreased by \$0.7 million or 1% for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018.

For the first quarter of fiscal 2019, excluding unfavorable foreign currency impacts of approximately 3%, revenue was up due to organic precision agriculture hardware sales. The reseller channel in Europe as well as the OEM channel were up. The reseller channel in North America was down due to continuing market uncertainties, including China soybean tariffs on U.S goods. Segment operating income for the first quarter of fiscal 2019 was slightly down, due to increased operating expense.

Transportation

Transportation revenue increased by \$5.3 million or 3% for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018. Segment operating income increased \$0.8 million or 3% for the first quarter of fiscal 2019, compared to the corresponding period in fiscal 2018.

For the first quarter of fiscal 2019, excluding unfavorable foreign currency impacts of approximately 1%, revenue was up due to continued subscription growth from new and existing transportation and logistics customers due to the ELD regulatory mandate as well as subscription growth of our mapping products. Year over year growth was partially offset by higher hardware demand in the prior year due to ELD regulatory deadlines. Segment operating income and operating income percentage increased for the first quarter of fiscal 2019 primarily due to revenue growth and gross margin expansion due to higher subscription product mix, partially offset by increased research and development investments.

OFF-BALANCE SHEET FINANCINGS AND LIABILITIES

We do not have any off-balance sheet financing arrangements or liabilities, guarantee contracts, retained or contingent interests in transferred assets or any obligation arising out of a material variable interest in an unconsolidated entity. We do not have any majority-owned subsidiaries that are not included in the Condensed Consolidated Financial Statements. Additionally, we do not have any interest in, or relationship with, any special purpose entities.

In the normal course of business to facilitate sales of our products, we indemnify other parties, including customers, lessors and parties to other transactions with us, with respect to certain matters. We have agreed to hold the other party harmless against losses arising from a breach of representations or covenants, or out of intellectual property infringement or other claims made against certain parties. These agreements may limit the time within which an indemnification claim can be made and the amount of the claim. From time to time, in connection with divesting some of our businesses or assets, we may also indemnify purchasers for certain matters in the normal course of business, such as breaches of representations, covenants or excluded liabilities. In addition, we entered into indemnification agreements with our officers and directors, and our bylaws contain similar indemnification obligations to our agents.

It is not possible to determine the maximum potential amount under these indemnification agreements due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. Historically, payments made by us under these agreements were not material and no liabilities have been recorded for these obligations on the Condensed Consolidated Balance Sheets as of the end of the first quarter of fiscal 2019 and fiscal year end 2018.

LIQUIDITY AND CAPITAL RESOURCES

As of	First Quarter of 2019	Fiscal Year End 2018
<i>(In millions, except percentages)</i>		
Cash and cash equivalents	\$ 216.7	\$ 172.5
As a percentage of total assets	3.7%	3.0%
Principal balance of outstanding debt	\$ 1,907.1	\$ 1,981.9
	First Quarter of	
	2019	2018
<i>(In millions)</i>		
Cash provided by operating activities	\$ 147.6	\$ 82.9
Cash used in investing activities	(9.6)	(353.5)
Cash used in financing activities	(94.3)	180.3
Effect of exchange rate changes on cash and cash equivalents	0.5	6.3
Net increase in cash and cash equivalents	\$ 44.2	\$ (84.0)

Cash and Cash Equivalents and Short-Term Investments

As of the end of the first quarter of fiscal 2019, cash and cash equivalents totaled \$216.7 million compared to \$172.5 million as of fiscal year end 2018.

We believe that our cash and cash equivalents, together with our borrowings under the commitments for our credit facilities and senior notes, will be sufficient to meet our anticipated operating cash needs, debt service, and planned capital expenditures in the next twelve months.

Operating Activities

Cash provided by operating activities was \$147.6 million for the first quarter of fiscal 2019, compared to \$82.9 million for the first quarter of fiscal 2018. The increase of \$64.7 million was primarily driven by increased net income, after adjusting for non-cash items, and a decrease working capital requirements, particularly inventory purchases and timing of accounts receivable payments.

Investing Activities

Cash used in investing activities was \$9.6 million for the first quarter of fiscal 2019, compared to \$353.5 million for the first quarter of fiscal 2018. The decrease of cash used in investing activities of \$343.9 million was primarily due to the purchase of e-Builder for \$485.5 million, partially offset by proceeds from the sale of short-term investments in the prior year.

Financing Activities

Cash used by financing activities was \$94.3 million for the first quarter of fiscal 2019, compared to cash provided by financing activities of \$180.3 million for the first quarter of fiscal 2018. The decrease in cash provided (used) by financing activities of \$274.6 million was primarily driven by the repayment of debt, net of borrowings, as compared to the increase in debt proceeds, net of repayments, in the prior year used to fund the e-Builder acquisition.

Accounts Receivable and Inventory Metrics

As of	First Quarter of 2019	Fiscal Year End 2018
Accounts receivable days sales outstanding	60	59
Inventory turns per year	5.1	4.9

Accounts receivable days sales outstanding was 60 days as of the end of the first quarter of fiscal 2019, compared to 59 days as of the end of fiscal 2018. Our accounts receivable days sales outstanding are calculated based on ending accounts receivable, net, divided by revenue for the corresponding fiscal quarter, times a quarterly average of 91 days. Our inventory turns were 5.1 as of the end of the first quarter of fiscal 2019, compared to 4.9 as of the end of fiscal 2018. Our inventory turnover is calculated based on total cost of sales for the most recent twelve months divided by average ending inventory, net, for this same twelve month period.

Debt

During the first quarter of fiscal 2019, we repaid \$72.8 million of debt, net of borrowings. Each of our debt agreements requires us to maintain compliance with certain debt covenants, all of which we were in compliance with at the end of the first quarter of fiscal 2019. Refer to Note 7 of the Notes to Condensed Consolidated Financial Statements for more information regarding our debt.

SUPPLEMENTAL DISCLOSURE OF NON-GAAP FINANCIAL MEASURES

To supplement our condensed consolidated financial information, we believe that the following information is helpful to an overall understanding of our past financial performance and prospects for the future. Our non-GAAP measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures. The non-GAAP financial measures and detailed explanations to the adjustments to comparable GAAP measures are below.

(In millions, except per share amounts)	First Quarter			
	2019		2018	
	Dollar Amount	% of Revenue	Dollar Amount	% of Revenue
REVENUE:				
GAAP revenue:	\$ 801.6		\$ 742.2	
Acquired deferred revenue adjustment (A)	2.9		2.9	
Non-GAAP Revenue:	\$ 804.5		\$ 745.1	
GROSS MARGIN:				

GAAP gross margin:		\$	438.3	54.7%	\$	396.2	53.4%
Acquired deferred revenue adjustment	(A)		2.9			2.9	
Restructuring charges	(B)		0.2			(0.2)	
Amortization of purchased intangible assets	(C)		24.2			23.1	
Stock-based compensation	(D)		1.3			1.1	
Acquisition / divestiture items	(E)		—			2.0	
Non-GAAP gross margin:		\$	466.9	58.0%	\$	425.1	57.1%
OPERATING EXPENSES:							
GAAP operating expenses:		\$	352.0	43.9%	\$	332.0	44.7%
Restructuring charges	(B)		(3.5)			(1.6)	
Amortization of purchased intangible assets	(C)		(20.1)			(17.4)	
Stock-based compensation	(D)		(15.0)			(16.3)	
Acquisition / divestiture items	(E)		(1.1)			(14.0)	
Amortization of acquired capitalized commissions	(F)		1.7		\$	0.5	
Non-GAAP operating expenses:		\$	314.0	39.0%	\$	283.2	38.0%
OPERATING INCOME:							
GAAP operating income:		\$	86.3	10.8%	\$	64.2	8.6%
Acquired deferred revenue adjustment	(A)		2.9			2.9	
Restructuring charges	(B)		3.7			1.4	
Amortization of purchased intangible assets	(C)		44.3			40.5	
Stock-based compensation	(D)		16.3			17.4	
Acquisition / divestiture items	(E)		1.1			16.0	
Amortization of acquired capitalized commissions	(F)		(1.7)			(0.5)	
Non-GAAP operating income:		\$	152.9	19.0%	\$	141.9	19.0%
NON-OPERATING INCOME (EXPENSE), NET:							
GAAP non-operating income (expense), net:		\$	(11.1)		\$	2.5	
Acquisition / divestiture items	(E)		0.3			(2.8)	
Non-GAAP non-operating expense, net:		\$	(10.8)		\$	(0.3)	
				GAAP and Non-GAAP Tax Rate %			GAAP and Non-GAAP Tax Rate %
				(I)			(I)
INCOME TAX PROVISION:							
GAAP income tax provision:		\$	12.8	17%	\$	8.0	12%
Non-GAAP items tax effected	(G)		11.4			9.0	
Difference in GAAP and Non-GAAP tax rate	(H)		4.2			9.9	
Non-GAAP income tax provision:		\$	28.4	20%	\$	26.9	19%
NET INCOME:							
GAAP net income attributable to Trimble Inc.:		\$	62.3		\$	58.5	
Acquired deferred revenue adjustment	(A)		2.9			2.9	
Restructuring charges	(B)		3.7			1.4	
Amortization of purchased intangible assets	(C)		44.3			40.5	
Stock-based compensation	(D)		16.3			17.4	
Acquisition / divestiture items	(E)		1.4			13.2	

Amortization of acquired capitalized commissions	(F)	(1.7)	(0.5)
Non-GAAP tax adjustments	(G) + (H)	<u>(15.6)</u>	<u>(18.9)</u>
Non-GAAP net income attributable to Trimble Inc.:		<u>\$ 113.6</u>	<u>\$ 114.5</u>
DILUTED NET INCOME PER SHARE:			
GAAP diluted net income per share attributable to Trimble Inc.:		<u>\$ 0.25</u>	<u>\$ 0.23</u>
Acquired deferred revenue adjustment	(A)	0.01	0.01
Restructuring charges	(B)	0.02	—
Amortization of purchased intangible assets	(C)	0.17	0.16
Stock-based compensation	(D)	0.06	0.07
Acquisition / divestiture items	(E)	0.01	0.05
Amortization of acquired capitalized commissions	(F)	(0.01)	—
Non-GAAP tax adjustments	(G) + (H)	<u>(0.06)</u>	<u>(0.07)</u>
Non-GAAP diluted net income per share attributable to Trimble Inc.:		<u>\$ 0.45</u>	<u>\$ 0.45</u>
ADJUSTED EBITDA:			
Non-GAAP operating income:		<u>\$ 152.9</u>	<u>\$ 141.9</u>
Depreciation expense		10.2	8.5
Income from equity method investments, net		<u>8.8</u>	<u>4.9</u>
Adjusted EBITDA		<u>\$ 171.9</u>	<u>\$ 155.3</u>

Non-GAAP Revenue and Operating Income Results

Non-GAAP revenue increased by \$59.4 million or 8% for the first quarter of fiscal 2019, compared to the corresponding periods in fiscal 2018. Excluding unfavorable foreign current impacts of approximately 2%, revenue increased approximately 10% primarily due to the Viewpoint acquisition and to a lesser extent, organic growth in Buildings and Infrastructure, Transportation, and Resources and Utilities. The increases were partially offset by Geospatial revenue declines.

Non-GAAP operating income increased by \$11.0 million or 8% for the first quarter of fiscal 2019, compared to the corresponding periods in fiscal 2018, primarily due to organic growth and operating expense control in Buildings and Infrastructure, including civil and building construction product families, and to a lesser extent, the Viewpoint acquisition, partially offset by Geospatial revenue declines. Non-GAAP operating income as a percentage of total revenue was 19.0% for the first quarter of fiscal 2019 and was flat, compared to the corresponding period in fiscal 2018.

Non-GAAP Explanations

Non-GAAP revenue

We believe this measure helps investors understand the performance of our business as non-GAAP revenue excludes the effects of certain acquired deferred revenue that was written down to fair value in purchase accounting. Management believes that excluding fair value purchase accounting adjustments more closely correlates with the ordinary and ongoing course of the acquired company's operations and facilitates analysis of revenue growth and business trends.

Non-GAAP gross margin

We believe our investors benefit by understanding our non-GAAP gross margin as a way of understanding how product mix, pricing decisions and manufacturing costs influence our business. Non-GAAP gross margin excludes the effects of certain acquired deferred revenue that was written down to fair value in purchase accounting, restructuring charges, amortization of purchased intangible assets, stock-based compensation, amortization of acquisition-related inventory step-up, and acquisition/divestiture items associated with the acceleration of acquisition stock options from GAAP gross margin. We believe that these adjustments offer investors additional information that may be useful to view trends in our gross margin performance.

Non-GAAP operating expenses

We believe this measure is important to investors evaluating our non-GAAP spending in relation to revenue. Non-GAAP operating expenses exclude restructuring charges, amortization of purchased intangible assets, stock-based compensation, and acquisition/divestiture items associated with external and incremental costs resulting directly from merger and acquisition activities such as: legal, due diligence, integration, and other costs including the acceleration of acquisition stock options, adjustment to the fair value of earn-out liabilities, and the effects of certain acquired capitalized commissions that were eliminated in purchase accounting from GAAP operating expenses. We believe that these adjustments offer investors supplemental information to facilitate comparison of our operating expenses to our prior results.

Non-GAAP operating income

We believe our investors benefit by understanding our non-GAAP operating income trends, which are driven by revenue, gross margin, and spending. Non-GAAP operating income excludes the effects of purchase accounting adjustments to certain acquired deferred revenue and acquired capitalized commissions, restructuring charges, amortization of purchased intangible assets, stock-based compensation, amortization of acquisition-related inventory step-up, and acquisition/divestiture items from GAAP operating income. We believe that these adjustments offer an alternative means for our investors to evaluate current operating performance compared to results of other periods.

Non-GAAP non-operating income (expense), net

We believe this measure helps investors evaluate our non-operating income trends. Non-GAAP non-operating income (expense), net, excludes acquisition/divestiture gains/losses associated with unusual acquisition related items such as intangible asset impairment charges, gains or losses related to the acquisition or sale of certain businesses and investments, and debt issuance costs. We believe that these exclusions provide investors with a supplemental view of our ongoing financial results.

Non-GAAP income tax provision

We believe that providing investors with the non-GAAP income tax provision is beneficial because it provides for consistent treatment of the excluded items in our non-GAAP presentation.

Non-GAAP net income

This measure provides a supplemental view of net income trends, which are driven by non-GAAP income before taxes and our non-GAAP tax rate. Non-GAAP net income excludes the effects of purchase accounting adjustments to certain acquired deferred revenue and acquired capitalized commissions, restructuring charges, amortization of purchased intangible assets, stock-based compensation, amortization of acquisition-related inventory step-up, acquisition/divestiture items, debt issuance costs, and non-GAAP tax adjustments from GAAP net income. We believe our investors benefit from understanding these adjustments and from an alternative view of our net income performance compared to our past net income performance.

Non-GAAP diluted net income per share

We believe our investors benefit by understanding our non-GAAP operating performance as reflected in a per share calculation as a way of measuring non-GAAP operating performance by ownership in the company. Non-GAAP diluted net income per share excludes the effects of purchase accounting adjustments to certain acquired deferred revenue and acquired capitalized commissions, restructuring charges, amortization of purchased intangible assets, stock-based compensation, amortization of acquisition-related inventory step-up, acquisition/divestiture items, debt issuance costs, and non-GAAP tax adjustments from GAAP diluted net income per share. We believe that these adjustments offer investors a useful view of our diluted net income per share compared to our past diluted net income per share.

Adjusted EBITDA

We believe that adjusted EBITDA assists investors in comparing our performance over various reporting periods on a consistent basis. Adjusted EBITDA refers to non-GAAP operating income plus depreciation and income from equity method investments. We also believe the measure provides useful information to investors in understanding and evaluating our operating results in the same manner as our management and board of directors.

These non-GAAP measures can be used to evaluate our historical and prospective financial performance, as well as our performance relative to competitors. We believe some of our investors track our ""core operating performance"" as a means of evaluating our performance in the ordinary, ongoing and customary course of our operations. Core operating performance excludes items that are non-cash, not expected to recur, or not reflective of ongoing financial results. Management also believes that looking at our core operating performance provides a supplemental way to provide consistency in period to period comparisons. Accordingly,

management excludes from non-GAAP those items relating to the effects of purchase accounting adjustments to certain acquired deferred revenue and acquired capitalized commissions, restructuring charges, amortization of purchased intangible assets, stock-based compensation, amortization of acquisition-related inventory step-up, acquisition/divestiture items, debt issuance costs, and non-GAAP tax adjustments.

- (A). *Acquired deferred revenue adjustment.* Purchase accounting generally requires us to write-down acquired deferred revenue to fair value. Our GAAP revenue includes the fair value impact from purchase accounting for post contract support and subscriptions contracts assumed in connection with our acquisitions. The non-GAAP adjustment to our revenue is intended to reflect the full amount of such revenue. We believe this adjustment is useful to investors as a measure of the ongoing performance of our business and facilitates analysis of revenue growth and business trends.
- (B). *Restructuring charges.* Included in our GAAP presentation of cost of sales and operating expenses, restructuring charges recorded are primarily for employee compensation resulting from reductions in employee headcount in connection with our company restructurings. We exclude restructuring charges from our non-GAAP measures because we believe they do not reflect expected future operating expenses, they are not indicative of our core operating performance, and they are not meaningful in comparisons to our past operating performance. We have incurred restructuring expense in each of the periods presented. However the amount incurred can vary significantly based on whether a restructuring has occurred in the period and the timing of headcount reductions.
- (C). *Amortization of purchased intangible assets.* Included in our GAAP presentation of gross margin and operating expenses is amortization of purchased intangible assets. U.S. GAAP accounting requires that intangible assets are recorded at fair value and amortized over their useful lives. Consequently, the timing and size of our acquisitions will cause our operating results to vary from period to period, making a comparison to past performance difficult for investors. This accounting treatment may cause differences when comparing our results to companies that grow internally because the fair value assigned to the intangible assets acquired through acquisition may significantly exceed the equivalent expenses that a company may incur for similar efforts when performed internally. Furthermore, the useful life that we use to amortize our intangible assets over may be substantially different from the time period that an internal growth company incurs and recognizes such expenses. We believe that by excluding the amortization of purchased intangible assets, which primarily represents technology and/or customer relationships already developed, this provides an alternative way for investors to compare our operations pre-acquisition to those post-acquisition and to those of our competitors that have pursued internal growth strategies. However, we note that companies that grow internally will incur costs to develop intangible assets that will be expensed in the period incurred, which may make a direct comparison more difficult.
- (D). *Stock-based compensation.* Included in our GAAP presentation of cost of sales and operating expenses, stock-based compensation consists of expenses for employee stock options and awards and purchase rights under our employee stock purchase plan. We exclude stock-based compensation expense from our non-GAAP measures because some investors may view it as not reflective of our core operating performance as it is a non-cash expense. For the first quarter of fiscal years 2019 and 2018, stock-based compensation was allocated as follows:

(Dollars in millions)	First Quarter	
	2019	2018
Cost of sales	\$ 1.3	\$ 1.1
Research and development	3.5	3.1
Sales and Marketing	2.7	2.3
General and administrative	8.8	10.9
Total stock-based compensation expense	\$ 16.3	\$ 17.4

- (E). *Amortization of acquisition-related inventory step-up.* The purchase accounting entries associated with our business acquisitions require us to record inventory at its fair value, which is sometimes greater than the previous book value of the inventory. Included in our GAAP presentation, the increase in inventory value is amortized to cost of sales over the period that the related product is sold. We exclude inventory step-up amortization from our non-GAAP measures because it is a non-cash expense that we do not believe is indicative of our ongoing operating results. We further believe that excluding this item from our non-GAAP results is useful to investors in that it allows for period-over-period comparability.
- (F). *Amortization of acquired capitalized commissions.* Purchase accounting generally requires us to eliminate capitalized sales commissions balances as of the acquisition date. Our GAAP sales and marketing expenses generally do not reflect the amortization of these capitalized sales commissions balances. The non-GAAP adjustment to increase our sales and marketing

expenses is intended to reflect the full amount of amortization related to such balances as though the acquired companies operated independently in the periods presented. We believe this adjustment to sales and marketing expenses is useful to investors as a measure of the ongoing performance of our business.

- (G). *Non-GAAP items tax effected.* This amount adjusts the provision for income taxes to reflect the effect of the non-GAAP items (A) - (F) on non-GAAP net income. We believe this information is useful to investors because it provides for consistent treatment of the excluded items in this non-GAAP presentation.
- (H). *Difference in GAAP and Non-GAAP tax rate.* This amount represents the difference between the GAAP and Non-GAAP tax rates applied to the Non-GAAP operating income plus the Non-GAAP non-operating income (expense), net. We believe that investors benefit from excluding this amount from our non-GAAP income tax provision because it facilitates a comparison of the non-GAAP tax provision in the current and prior periods.
- (I). *GAAP and non-GAAP tax rate percentages.* These percentages are defined as GAAP income tax provision as a percentage of GAAP income before taxes and non-GAAP income tax provision as a percentage of non-GAAP income before taxes. We believe that investors benefit from a presentation of non-GAAP tax rate percentage as a way of facilitating a comparison to non-GAAP tax rates in prior periods.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

We are exposed to market risk related to changes in interest rates and foreign currency exchange rates. We use certain derivative financial instruments to manage these risks. We do not use derivative financial instruments for speculative purposes. All financial instruments are used in accordance with policies approved by our Board of Directors.

Market Interest Rate Risk

There have been no significant changes to our market interest rate risk assessment. For additional discussion, refer to Item 7A on our 2018 Annual Report on Form 10-K.

Foreign Currency Exchange Rate Risk

We operate in international markets, which expose us to market risk associated with foreign currency exchange rate fluctuations between the U.S. Dollar and various foreign currencies, the most significant of which is the Euro.

Historically, the majority of our revenue contracts are denominated in U.S. Dollars, with the most significant exception being Europe, where we invoice primarily in Euro. Additionally, a portion of our expenses, primarily the cost to manufacture, cost of personnel to deliver technical support on our products and professional services, sales and sales support, and research and development, are denominated in foreign currencies, primarily the Euro.

Revenue resulting from selling in local currencies and costs incurred in local currencies are exposed to foreign currency exchange rate fluctuations, which can affect our operating income. As exchange rates vary, operating income may differ from expectations. In the first quarter of fiscal 2019, revenue and operating income were negatively impacted by foreign currency exchange rates by \$16.2 million and \$0.3 million, respectively.

We enter into foreign currency forward contracts to minimize the short-term impact of foreign currency exchange rate fluctuations on cash, debt, certain trade and inter-company receivables, and payables, primarily denominated in Euro, British pound, New Zealand, Australian dollars, Brazilian Real, and Canadian dollars. These contracts reduce the exposure to fluctuations in foreign currency exchange rate movements as the gains and losses associated with foreign currency balances are generally offset with the gains and losses on the forward contracts. These instruments are marked to market through earnings every period and generally range from one to two months in maturity. We do not enter into foreign currency forward contracts for trading purposes. We occasionally enter into foreign currency forward contracts to hedge the purchase price of some of our larger business acquisitions. Foreign currency forward contracts outstanding as of the end of the first quarter of fiscal 2019 and fiscal year end 2018 are summarized as follows (in millions):

	First Quarter of Fiscal 2019		Fiscal Year End 2018	
	Nominal Amount	Fair Value	Nominal Amount	Fair Value
Forward contracts:				
Purchased	\$ (72.3)	\$ 0.4	\$ (65.8)	\$ —
Sold	\$ 139.2	\$ (0.5)	\$ 144.2	\$ 0.4

ITEM 4. CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures.

The management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, our disclosure controls and procedures are effective.

(b) Internal Control Over Financial Reporting.

There have not been any changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter to which this report relates 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

From time to time, we are also involved in litigation arising out of the ordinary course of our business. There are no material legal proceedings, other than ordinary routine litigation incidental to the business, to which we or any of our subsidiaries is a party or of which any of our or our subsidiaries' property is subject.

ITEM 1A. RISK FACTORS

A description of factors that could materially affect our business, financial condition, or operating results is included under "Risk and Uncertainties" in Item 1A of Part I of our 2018 Annual Report on Form 10-K is incorporated herein by reference. There have been no material changes to the risk factor disclosure since our 2018 Annual Report on Form 10-K. The risk factors described in our Form 10-K are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial conditions, and/or operating results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

(a) None

(b) None

(c) None

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 6. EXHIBITS

We have filed, or incorporated into the Report by reference, the exhibits listed on the accompanying Index to Exhibits immediately preceding the signature page of this Form 10-Q.

EXHIBIT INDEX

3.1	Certificate of Incorporation of the Company_(1)
3.2	Bylaws of the Company_(2)
4.1	Specimen copy of certificate for shares of Common Stock of the Company_(3)
10.1	Deferred Compensation Plan effective December 30, 2004 (as amended and restated December 31, 2018)_(4)
10.2	Amended and Restated 2002 Stock Plan (as amended and restated January 1, 2019)_(4)
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 dated May 7, 2019_(4)
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 dated May 7, 2019_(4)
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 dated May 7, 2019_(4)
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 dated May 7, 2019_(4)
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

- (1) Incorporated by reference to exhibit 3.1 to the Company's Current Report on Form 8-K filed October 3, 2016.
- (2) Incorporated by reference to exhibit 3.2 to the Company's Current Report on Form 8-K filed October 3, 2016.
- (3) Incorporated by reference to exhibit 4.1 to the Company's Current Report on Form 8-K filed October 3, 2016.
- (4) Furnished or 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.

TRIMBLE INC.

(Registrant)

By: _____
/s/ Robert G. Painter
Robert G. Painter
Chief Financial Officer
*(Authorized Officer and Principal
Financial Officer)*

DATE: May 7, 2019

TRIMBLE INC.
AMENDED AND RESTATED 2002 STOCK PLAN
(as amended and restated January 1, 2019)

1. Purposes of the Plan. The purposes of this Amended and Restated 2002 Stock Plan are:

- to attract and retain the best available personnel for positions of substantial responsibility,
- to provide additional incentive to Employees, Directors and Consultants, and
- to promote the success of the Company's business.

Grants under the Plan may be Awards, Incentive Stock Options or Nonstatutory Stock Options, as determined by the Administrator at the time of grant.

2. Definitions. As used herein, the following definitions shall apply:

(a) "Administrator" means the Board or any of its Committees as shall be administering the Plan, in accordance with Section 4 of the Plan.

(b) "Affiliate" means any "parent" or "subsidiary" as such terms are defined in Rule 405 of the U.S. Securities Act of 1933, as amended. The Administrator shall have the authority to determine the time or times at which "parent" or "subsidiary" status is determined within the foregoing definition.

(c) "Applicable Laws" means the requirements relating to the administration of stock incentive plans under U.S. state corporate laws, U.S. federal, state and foreign securities laws, the Code, the rules of any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any foreign country or jurisdiction where Options or Awards are, or will be, granted under the Plan.

(d) "Award" means a grant of Shares, Restricted Stock, Restricted Stock Units, Stock Appreciation Rights, Performance-Based Awards, or of any other right to receive Shares or cash pursuant to Section 12 of the Plan.

(e) "Award Agreement" means a written or electronic form of notice or agreement between the Company and an Awardee evidencing the terms and conditions of an individual Award. The Award Agreement is subject to the terms and conditions of the Plan.

(f) "Awarded Stock" means the Common Stock subject to an Award.

(g) "Awardee" means the holder of an outstanding Award.

(h) "Board" means the board of directors of the Company.

(i) "Change in Control" means the occurrence of any of the following events:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities; or

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets; or

(iii) A change in the composition of the Board occurring within a two-year period, as a result of which fewer than a majority of the Directors are Incumbent Directors. "Incumbent Directors" means Directors who either (A) are Directors as of the effective date of the Plan, or (B) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but will not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Company); or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Notwithstanding anything to the contrary in the foregoing, a transaction shall not constitute a Change in Control if it is effected for the purpose of changing the place of incorporation or form of organization of the ultimate parent entity (including where the Company is succeeded by an issuer incorporated under the laws of another state, country or foreign government for such purpose and whether or not the Company remains in existence following such transaction) where all or substantially all of the persons or group that beneficially own all or substantially all of the combined voting power of the Company's voting securities immediately prior to the transaction beneficially own all or substantially all of the combined voting power of the Company or the ultimate parent entity in substantially the same proportions of their ownership after the transaction.

The Administrator shall have full and final authority, which shall be exercised in its discretion, to determine conclusively whether a Change in Control of the Company has occurred pursuant to the above definition, and the date of the occurrence of such Change in Control and any incidental matters relating thereto.

(j) "Code" means the U.S. Internal Revenue Code of 1986, as amended.

(k) "Committee" means a committee of Directors appointed by the Board in accordance with Section 4 of the Plan.

(l) "Common Stock" means the common stock of the Company.

(m) “Company” means Trimble Inc., a Delaware corporation, or any successor thereto.

(n) “Consultant” means any natural person, including an advisor, rendering services to the Company or a Parent or Subsidiary or Affiliate and the services rendered by the consultant or advisor are not in connection with the offer or sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for the Company’s securities.

(o) “Covered Employee” means an Employee who is, or could be, a “covered employee” within the meaning of Section 162(m) of the Code.

(p) “Director” means a member of the Board.

(q) “Disability” means that the Awardee or Optionee would qualify to receive benefit payments under the long-term disability policy, as it may be amended from time to time, of the Company or the Subsidiary or Affiliate to which the Awardee or Optionee provides services regardless of whether the Awardee or Optionee is covered by such policy. If the Company or Subsidiary or Affiliate to which the Awardee or Optionee provides service does not have a long-term disability plan in place, “Disability” means that an Awardee or Optionee is unable to carry out the responsibilities and functions of the position held by the Awardee or Optionee by reason of any medically determined physical or mental impairment for a period of not less than ninety (90) consecutive days. An Awardee or Optionee shall not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Administrator in its discretion. Notwithstanding the foregoing, for purposes of Incentive Stock Options granted under the Plan, “Disability” means total and permanent disability as defined in Section 22(e)(3) of the Code and for purposes of an Award that is subject to Section 409A of the Code, “Disability” shall have the meaning under Section 409A of the Code to the extent necessary to comply with such Section.

(r) “Dividend Equivalents” means rights granted to an Awardee related to the Award of Restricted Stock Units or other Awards for which Shares have not been issued yet, which is a right to receive the equivalent value of dividends paid on the Shares prior to vesting of the Award. Such Dividend Equivalents shall be converted to cash or additional Shares, or a combination of cash and Shares, by such formula and at such time and subject to such limitations as may be determined by the Administrator.

(s) “Employee” means any person, including Officers and Directors, employed by the Company or any Parent or Subsidiary or Affiliate of the Company, but shall exclude individuals who are classified by the Company or any Parent or Subsidiary or Affiliate as (a) leased from or otherwise employed by a third party, (b) independent contractors or (c) intermittent or temporary, even if any such classification is changed retroactively as a result of an audit, litigation or otherwise. A Service Provider shall not cease to be an Employee in the case of (i) any leave of absence approved by the Company or protected under applicable local laws, as interpreted by the Company or (ii) transfers between locations of the Company or between the Company, its Parent, any Subsidiary or Affiliate, or any successor. For purposes of Incentive Stock Options, no such leave may exceed three months, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then three (3) months following the last day of the three month period of such leave any Incentive Stock Option held by the Optionee shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Nonstatutory Stock Option. Neither service as a Director nor payment of a director’s fee by the Company shall be sufficient to constitute “employment” by the Company.

(t) “Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended.

(u) “Fair Market Value” means, as of any date, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the Nasdaq Global Select Market or The Nasdaq SmallCap Market of The Nasdaq Stock Market, its Fair Market Value shall be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system on the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable, or if no sales occurred on such date, then on the date immediately prior to such date on which sales prices are reported;

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a Share of Common Stock shall be the mean between the high bid and low asked prices for the Common Stock on the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or

(iii) In the absence of an established market for the Common Stock, the Fair Market Value shall be determined in good faith by the Board, and to the extent applicable, in compliance with Section 409A of the Code.

Notwithstanding the foregoing, for income tax reporting purposes under U.S. federal, state, local or non-U.S. law and for such other purposes as the Administrator deems appropriate, including, without limitation, where Fair Market Value is used in reference to exercise, vesting, settlement or payout of an Award or an Option, the Fair Market Value shall be determined by the Company in accordance with Applicable Laws and uniform and nondiscriminatory standards adopted by it from time to time.

(v) “Incentive Stock Option” means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

(w) “Nonstatutory Stock Option” means an Option not intended to qualify as an Incentive Stock Option.

(x) “Officer” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(y) “Option” means a stock option granted pursuant to the Plan.

(z) “Option Agreement” means a written or electronic form of notice or agreement between the Company and an Optionee evidencing the terms and conditions of an individual Option grant. The Option Agreement is subject to the terms and conditions of the Plan.

(aa) “Optioned Stock” means the Common Stock subject to an Option.

(bb) “Optionee” means the holder of an outstanding Option.

(cc) “Parent” means a “parent corporation,” whether now or hereafter existing, as defined in Section 424(e) of the Code.

(dd) “Performance-Based Award” means an Award granted pursuant to Section 11.

(ee) “Performance Criteria” means the criteria that the Administrator selects for purposes of establishing the Performance Goal or Performance Goals for an Awardee for a Performance Period. The Performance Criteria that will be used to establish Performance Goals are limited to the following: earnings or net earnings (either before or after interest, taxes, depreciation and/or amortization), economic value-added, sales or revenue, income, net income (either before or after taxes), operating earnings, cash flow (including, but not limited to, operating cash flow and free cash flow), cash flow return on capital, return on assets or net assets, return on stockholders’ equity, return on capital, stockholder returns, return on sales, gross or net profit margin, productivity, expense, margins, operating efficiency, customer satisfaction, working capital, earnings per Share, price per Share, market share, new products, customer penetration, technology and risk management, any of which may be measured either in absolute terms or as compared to any incremental increase or as compared to results of a peer group. The Administrator shall define in an objective fashion the manner of calculating the Performance Criteria it selects to use for such Performance Period for such Awardee.

(ff) “Performance Goals” means, for a Performance Period, the goals established in writing by the Administrator for the Performance Period based upon the Performance Criteria. Depending on the Performance Criteria used to establish such Performance Goals, the Performance Goals may be expressed in terms of overall Company performance, the performance of a Subsidiary or Affiliate, the performance of a division or a business unit of the Company or a Subsidiary or Affiliate, or the performance of an individual. The Administrator, in its discretion, may, to the extent consistent with, and within the time prescribed by, Section 162(m) of the Code, appropriately adjust or modify the calculation of Performance Goals for such Performance Period in order to prevent the dilution or enlargement of the rights of Awardees (a) in the event of, or in anticipation of, any unusual or extraordinary corporate item, transaction, event, or development, or (b) in recognition of, or in anticipation of, any other unusual, infrequently occurring or nonrecurring events affecting the Company, or the financial statements of the Company, or in response to, or in anticipation of, changes in applicable laws, regulations, accounting principles, or business conditions.

(gg) “Performance Period” means the one or more periods of time, which may be of varying and overlapping durations, as the Administrator may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining an Awardee’s right to, and the payment of, a Performance-Based Award.

(hh) “Plan” means this Amended and Restated 2002 Stock Plan, as amended from time to time.

(ii) “Qualified Performance-Based Compensation” means any compensation that is intended to qualify as “qualified performance-based compensation” as described in Section 162(m)(4)(C) of the Code.

(jj) “Restricted Stock” means Shares subject to certain restrictions, granted pursuant to Section 8 of the Plan.

(kk) “Restricted Stock Unit” means the right to receive a Share, or the Fair Market Value of a Share in cash, granted pursuant to Section 9 of the Plan.

(ll) “Rule 16b-3” means Rule 16b-3 of the Exchange Act or any successor to Rule 16b-3, as in effect when discretion is being exercised with respect to the Plan.

(mm) “Section 16(b)” means Section 16(b) of the Exchange Act.

(nn) “Service Provider” means an Employee, Director or Consultant.

(oo) “Share” means a share of Common Stock, as adjusted in accordance with Section 14 of the Plan.

(pp) “Stock Appreciation Right” means the right, granted pursuant to Section 10, to receive a payment, equal to the excess of the Fair Market Value of a specified number of Shares on the date the Stock Appreciation Right is exercised, over the grant price of the Shares.

(qq) “Subsidiary” means a “subsidiary corporation,” whether now or hereafter existing, as defined in Section 424(f) of the Code.

3. Stock Subject to the Plan.

(a) Subject to the provisions of Section 14 of the Plan, the maximum aggregate number of Shares that may be awarded or optioned and delivered under the Plan is 74,570,248 Shares; provided, however, that the maximum aggregate number of Shares that may be issued pursuant to the exercise of Incentive Stock Options shall in no event exceed 74,570,248 Shares. Any Shares that are subject to Options or Stock Appreciation Rights shall be counted against this limit as one (1) Share for every one (1) Share granted. Any Shares that are subject to any Awards other than Options or Stock Appreciation Rights or other Awards which Awardees pay full value for (as determined on the date of the grant) shall be counted against this limit as 1.69 Shares for every one (1) Share granted. The Shares issued hereunder may be authorized, but unissued, or reacquired Common Stock.

(b) If an Award or Option expires, is cancelled or forfeited or becomes unexercisable without having been exercised in full or otherwise settled in full, or is settled in cash, the undelivered Shares which were subject thereto shall, unless the Plan has terminated, become available for future Awards or Options under the Plan. Any Shares that become available for the grant of Awards or Option pursuant to the foregoing sentence shall be added back in accordance with the following: (i) if the Shares were subject to Options or Stock Appreciation Rights, Shares will be added back as one (1) Share for every Share subject to the Options or Stock Appreciation Rights; (ii) if the Shares were subject to Awards other than Stock Appreciation Rights, Shares will be added back as 1.69 Shares for every Share subject to the Award. To the extent permitted by Applicable Law, Shares issued in assumption of, or in substitution for, any outstanding awards of any entity acquired in any form of combination by the Company or any Subsidiary shall not be counted against Shares available for grant pursuant to this Plan. The payment of Dividend Equivalent rights in cash in conjunction with any outstanding Awards shall not be counted against the Shares available for issuance under the Plan. Notwithstanding the provisions of this Section 3, no Shares may again be optioned, granted or awarded if such action would cause an Incentive Stock Option to fail to qualify as an incentive stock option under Section 422 of the Code.

(c) Notwithstanding anything to the contrary contained herein, the following shall not be added to the shares of Common Stock authorized for grant under Section 3(a) above: (x) Shares subject to an Option surrendered in payment of the Option exercise price, or to satisfy any tax withholding obligation with respect to an Option or Stock Appreciation Right, (y) Shares that are not issued as a result of a net settlement of a Stock Appreciation Right, and (z) Shares reacquired by the Company on the open market or otherwise using cash proceeds from the exercise of Options. For purposes of this Section

3(c) and for the avoidance of any doubt, “surrendered” includes the tendering of Shares held by the Optionee or Awardee, as applicable, or withheld from an Option or Award, as applicable, voluntarily by the Optionee or Awardee, as applicable, or mandatorily by the Company.

4. Administration of the Plan.

(a) Procedure.

(i) Multiple Administrative Bodies. Different Committees with respect to different groups of Service Providers may administer the Plan.

(ii) Section 162(m). To the extent that the Administrator determines it to be desirable to qualify Awards or Options granted hereunder as “qualified performance-based compensation” within the meaning of Section 162(m) of the Code, the Plan shall be administered by a Committee of two or more “outside directors” within the meaning of Section 162(m) of the Code.

(iii) Rule 16b-3. To the extent desirable to qualify transactions hereunder as exempt under Rule 16b-3, the Plan shall be administered by the Board or by a Committee of two or more “non-employee directors” within the meaning of Rule 16b-3 and the transactions contemplated hereunder shall otherwise be structured to satisfy the requirements for exemption under Rule 16b-3.

(iv) Other Administration. Other than as provided above, the Plan shall be administered by (A) the Board or (B) a Committee to which the Board has delegated to serve as the Administrator, which Committee shall be constituted to satisfy Applicable Laws.

(b) Powers of the Administrator. Subject to the provisions of the Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to such Committee, the Administrator shall have the authority, in its discretion:

(i) to select the Service Providers to whom Awards or Options may be granted hereunder;

(ii) to determine the number of shares of Common Stock or other amounts to be covered by each Award or Option granted hereunder and to determine the amount, if any, of cash payment to be made to an Awardee;

(iii) to approve forms of agreements for use under the Plan;

(iv) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award or Option granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Options may be exercised (which may be based on performance criteria), the time or times when Awards vest (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or Option or the shares of Common Stock relating thereto, based in each case on such factors as the Administrator, in its sole discretion, shall determine;

(v) to construe and interpret the terms of the Plan and Awards granted pursuant to the Plan;

(vi) to establish, adopt, or revise any rules and regulations as it may deem necessary or advisable to administer the Plan, including adopting sub-plans to the Plan or special terms for Options or Awards, for the purposes of complying with non-U.S. laws, facilitate the administration of the Plan outside the United States and/or taking advantage of tax favorable treatment for Options and Awards granted to Service Providers outside the United States (as further set forth in Section 5 of the Plan);

(vii) to modify or amend each Award or Option (subject to Section 15(b) of the Plan), including the discretionary authority to extend the post-termination exercisability period of Options longer than is otherwise provided for in the Plan; provided, however, that the Administrator shall not have the discretionary authority to accelerate or delay issuance of Shares under an Option or Award that constitutes a deferral of compensation within the meaning of Section 409A of the Code, except to the extent that such acceleration or delay may, in the discretion of the Administrator, be effected in a manner that will not cause any person to incur taxes, interest or penalties under Section 409A of the Code;

(viii) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award or Option previously granted by the Administrator; and

(ix) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator’s Decision. The Administrator’s decisions, determinations and interpretations shall be final and binding on all Awardees and Optionees and any other holders of Awards or Options.

(d) Delegation of Authority. To the extent permitted by Applicable Law, the Administrator, from time to time, may delegate to one or more officers of the Company the authority to grant Awards to Employees other than (i) Employees who are subject to Section 16 of the Exchange Act or (ii) officers of the Company to whom authority to grant Awards has been delegated hereunder. For the avoidance of doubt, to the extent permitted by Applicable Law and provided it meets the limitations of this Section 4(d), any delegation hereunder shall include the right to modify Awards as necessary to accommodate changes in Applicable Laws, including in jurisdictions outside the United States. Furthermore, any delegation hereunder shall be subject to the restrictions and limitations that the Administrator specifies at the time of such delegation, and the Administrator may rescind at any time the authority so delegated and/or appoint a new delegatee. At all times, the delegatee appointed under this Section 4(d) shall serve in such capacity at the pleasure of the Administrator.

5. Eligibility. Nonstatutory Stock Options and Awards may be granted to Service Providers. Incentive Stock Options may be granted only to Employees of the Company or a Parent or Subsidiary of the Company. In order to comply with, or recognize differences in, the laws in other countries in which the Company and its Affiliates operate or have Service Providers and facilitate the administration of the Plan in other countries, the Administrator, in its sole discretion, shall have the power and authority to: (i) determine which Affiliates shall be covered by the Plan; (ii) determine which Service Providers outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any Option or Award granted to Service Providers outside the United States to comply or facilitate compliance with applicable foreign laws; (iv) establish sub-plans and modify exercise procedures and other terms and procedures, to the extent such actions may be necessary or advisable, including adoption of rules, procedures or sub-plans applicable to particular Affiliates or Service Providers in particular locations; *provided, however*, that no such sub-plans and/or modifications shall increase the share limitations contained in Section 3 of the Plan; and (v) take any action, before or after an Option or Award is granted, that it deems advisable to obtain or comply with any

necessary local governmental regulatory exemptions or approvals. Without limiting the generality of the foregoing, the Administrator is specifically authorized to adopt rules, procedures and sub-plans with provisions that limit or modify rights on eligibility to receive an Option or Award under the Plan or on death, disability, retirement or other termination of employment or service, available methods of exercise or settlement of an Option or Award, payment of income, social insurance contributions and payroll taxes, the shifting of employer tax liability to the Service Provider, the withholding procedures and handling of any stock certificates or other indicia of ownership. Notwithstanding the foregoing, the Administrator may not take any actions hereunder, and no Options or Awards shall be granted, that would violate the Exchange Act, the Code, any securities law or governing statute or any other Applicable Laws.

6. Limitations.

(a) Each Option shall be designated in the Option Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designation, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Optionee during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds \$100,000, such Options shall be treated as Nonstatutory Stock Options. For purposes of this Section 6(a), Incentive Stock Options shall be taken into account in the order in which they were granted. The Fair Market Value of the Shares shall be determined as of the time the Option with respect to such Shares is granted.

(b) Neither the Plan nor any Award or Option shall confer upon an Awardee or Optionee any right with respect to continuing that individual's relationship as a Service Provider with the Company, nor shall they interfere in any way with the Awardee's or Optionee's right or the Company's right to terminate such relationship at any time, with or without cause.

(c) The following limitations shall apply to grants of Awards and Options:

(i) No Service Provider shall be granted, in any fiscal year of the Company, Options and Awards covering more than 1,200,000 Shares.

(ii) In connection with his or her initial service, a Service Provider may be granted Options and Awards covering an additional 1,800,000 Shares, which shall not count against the limit set forth in subsection (i) above.

(iii) The foregoing limitations shall be adjusted proportionately in connection with any change in the Company's capitalization as described in Section 14.

(iv) If an Award or Option is cancelled in the same fiscal year of the Company in which it was granted (other than in connection with a transaction described in Section 14), the cancelled Option or Award will be counted against the limits set forth in subsections (i) and (ii) above.

(d) Notwithstanding any other provision in the Plan or in any policy of the Company regarding compensation payable to a non-employee Director, the aggregate grant date fair value (determined as of the grant date in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, or any successor thereto) of all Options and Awards payable in Common Stock that may be granted under the Plan to an individual as compensation for services as a non-employee Director during any calendar year, shall not exceed \$750,000.

7. Stock Options. The Administrator is authorized to make grants of Options to any Service Provider on the terms stated below.

(a) Term. The term of each Option shall be ten (10) years from the date of grant or such shorter term as may be provided in the Option Agreement. However, in the case of an Incentive Stock Option granted to an Optionee who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option shall be five (5) years from the date of grant or such shorter term as may be provided in the Option Agreement.

(b) Exercise Price. The per share exercise price for the Shares to be issued pursuant to exercise of an Option shall be determined by the Administrator, subject to the following:

(i) In the case of an Incentive Stock Option

(A) granted to an Employee who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the per Share exercise price shall be no less than 110% of the Fair Market Value per Share on the date of grant.

(B) granted to any Employee other than an Employee described in paragraph (A) immediately above, the per Share exercise price shall be no less than 100% of the Fair Market Value per Share on the date of grant.

(ii) In the case of a Nonstatutory Stock Option, the per Share exercise price shall be no less than 100% of the Fair Market Value per Share on the date of grant.

Notwithstanding the foregoing, Options may be granted with a per Share exercise price of less than 100% of the Fair Market Value per Share on the date of grant (A) when issued in substitution for outstanding options of an entity acquired by the Company or any Subsidiary, or (B) pursuant to a merger or consolidation of or by the Company with or into another corporation, the purchase or acquisition of property or stock by the Company of another corporation, any spin-off or other distribution of stock or property by the Company or another corporation, any reorganization of the Company, or any partial or complete liquidation of the Company, if such action by the Company or other corporation results in a significant number of Employees being transferred to a new employer or discharged, or in the creation or severance of the Parent-Subsidiary relationship.

(c) Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator shall fix the period within which the Option may be exercised and shall determine any conditions that must be satisfied before the Option may be exercised.

(d) Form of Consideration. The Administrator shall determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Administrator shall determine the acceptable form of consideration at the time of grant. Such consideration may consist entirely of:

(i) cash;

(ii) check;

(iii) promissory note;

(iv) other Shares already owned by the Optionee (for the period necessary to avoid a charge to the Company's earnings for financial reporting purposes) having a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Option shall be exercised;

(v) consideration received by the Company under a cashless exercise program approved by the Company;

(vi) a reduction in the amount of any Company liability to the Optionee, including any liability attributable to the Optionee's participation in any Company-sponsored deferred compensation program or arrangement;

(vii) with the consent of the Administrator, Shares withheld by the Company that are otherwise issuable in connection with the exercise of the Option;

(viii) any combination of the foregoing methods of payment; or

(ix) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws.

(e) Procedure for Exercise; Rights as a Stockholder. Any Option granted hereunder shall be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Option Agreement. Unless the Administrator provides otherwise, vesting of Awards and Options granted hereunder shall be suspended during any unpaid leave of absence to the extent permitted under Applicable Laws. An Option may not be exercised for a fraction of a Share.

An Option shall be deemed exercised when the Company (or its designated agent) receives: (i) written or electronic notice of exercise (in accordance with the Option Agreement) from the person entitled to exercise the Option or such person's authorized agent, and (ii) full payment for the Shares with respect to which the Option is exercised. Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Option Agreement and the Plan. Shares issued upon exercise of an Option shall be issued in the name of the Optionee. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Optioned Stock, notwithstanding the exercise of the Option. The Company shall issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 14 of the Plan.

Exercising an Option in any manner shall decrease the number of Shares thereafter available, both for purposes of the Plan and for delivery under the Option, by the number of Shares as to which the Option is exercised.

(f) Termination of Relationship as a Service Provider. If an Optionee ceases to be a Service Provider, other than upon the Optionee's death or Disability, the Optionee may exercise his or her Option within such period of time as is specified in the Option Agreement to the extent that the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement). In the absence of a specified time in the Option Agreement, the Option shall remain exercisable for three (3) months following the Optionee's termination. If an Optionee ceases to be a Service Provider, for any reason, all unvested Shares covered by his or her Option shall be forfeited. If, on the date of termination, the Optionee is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option shall revert to the Plan. If, after termination, the Optionee does not exercise his or her Option within the time specified by the Administrator, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(g) Disability of Optionee. If an Optionee ceases to be a Service Provider as a result of the Optionee's Disability, the Optionee may exercise his or her Option within such period of time as is specified in the Option Agreement to the extent the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement). In the absence of a specified time in the Option Agreement, the Option shall remain exercisable for twelve (12) months following the Optionee's termination. If, on the date of termination, the Optionee is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option shall revert to the Plan. If, after termination, the Optionee does not exercise his or her Option within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(h) Death of Optionee. If an Optionee dies while a Service Provider or within thirty (30) days of ceasing to be a Service Provider (or such longer period of time not exceeding three (3) months as is determined by the Administrator), the Option may be exercised following the Optionee's death within such period of time as is specified in the Option Agreement to the extent that the Option is vested on the date of death (but in no event may the option be exercised later than the expiration of the term of such Option as set forth in the Option Agreement), by the personal representative of the Optionee's estate or by the person(s) to whom the Option is transferred pursuant to the Optionee's will or in accordance with the laws of descent and distribution. In the absence of a specified time in the Option Agreement, the Option shall remain exercisable for twelve (12) months following the Optionee's death. If, at the time of death, the Optionee is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option shall immediately revert to the Plan. If the Option is not so exercised within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(i) Option Agreement. All Options granted under this Plan shall be subject to such additional terms and conditions as determined by the Administrator and shall be evidenced by an Option Agreement.

8. Grant of Restricted Stock. The Administrator is authorized to make Awards of Restricted Stock to any Service Provider selected by the Administrator in such amounts and subject to such terms and conditions as determined by the Administrator.

(a) Purchase Price. At the time of the grant of an Award of Restricted Stock, the Administrator shall determine the price, if any, to be paid by the Awardee for each Share subject to the Award of Restricted Stock. To the extent required by Applicable Laws, the price to be paid by the Awardee for each Share subject to the Award of Restricted Stock shall not be less than the amount required by Applicable Laws (if any). The purchase price of Shares (if any) acquired pursuant to the Award of Restricted Stock shall be paid either: (i) in cash at the time of purchase; (ii) at the sole discretion of the Administrator, by services rendered or to be rendered to the Company or a Subsidiary or Affiliate; or (iii) in any other form of legal consideration that may be acceptable to the Administrator in its sole discretion and in compliance with Applicable Laws.

(b) Issuance and Restrictions. Restricted Stock shall be subject to such restrictions on transferability and other restrictions as the Administrator may impose (including, without limitation, limitations on the right to vote Restricted Stock or the right to receive dividends on the Restricted Stock). These restrictions may lapse separately or in combination at such times, pursuant to such circumstances, in such installments, or otherwise, as the Administrator determines at the time of the grant of the Award or thereafter.

(c) Certificates for Restricted Stock. Restricted Stock granted pursuant to the Plan may be evidenced in such manner as the Administrator shall determine. If certificates representing shares of Restricted Stock are registered in the name of the Awardee, certificates shall bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock, and the Company may, at its discretion, retain physical possession of the certificate until such time as all applicable restrictions lapse.

9. Restricted Stock Units. The Administrator is authorized to make Awards of Restricted Stock Units to any Service Provider selected by the Administrator in such amounts and subject to such terms and conditions as determined by the Administrator. At the time of grant, the Administrator shall specify the date or dates on which the Restricted Stock Units shall vest and become nonforfeitable, and may specify such conditions to vesting as it deems appropriate. On or after the vesting date (as further described in Section 13(g) below), the Company shall transfer to the Awardee one Share for each Restricted Stock Unit. Alternatively, settlement of a Restricted Stock Unit may be made in cash (in an amount reflecting the Fair Market Value of Shares that would have been issued) or any combination of cash and Shares, as determined by the Administrator, in its sole discretion.

10. Stock Appreciation Rights. The Administrator is authorized to make Awards of Stock Appreciation Rights to any Service Provider selected by the Administrator in such amounts and subject to such terms and conditions as determined by the Administrator.

(a) Description. A Stock Appreciation Right shall entitle the Awardee (or other person entitled to exercise the Stock Appreciation Right pursuant to the Plan) to exercise all or a specified portion of the Stock Appreciation Right (to the extent then exercisable pursuant to its terms) and to receive from the Company an amount equal to the product of (i) the excess of (A) the Fair Market Value of the Shares on the date the Stock Appreciation Right is exercised over (B) the grant price of the Stock Appreciation Right and (ii) the number of Shares with respect to which the Stock Appreciation Right is exercised, subject to any limitations the Administrator may impose.

(b) Grant Price. The grant price per Share subject to a Stock Appreciation Right shall be determined by the Administrator and set forth in the Award Agreement; provided that, the per Share grant price for any Stock Appreciation Right shall not be less than 100% of the Fair Market Value of a Share on the date of grant.

(c) Payment and Limitations on Exercise.

(i) Payment of the amounts determined under Section 10(c) hereof shall be in cash, in Shares (based on its Fair Market Value as of the date the Stock Appreciation Right is exercised) or a combination of both, as determined by the Administrator.

(ii) To the extent any payment under Section 10(a) is effected in Shares, it shall be made subject to satisfaction of all applicable provisions of Section 7 pertaining to Options.

(d) Term. The term of any Stock Appreciation Right shall be no longer than ten (10) years from the date of grant.

11. Performance-Based Awards for Covered Employees.

(a) Purpose. The purpose of this Section 11 is to provide the Administrator the ability to qualify Awards other than Options and Stock Appreciation Rights as Qualified Performance-Based Compensation as determined under Code Section 162(m). If the Administrator, in its discretion, decides to grant a Performance-Based Award to a Covered Employee, the provisions of this Section 11 shall control over any contrary provision contained in this Plan; *provided, however*, that the Administrator may in its discretion grant Awards to Covered Employees that are based on Performance Criteria or Performance Goals but that do not satisfy the requirements of this Section 11.

(b) Applicability. This Section 11 shall apply only to those Covered Employees selected by the Administrator to receive Performance-Based Awards that are intended to qualify as Qualified Performance-Based Compensation. The designation of a Covered Employee as an Awardee for a Performance Period shall not in any manner entitle the Awardee to receive an Award for the period. Moreover, designation of a Covered Employee as an for a particular Performance Period shall not require designation of such Covered Employee as an Awardee in any subsequent Performance Period and designation of one Covered Employee as an Awardee shall not require designation of any other Covered Employees as an Awardee in such period or in any other period.

(c) Procedures with Respect to Performance-Based Awards. To the extent necessary to comply with the Qualified Performance-Based Compensation requirements of Section 162(m)(4)(C) of the Code, with respect to any Award granted under this Plan which may be granted to one or more Covered Employees, no later than ninety (90) days following the commencement of any fiscal year in question or any other designated fiscal period or period of service (or such other time as may be required or permitted by Section 162(m) of the Code), the Administrator shall, in writing, (a) designate one or more Covered Employees, (b) select the Performance Criteria applicable to the Performance Period, (c) establish the Performance Goals, and amounts of such Awards, as applicable, which may be earned for such Performance Period, and (d) specify the relationship between Performance Criteria and the Performance Goals and the amounts of such Awards, as applicable, to be earned by each Covered Employee for such Performance Period. Following the completion of each Performance Period, the Committee shall certify in writing whether the applicable Performance Goals have been achieved for such Performance Period. In determining the amount earned by a Covered Employee, the Administrator shall have the right to reduce or eliminate (but not to increase) the amount payable at a given level of performance to take into account additional factors that the Administrator may deem relevant to the assessment of individual or corporate performance for the Performance Period.

(d) Payment of Performance-Based Awards. Unless otherwise provided in the applicable Award Agreement, an Awardee must be employed by the Company or a Subsidiary or Affiliate on the day a Performance-Based Award for the appropriate Performance Period is paid to the Awardee. Furthermore, an Awardee shall be eligible to receive payment pursuant to a Performance-Based Award for a Performance Period only if the Performance Goals for such period are achieved, unless otherwise permitted by Section 162(m) of the Code.

(e) Additional Limitations. Notwithstanding any other provision of the Plan, any Award which is granted to a Covered Employee shall be subject to any additional limitations set forth in Section 162(m) of the Code (including any amendment to Section 162(m) of the Code) or any regulations or rulings issued thereunder that are requirements for qualification as qualified performance-based compensation as described in Section 162(m)(4)(C) of the Code, and the Plan shall be deemed amended to the extent necessary to conform to such requirements.

12. Other Awards. The Administrator is authorized under the Plan to make any other Award to a Service Provider that is not inconsistent with the provisions of the Plan and that by its terms involves or might involve the issuance of (i) Shares, (ii) a right with an exercise or conversion privilege related to the passage of time, the occurrence of one or more events, or the satisfaction of performance criteria or other conditions, or (iii) any other right with the value derived from the value of the Shares. The Administrator may establish one or more separate programs under the Plan for the purpose of issuing particular forms of Awards to one or more classes of Awardees on such terms and conditions as determined by the Administrator from time to time.

13. General Provisions Applicable to All Awards.

(a) Transferability of Awards and Options. An Incentive Stock Option may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and, may be exercised, during the lifetime of the Optionee, only by the Optionee. Unless determined otherwise by the Administrator, an Award or Nonstatutory Stock Option may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised (if applicable), during the lifetime of the Optionee or Awardee, only by the Optionee or Awardee. If the Administrator makes an Award or Nonstatutory Stock Option transferable, such Award or Nonstatutory Stock Option shall contain such additional terms and conditions as the Administrator deems appropriate.

(b) Term. Except as otherwise provided herein, the term of any Award or Option (to the extent applicable) shall be no longer than ten (10) years from the date of grant.

(c) Exercise and Vesting upon Termination of Employment or Service. Unless otherwise set forth in the Award Agreement, all unvested Awards will terminate effective upon termination of employment or service for any reason. Unless otherwise set forth in the Award Agreement, in the case of Awards that have an exercise period (e.g., Stock Appreciation Rights), if the Awardee ceases to be a Service Provider as a result of his or her death or Disability, he or she (or his or her heirs or personal representative of his or her estate in the case of death) will have twelve (12) months after the date of termination to exercise outstanding vested Awards or shorter period if the expiration date for the Award is earlier. All Shares subject to unvested Awards that terminate upon termination of service and all unexercised Awards after expiration of the post termination will revert to the Plan.

(d) Form of Payment. Payments with respect to any Awards granted under the Plan shall be made in cash, in Shares, or a combination of both, as determined by the Administrator.

(e) Award Agreement. All Awards under this Plan shall be subject to such additional terms and conditions as determined by the Administrator and shall be evidenced by an Award Agreement.

(f) Date of Grant. The date of grant of an Award or Option shall be, for all purposes, the date on which the Administrator makes the determination granting such Award or Option, or such other later date as is determined by the Administrator in accordance with Applicable Laws. Notice of the determination shall be provided to each Awardee and Optionee within a reasonable time after the date of such grant.

(g) Timing of Settlement. At the time of grant, the Administrator shall specify the settlement date applicable to an Award, which shall be no earlier than the vesting date(s) applicable to the relevant Award and may be later than the vesting date(s) to the extent and under the terms determined by the Administrator, subject to compliance with Section 409A of the Code. Until an Award has been settled, the number of Shares subject to the Award shall be subject to adjustment pursuant to Section 14(a) hereof.

(h) Exercise or Purchase Price. The Administrator may establish the exercise or purchase price (if any) of any Award provided however that such price shall not be less than required by Applicable Law.

(i) Vesting Conditions. The Administrator has the discretion to provide for vesting conditions for Awards tied to performance conditions which do not satisfy the requirements for Qualified Performance-Based Compensation as determined under Code Section 162(m).

(j) Dividend Equivalents. The Administrator may determine at the time of grant whether Awards (other than those Awards pursuant to which Shares are issued at grant) will provide for Dividend Equivalent rights on such terms and conditions and subject to such restrictions as the Administrator shall determine, in its sole discretion, which terms, conditions and restrictions shall be set forth in the Award Agreement. Notwithstanding the foregoing, Dividend Equivalents granted with respect to any Award that vests based on achievement of performance goals shall either (i) not be paid or credited or (ii) be accumulated and be subject to restrictions and risk of forfeiture to the same extent that the Shares underlying the Award are subject.

14. Adjustments; Dissolution; Merger or Change in Control.

(a) Adjustments. In the event that any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, or other change in the corporate structure of the Company affecting the Shares or their value occurs, then the Administrator shall make proportional adjustments to (i) the number and class or kind of Shares that may be delivered under the Plan, (ii) the number, class or kind and price of shares covered by each outstanding Award and Option, and (iii) the numerical limits of Section 6(c). Notwithstanding the foregoing, a regular cash dividend that does not affect the Shares or the value of the Shares shall not result in the proportional adjustment to the Shares, Awards and Options contemplated under the preceding sentence. The determination by the Administrator of the adjustments provided under this Section 14(a) shall be final and binding on the affected Optionee or Awardee and the Company.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator shall notify each Awardee and Optionee as soon as practicable prior to the effective date of such proposed transaction. The Administrator in its discretion may provide for an Optionee or Awardee to have the right to exercise his or her Option or Award (if exercisable) until ten (10) days prior to such transaction as to all of the Optioned/Awarded Stock covered thereby, including Shares as to which the Option or Award would not otherwise be exercisable. The Administrator in its discretion may provide that the vesting of an Award or Option accelerate at any time prior to such transaction. To the extent it has not been previously exercised, an Option or Award (if exercisable) will terminate immediately prior to the consummation of such proposed action, and unvested Awards will be forfeited immediately prior to the consummation of such proposed action.

(c) Merger or Change in Control. In the event of a merger of the Company with or into another corporation, or a Change in Control, each outstanding Award and Option shall be assumed or an equivalent award, option or right substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. In the event the successor corporation does not agree to assume the Award or Option, or substitute an equivalent option or right, the Administrator shall, in lieu of such assumption or substitution, provide for the Awardee or Optionee to have the right to vest in and exercise the Option or Award (if exercisable) as to all of the Optioned/Awarded Stock, including Shares as to which the Option or Award would not otherwise be vested or

exercisable, and in the case of an unvested Award, to vest in the entire Award. If the Administrator makes an Option or Award (if exercisable) fully vested and exercisable in lieu of assumption or substitution in the event of a merger or Change in Control, the Administrator shall notify the Optionee or Awardee that the Option or Award shall be fully vested and exercisable for a period of fifteen (15) days from the date of such notice, and the Option or Award (if exercisable) will terminate upon the expiration of such period. If, in such a merger or Change in Control, the Award or Option is assumed or an equivalent award or option or right is substituted by such successor corporation or a Parent or Subsidiary of such successor corporation, and if during a one-year period after the effective date of such merger or Change in Control, the Awardee's or Optionee's status as a Service Provider is terminated for any reason other than the Awardee's or Optionee's voluntary termination of such relationship, then (i) in the case of an Option or an Award (if exercisable), the Optionee or Awardee shall have the right within three (3) months thereafter to exercise the Option or Award (if exercisable) as to all of the Optioned/Awarded Stock, including Shares as to which the Option or Award (if exercisable) would not be otherwise exercisable, effective as of the date of such termination and (ii) in the case of an unvested Award, the Award shall be fully vested on the date of such termination.

For the purposes of this subsection (c), the Award or Option shall be considered assumed if, following the merger or Change in Control, the option or right confers the right to purchase or receive, for each Share of Awarded Stock subject to the Award or each Share of Optioned Stock subject to the Option, in each case, immediately prior to the merger or Change in Control, the consideration (whether stock, cash, or other securities or property) received in the merger or Change in Control by holders of Common Stock for each Share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the merger or Change in Control is not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of the Option or an Award (if exercisable), for each Share of Optioned Stock subject to the Option and each Share of Awarded Stock subject to the Award, and upon the vesting of an Award, for each Share of Awarded Stock to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the merger or Change in Control.

15. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Board may at any time amend, alter, suspend or terminate the Plan, provided that the Board may not do so without stockholder approval, if such approval would be required by Applicable Laws.

(b) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan or any Award or Option shall (i) impair the rights of any Awardee or Optionee, unless mutually agreed otherwise between the Awardee or Optionee and the Administrator, which agreement must be in writing and signed by the Awardee or Optionee and the Company, except with respect to any amendment made or other action taken pursuant to Section 21 hereof or any amendment or other action with respect to an outstanding Option or Award that may be required or desirable to comply with Applicable Laws, as determined in the sole discretion of the Administrator, or (ii) permit the reduction of the exercise price of an Option or Stock Appreciation Right, after it has been granted, to below the per Share Fair Market Value as of the date the Option or Stock Appreciation Right was granted (except for adjustments made pursuant to Section 14 of the Plan), unless approved by the Company's stockholders. Neither may the Administrator, without the approval of the Company's stockholders and except as provided in Section 14 of the Plan, cancel any outstanding Option or Stock Appreciation Right at any time when the then-current Fair Market Value of a Share is less than the Fair Market Value of a Share on the date that the outstanding Option or Stock Appreciation Right was granted, and replace it with (A) a new Option or Stock Appreciation Right with a lower exercise price, where the economic effect would be the same as reducing the exercise price of the cancelled Option or Stock Appreciation Right below the per Share Fair Market Value as of the date the Option or Stock Appreciation Right was granted, (B) cash or (C) any other Award. Termination of the Plan shall not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards and Options granted under the Plan prior to the date of such termination. Any increase in the number of Shares subject to the Plan, other than pursuant to Section 14 hereof, shall be approved by the Company's stockholders.

16. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares shall not be issued pursuant to the exercise of an Option or Award (if exercisable) or the vesting of an Award unless the exercise of such Option or Award and the issuance and delivery of such Shares shall comply with Applicable Laws and shall be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an Option or Award (if exercisable), the Company may require the person exercising such Option or Award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

17. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

18. Reservation of Shares. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

19. Stockholder Approval; Plan Term for ISO Grants. The Plan became effective on May 23, 2002. The Plan was most recently approved by stockholders of the Company on May 8, 2017. The Plan, as most recently amended and restated has been adopted by the Board on January 1, 2019. No Incentive Stock Options may be granted under the Plan after March 15, 2027.

20. Governing Law. The Plan and all Award Agreements shall be construed in accordance with and governed by the laws of the State of Delaware.

21. Section 409A. Except as provided in Section 25 hereof, to the extent that the Administrator determines that any Award or Option granted under the Plan is subject to Section 409A of the Code, the Award Agreement or Option Agreement evidencing such Award or Option shall incorporate the terms and conditions required by Section 409A of the Code. To the extent applicable, the Plan and Award Agreements and Option Agreements shall be interpreted in accordance with Section 409A of the Code and U.S. Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date the Plan first became effective. Notwithstanding any provision of the Plan to the contrary, in the event that following the date an Option or an Award is granted the Administrator determines that the Award or Option may be subject to Section 409A of the Code and related U.S. Department of Treasury guidance (including such Department of Treasury guidance as may be issued after the date the Plan first became effective), the Administrator may, without consent of the Awardee or Optionee, adopt such amendments to the Plan and the applicable Award Agreement or Option Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, including amendments or actions that would result in a reduction to the benefits payable under an Option or an Award, in each case, without the consent of the Optionee or Awardee, as applicable, that the Administrator determines are necessary or appropriate to (a) exempt the Award or Option from Section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Award or Option, or (b) comply

with the requirements of Section 409A of the Code and related U.S. Department of Treasury guidance and thereby avoid the application of any penalty taxes under such Section or mitigate any additional tax, interest and/or penalties or other adverse tax consequences that may apply under Section 409A of the Code if compliance is not practical.

22. Tax Withholding. The Company or any Subsidiary or Affiliate, as appropriate, shall have the authority and the right to deduct or withhold, or require an Awardee or Optionee to remit to the Company, an amount sufficient to satisfy U.S. federal, state, and local taxes and taxes imposed by jurisdictions outside of the United States (including income tax, social insurance contributions, payment on account and any other taxes that may be due) that the Company or an Affiliate determines are required to be withheld with respect to any taxable event concerning an Optionee or Awardee arising as a result of this Plan or to take such other action as may be necessary in the opinion of the Company or a Subsidiary or Affiliate, as appropriate, to satisfy withholding obligations for the payment of taxes. Without limitation, the Administrator may in its discretion and in satisfaction of the foregoing requirement allow the Company to withhold Shares otherwise issuable under an Option or Award (or allow the return of Shares) having a Fair Market Value equal to the sums required to be withheld, which may be determined using rates of up to, but not exceeding, the maximum federal, state, local and/or foreign statutory tax rates applicable in a particular jurisdiction. The Fair Market Value of the Shares to be withheld and the applicable rate of tax withholding shall be determined on the date that the amount of tax to be withheld is to be determined. No Shares shall be delivered hereunder to any Optionee or Awardee or other person until the Optionee or Awardee, or such other person has made arrangements acceptable to the Administrator for the satisfaction of these tax obligations with respect to any taxable event concerning the Optionee or Awardee, or such other person arising as a result of the Options or Awards made under this Plan.

23. No Right to Employment or Service. Nothing in the Plan or any Award Agreement or Option Agreement shall interfere with or limit in any way the right of the Company or any Subsidiary or Affiliate to terminate any Awardee's or Optionee's employment or services at any time, nor confer upon any Awardee or Optionee any right to continue in the employ or service of the Company or any Subsidiary or Affiliate.

24. Unfunded Status of Awards. The Plan is intended to be an "unfunded" plan for incentive compensation. With respect to any payments not yet made to an Awardee pursuant to an Award, nothing contained in the Plan or any Award Agreement shall give the Awardee any rights that are greater than those of a general creditor of the Company or any Subsidiary or Affiliate.

25. No Representations or Covenants with respect to Tax Qualification. Although the Company may endeavor to (1) qualify an Award for favorable tax treatment under the laws of the United States or jurisdictions outside of the United States (*e.g.*, incentive stock options under Section 422 of the Code or French-qualified stock options) or (2) avoid adverse tax treatment (*e.g.*, under Sections 280G, 409A or 457A of the Code), the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment and any liability to any Optionee or Awardee for failure to maintain favorable or avoid unfavorable tax result. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on Awardees or Optionees under the Plan. Nothing in this Plan or in an Option Agreement or Award Agreement shall provide a basis for any person to take any action against the Company or any Affiliate based on matters covered by Section 409A of the Code, including the tax treatment of any Option or Awards, and neither the Company nor any Affiliate will have any liability under any circumstances to an Optionee or Awardee or any other party if the Option or Award that is intended to be exempt from, or compliant with, Section 409A of the Code, is not so exempt or compliant or for any action taken by the Administrator with respect thereto.

26. Clawback/Recovery. All Options and Awards granted under the Plan will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other Applicable Laws. In addition, the Administrator may impose such other clawback, recovery or recoupment provisions on an Option or Award as the Administrator determines necessary or appropriate in view of Applicable Laws, governance considerations or industry best practices.

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Trimble Inc.

Deferred Compensation Plan

Master Plan Document

Effective December 30, 2004

(as amended and restated December 31, 2018)

Trimble Inc.

Deferred Compensation Plan

Master Plan Document

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TRIMBLE INC.
DEFERRED COMPENSATION PLAN
Effective December 30, 2004
(as amended and restated [●], 2018)

Purpose

The purpose of this Plan is to provide specified benefits to Directors and a select group of management or highly compensated Employees who contribute materially to the continued growth, development and future business success of Trimble Inc., a Delaware corporation, and its subsidiaries, if any, that sponsor this Plan. This Plan shall be unfunded for tax purposes and for purposes of Title I of ERISA.

The Plan is amended and restated, effective [●], 2018. Except as otherwise provided below, effective December 30, 2004, the provisions of the Plan amended and restated the plan provisions of the Trimble Inc. Nonqualified Deferred Compensation Plan, which was originally effective February 10, 1994, (“Nonqualified Deferred Compensation Plan”) with respect to all account balances credited to the Nonqualified Deferred Compensation Plan; provided, however, the provisions of this Plan are not intended to modify or affect the trust provisions that relate to such account balances. The Plan previously was amended and restated on December 30, 2004, on October 19, 2007, on October 25, 2010, on May 9, 2014, on November 6, 2015 and October 1, 2016.

The Plan is intended to comply with all applicable law, including Code Section 409A and related Treasury guidance and Regulations, and shall be operated and interpreted in accordance with this intention.

ARTICLE 1
Definitions

For the purposes of this Plan, unless otherwise clearly apparent from the context, the following phrases or terms shall have the following indicated meanings:

1.1 “Administrator” shall have the meaning ascribed to the term in Section 13.2

1.2 “Account Balance” shall mean, with respect to a Participant, an entry on the records of the Employer equal to the sum of the Participant’s Annual Accounts. The Account Balance shall be a bookkeeping entry only and shall be utilized solely as a device for the measurement and determination of the amounts to be paid to a Participant, or his or her designated Beneficiary, pursuant to this Plan.

If a Participant is both an Employee and a Director and participates in the Plan in each capacity, then separate Account Balances (and separate Annual Accounts, if applicable) shall be established for such Participant as a device for the measurement and determination of the (a) amounts deferred under the Plan that are attributable to the Participant’s status as an Employee, and (b) amounts deferred under the Plan that are attributable to the Participant’s status as a Director.

1.3 “Annual Account” shall mean, with respect to a Participant, an entry on the records of the Employer equal to (a) the sum of the Participant’s Annual Deferral Amount and Company Contribution Amount for any one Plan Year, plus (b) amounts credited or debited to such amounts pursuant to this Plan, less (c) all distributions made to the Participant or his or her Beneficiary pursuant to this Plan that relate to the Annual Account for such Plan Year. The Annual Account shall be a bookkeeping entry only and shall be utilized solely as a device for the measurement and determination of the amounts to be paid to a Participant, or his or her designated Beneficiary, pursuant to this Plan.

1.4 “Annual Deferral Amount” shall mean that portion of a Participant’s Base Salary, Bonus, Commissions (prior to the 2015 Restatement Date), Director Fees and LTIP Amounts that a Participant defers in accordance with Article 3 for any one Plan Year, without regard to whether such amounts are withheld and credited during such Plan Year.

1.5 “Annual Installment Method” shall mean the method used to determine the amount of each payment due to a Participant who has elected to receive a benefit over a period of years in accordance with the applicable provisions of the Plan. The amount of each annual payment due to the Participant shall be calculated by multiplying the balance of the Participant’s benefit by a fraction, the numerator of which is one and the denominator of which is the remaining number of annual payments due to the Participant. The amount of the first annual payment shall be calculated as of the close of business on or around the Participant’s Benefit Distribution Date, and the amount of each subsequent annual payment shall be calculated on or around each anniversary of such Benefit Distribution Date. For purposes of this Plan, the right to receive a benefit payment in annual installments shall be treated as the entitlement to a single payment.

1.6 “Base Salary” shall mean the cash compensation relating to services performed during any Plan Year, excluding distributions from nonqualified deferred compensation plans, bonuses, commissions, overtime, fringe benefits, stock options, relocation expenses, incentive payments, non-monetary awards, director fees and other fees, and automobile and other allowances paid to a Participant for employment services rendered (whether or not such allowances are included in the Employee’s gross income). Base Salary shall be calculated before reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or nonqualified plans of any Employer and shall be calculated to include amounts not otherwise included in the Participant’s gross income under Code Sections 125, 402(e)(3), 402(h), or 403(b) pursuant to plans established by any Employer; provided, however, that all such amounts will be included in compensation only to the extent that had there been no such plan, the amount would have been payable in cash to the Employee.

1.7 “Beneficiary” shall mean one or more persons, trusts, estates or other entities, designated in accordance with Article 10, that are entitled to receive benefits under this Plan upon the death of a Participant.

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- 1.8 “Beneficiary Designation Form” shall mean the form established from time to time by the Committee that a Participant completes, signs and returns to the Committee to designate one or more Beneficiaries.
- 1.9 “Benefit Distribution Date” shall mean the date upon which all or an objectively determinable portion of a Participant’s vested benefits will become eligible for distribution. Except as otherwise provided in the Plan, a Participant’s Benefit Distribution Date shall be determined based on the earliest to occur of an event or scheduled date set forth in Articles 4 through 9, as applicable.
- 1.10 “Board” shall mean the board of directors of the Company.
- 1.11 “Bonus” shall mean any compensation, excluding Base Salary, Commissions and LTIP Amounts, earned by a Participant under any of Employee bonus and/or cash incentive plans that are designated by the Committee, in its sole discretion, from time to time as eligible for deferral under the Plan.
- 1.12 “Change in Control” shall mean the occurrence of a “change in the ownership,” a “change in the effective control” or a “change in the ownership of a substantial portion of the assets” of a corporation, as determined in accordance with this Section and Treas. Reg. §1.409A-3(i)(5).

In order for an event described below to constitute a Change in Control with respect to a Participant, except as otherwise provided in part (b)(ii) of this Section, the applicable event must relate to the corporation for which the Participant is providing services, the corporation that is liable for payment of the Participant’s Account Balance (or all corporations liable for payment if more than one), as identified by the Committee in accordance with Treas. Reg. §1.409A-3(i)(5)(ii)(A)(2), or such other corporation identified by the Committee in accordance with Treas. Reg. §1.409A-3(i)(5)(ii)(A)(3).

In determining whether an event shall be considered a “change in the ownership,” a “change in the effective control” or a “change in the ownership of a substantial portion of the assets” of a corporation, the following provisions shall apply:

- (a) A “change in the ownership” of the applicable corporation shall occur on the date on which any one person, or more than one person acting as a group, acquires ownership of stock of such corporation that, together with stock held by such person or group, constitutes more than 50% of the total fair market value or total voting power of the stock of such corporation, as determined in accordance with Treas. Reg. §1.409A-3(i)(5)(v). If a person or group is considered either to own more than 50% of the total fair market value or total voting power of the stock of such corporation, or to have effective control of such corporation within the meaning of part (b) of this Section, and such person or group acquires additional stock of such corporation, the acquisition of additional stock by such person or group shall not be considered to cause a “change in the ownership” of such corporation.
- (b) A “change in the effective control” of the applicable corporation shall occur on either of the following dates:
- (i) The date on which any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of such corporation possessing 30% or more of the total voting power of the stock of such corporation, as determined in accordance with Treas. Reg. §1.409A-3(i)(5)(vi). If a person or group is considered to possess 30% or more of the total voting power of the stock of a corporation, and such person or group acquires additional stock of such corporation, the acquisition of additional stock by such person or group shall not be considered to cause a “change in the effective control” of such corporation; or
- (ii) The date on which a majority of the members of the applicable corporation’s board of directors is replaced during any 12-month period by directors whose appointment

or election is not endorsed by a majority of the members of such corporation's board of directors before the date of the appointment or election, as determined in accordance with Treas. Reg. §1.409A-3(i)(5)(vi). In determining whether the event described in the preceding sentence has occurred, the applicable corporation to which the event must relate shall only include a corporation identified in accordance with Treas. Reg. §1.409A-3(i)(5)(ii) for which no other corporation is a majority shareholder.

- (c) A "change in the ownership of a substantial portion of the assets" of the applicable corporation shall occur on the date on which any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the corporation that have a total gross fair market value equal to or more than 40% of the total gross fair market value of all of the assets of the corporation immediately before such acquisition or acquisitions, as determined in accordance with Treas. Reg. §1.409A-3(i)(5)(vii). A transfer of assets shall not be treated as a "change in the ownership of a substantial portion of the assets" when such transfer is made to an entity that is controlled by the shareholders of the transferor corporation, as determined in accordance with Treas. Reg. §1.409A-3(i)(5)(vii)(B).
- 1.13 "Change in Control Benefit" shall have the meaning ascribed to the term in Section 5.1.
- 1.14 "Code" shall mean the Internal Revenue Code of 1986, as it may be amended from time to time.
- 1.15 "Commissions" shall mean the cash commissions earned by a Participant during a Plan Year prior to the 2015 Restatement Date, as determined in accordance with Code Section 409A and related Treasury Regulations.
- 1.16 "Committee" shall mean the committee described in Article 13.
- 1.17 "Company" shall mean Trimble Inc., a Delaware corporation, and any successor to all or substantially all of the Company's assets or business.
- 1.18 "Company Contribution Amount" shall mean, for any one Plan Year, the amount determined in accordance with Section 3.5.
- 1.19 "Director" shall mean a member of the Board.
- 1.20 "Director Fees" shall mean the annual fees earned by a Director from any Employer, including retainer fees and meetings fees, as compensation for serving on the board of directors.
- 1.21 "Disability" or "Disabled" shall mean that a Participant is either (a) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (b) by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Participant's Employer. For purposes of this Plan, a Participant shall be deemed Disabled if determined to be totally disabled by the Social Security Administration. A Participant shall also be deemed Disabled if determined to be disabled in accordance with the applicable disability insurance program of such Participant's Employer, provided that the definition of "disability" applied under such disability insurance program complies with the requirements of this Section.
- 1.22 "Election Form" shall mean the form, which may be in electronic format, established from time to time by the Committee that a Participant completes, signs and returns to the Committee to make an election under the Plan.
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- 1.23 “Employee” shall mean a person who is an employee of an Employer.
- 1.24 “Employer(s)” shall mean the Company (a) and/or any of its Subsidiaries (now in existence or hereafter formed or acquired), (b) and/or any of its other subsidiaries (now in existence or hereafter formed or acquired) that have been selected by the Board to participate in the Plan and have adopted the Plan as a sponsor.
- 1.25 “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as it may be amended from time to time.
- 1.26 “401(k) Plan” shall mean, with respect to an Employer, a plan qualified under Code Section 401(a) that contains a cash or deferral arrangement described in Code Section 401(k), adopted by the Employer, as it may be amended from time to time, or any successor thereto.
- 1.27 “LTIP Amounts” shall mean any portion of the compensation attributable to a Plan Year that is earned by a Participant under any Employer’s long-term incentive plan or any other long-term incentive arrangement that is designated by the Committee, in its sole discretion, from time to time as eligible for deferral under the Plan.
- 1.28 “Participant” shall mean any Employee or Director (a) who is selected to participate in the Plan, (b) whose executed Plan Agreement, Election Form and Beneficiary Designation Form are accepted by the Committee, and (c) whose Plan Agreement has not terminated.
- 1.29 “Performance-Based Compensation” shall mean compensation the entitlement to or amount of which is contingent on the satisfaction of pre-established organizational or individual performance criteria relating to a performance period of at least 12 consecutive months, as determined by the Committee in accordance with Treas. Reg. §1.409A-1(e).
- 1.30 “Plan” shall mean the Trimble Inc. Deferred Compensation Plan, which shall be evidenced by this instrument, as it may be amended from time to time, and by any other documents that together with this instrument define a Participant’s rights to amounts credited to his or her Account Balance.
- 1.31 “Plan Agreement” shall mean a written agreement in the form prescribed by or acceptable to the Committee that evidences a Participant’s agreement to the terms of the Plan and which may establish additional terms or conditions of Plan participation for a Participant. Unless otherwise determined by the Committee, the most recent Plan Agreement accepted with respect to a Participant shall supersede any prior Plan Agreements for such Participant. Plan Agreements may vary among Participants and may provide additional benefits not set forth in the Plan or limit the benefits otherwise provided under the Plan.
- 1.32 “Plan Year” shall mean a period beginning on January 1 of each calendar year and continuing through December 31 of such calendar year.
- 1.33 “Pre-2014 Restatement Participant” shall mean a Participant who had commenced participation in the Plan prior to the 2014 Restatement Date and who continues to be eligible to elect an Annual Deferral Amount for Plan Years following the 2014 Restatement Date.
- 1.34 “Restatement Date” shall mean October 25, 2010.
- 1.35 “Retirement,” “Retire(s)” or “Retired” shall mean with respect to a Participant who is an Employee, a Separation from Service on or after the attainment of (a) age sixty-five (65) with five (5) Years of Service, or (b) age fifty-five (55) with ten (10) Years of Service; and shall mean with respect to a Participant who is a Director, a Separation from Service as a Director with the Company on or after the attainment of age seventy (70). If a Participant is both an Employee and a Director and participates in the Plan in each capacity, (a) the determination of whether the Participant qualifies for Retirement as an Employee shall be made when the Participant experiences a Separation from Service as an Employee and such determination shall only apply to the applicable Account Balance
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established in accordance with Section 1.1 for amounts deferred under the Plan as an Employee, and (b) the determination of whether the Participant qualifies for Retirement as a Director shall be made at the time the Participant experiences a Separation from Service as a Director and such determination shall only apply to the applicable Account Balance established in accordance with Section 1.1 for amounts deferred under the Plan as a Director.

1.36 “Retirement Benefit” shall have the meaning ascribed to the term in Section 6.1.

1.37 “Separation from Service” shall mean a termination of services provided by a Participant to his or her Employer, whether voluntarily or involuntarily, other than by reason of death or Disability, as determined by the Committee in accordance with Treas. Reg. §1.409A-1(h). In determining whether a Participant has experienced a Separation from Service, the following provisions shall apply:

(a) For a Participant who provides services to an Employer as an Employee, except as otherwise provided in part (c) of this Section, a Separation from Service shall occur when such Participant has experienced a termination of employment with such Employer. A Participant shall be considered to have experienced a termination of employment when the facts and circumstances indicate that the Participant and his or her Employer reasonably anticipate that either (i) no further services will be performed for the Employer after a certain date, or (ii) that the level of bona fide services the Participant will perform for the Employer after such date (whether as an Employee or as an independent contractor) will permanently decrease to no more than 20% of the average level of bona fide services performed by such Participant (whether as an Employee or an independent contractor) over the immediately preceding 36-month period (or the full period of services to the Employer if the Participant has been providing services to the Employer less than 36 months).

If a Participant is on military leave, sick leave, or other bona fide leave of absence, the employment relationship between the Participant and the Employer shall be treated as continuing intact, provided that the period of such leave does not exceed 6 months, or if longer, so long as the Participant retains a right to reemployment with the Employer under an applicable statute or by contract. If the period of a military leave, sick leave, or other bona fide leave of absence exceeds 6 months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship shall be considered to be terminated for purposes of this Plan as of the first day immediately following the end of such 6-month period. In applying the provisions of this paragraph, a leave of absence shall be considered a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for the Employer.

(b) For a Participant who provides services to an Employer as an independent contractor, except as otherwise provided in part (c) of this Section, a Separation from Service shall occur upon the expiration of the contract (or in the case of more than one contract, all contracts) under which services are performed for such Employer, provided that the expiration of such contract(s) is determined by the Committee to constitute a good-faith and complete termination of the contractual relationship between the Participant and such Employer.

(c) For a Participant who provides services to an Employer as both an Employee and an independent contractor, a Separation from Service generally shall not occur until the Participant has ceased providing services for such Employer as both as an Employee and as an independent contractor, as determined in accordance with the provisions set forth in parts (a) and (b) of this Section, respectively. Similarly, if a Participant either (i) ceases providing services for an Employer as an independent contractor and begins providing services for such Employer as an Employee, or (ii) ceases providing services for an Employer as an Employee and begins providing services for such Employer as an independent contractor, the Participant will not be considered to have experienced a Separation from

Service until the Participant has ceased providing services for such Employer in both capacities, as determined in accordance with the applicable provisions set forth in parts (a) and (b) of this Section.

Notwithstanding the foregoing provisions in this part (c), if a Participant provides services for an Employer as both an Employee and as a Director, to the extent permitted by Treas. Reg. §1.409A-1(h)(5) the services provided by such Participant as a Director shall not be taken into account in determining whether the Participant has experienced a Separation from Service as an Employee, and the services provided by such Participant as an Employee shall not be taken into account in determining whether the Participant has experienced a Separation from Service as a Director.

- 1.38 “Subsidiary” shall mean a wholly owned subsidiary of the Company.
- 1.39 “Trust” shall mean one or more trusts established by the Company in accordance with Article 16.
- 1.40 “Unforeseeable Emergency” shall mean a severe financial hardship of the Participant resulting from (a) an illness or accident of the Participant, the Participant’s spouse, the Participant’s Beneficiary or the Participant’s dependent (as defined in Code Section 152 without regard to paragraphs (b)(1), (b)(2) and (d)(1)(b) thereof), (b) a loss of the Participant’s property due to casualty, or (c) such other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, all as determined by the Committee based on the relevant facts and circumstances.
- 1.41 “Years of Service” shall mean the total number of full years in which a Participant has been employed by one or more Employers. For purposes of this definition, a year of employment shall be a 365 day period (or 366 day period in the case of a leap year) that, for the first year of employment, commences on the Employee’s date of hiring and that, for any subsequent year, commences on an anniversary of that hiring date. A partial year of employment shall not be treated as a Year of Service.
- 1.42 “2014 Restatement Date” shall mean May 9, 2014.
- 1.43 “2015 Restatement Date” shall mean November 6, 2015.
- 1.44 “2015 Plan Year” shall mean the Plan Year commencing 2015.

ARTICLE 2

Selection, Enrollment, Eligibility

- 2.1 **Selection by Committee.** Participation in the Plan shall be limited to Directors and, as determined by the Committee in its sole discretion, a select group of management or highly compensated Employees. From that group, the Committee shall select, in its sole discretion, those individuals who may actually participate in this Plan.
- 2.2 **Enrollment and Eligibility Requirements; Commencement of Participation.**
- (a) As a condition to participation, each Director or selected Employee shall complete, execute and return to the Committee a Plan Agreement, an Election Form and a Beneficiary Designation Form by the deadline(s) established by the Committee in accordance with the applicable provisions of this Plan. In addition, the Committee shall establish from time to time such other enrollment requirements as it determines, in its sole discretion, are necessary.
- (b) Each Director or selected Employee who is eligible to participate in the Plan shall commence participation in the Plan on the date that the Committee determines that the Director or Employee has met all enrollment requirements set forth in this Plan and required by the Committee, including returning all required documents to the Committee within the specified time period.

- (c) If a Director or an Employee fails to meet all requirements established by the Committee within the period required, that Director or Employee shall not be eligible to participate in the Plan during such Plan Year.

ARTICLE 3
Deferral Commitments/Company Contribution Amounts/
Vesting/Crediting/Taxes

3.1 Minimum Annual Deferral Amount.

For each Plan Year, a Participant may elect to defer, as his or her Annual Deferral Amount, Base Salary, Bonus, LTIP Amounts and/or Director Fees, and, for any Plan Year commencing prior to the 2015 Restatement Date, Commissions, in the following minimum amounts for each deferral elected:

Deferral	Minimum Percentage
Base Salary	5%
Bonus	5%
Commissions	5%
LTIP Amounts	5%
Director Fees	5%

3.2 Maximum Deferral.

- (a) **Annual Deferral Amount.** For each Plan Year, a Participant may elect to defer, as his or her Annual Deferral Amount, Base Salary, Bonus, LTIP Amounts and/or Director Fees, and, for any Plan Year commencing prior to the 2015 Restatement Date, Commissions, up to the following maximum percentages for each deferral elected:

Deferral	Maximum Percentage
Base Salary	90%
Bonus	100% (prior to the 2015 Restatement Date) 85% (following the 2015 Restatement Date)
Commissions	100%
LTIP Amounts	100% (prior to the 2015 Restatement Date) 85% (following the 2015 Restatement Date)
Director Fees	100%

- (b) **Short Plan Year.** Notwithstanding the foregoing, if a Participant first becomes a Participant after the first day of a Plan Year, then to the extent required by Section 3.3 and Code Section 409A and related Treasury Regulations, the maximum amount of the Participant's Base Salary, Bonus, Commissions, LTIP Amounts or Director Fees that may be deferred by the Participant for the Plan Year shall be determined by applying the percentages set forth in Section 3.2(a) to the portion of such compensation attributable to services performed after the date that the Participant's deferral election is made.

3.3 **Timing of Deferral Elections; Effect of Election Form.**

- (a) **General Timing Rule for Deferral Elections.** Except as otherwise provided in this Section 3.3, in order for a Participant to make a valid election to defer Base Salary, Bonus, Commissions, Director Fees and/or LTIP Amounts, the Participant must submit an Election Form on or before the deadline established by the Committee, which in no event shall be later than the December 31st preceding the Plan Year in which such compensation will be earned.

Any deferral election made in accordance with this Section 3.3(a) shall be irrevocable; provided, however, that if the Committee permits or requires Participants to make a deferral election by the deadline described above for an amount that qualifies as Performance-Based Compensation, the Committee may permit a Participant to subsequently change his or her deferral election for such compensation by submitting a new Election Form in accordance with Section 3.3(c) below.

- (b) **Timing of Deferral Elections for Newly Eligible Plan Participants.** A Director or selected Employee who first becomes eligible to participate in the Plan on or after the beginning of a Plan Year, as determined in accordance with Treas. Reg. §1.409A-2(a)(7)(i) and (ii) and the “plan aggregation” rules provided in Treas. Reg. §1.409A-1(c)(2), may be permitted to make an election to defer the portion of Base Salary, Bonus, Commissions, Director Fees and/or LTIP Amounts attributable to services to be performed after such election, provided that the Participant submits an Election Form on or before the deadline established by the Committee, which in no event shall be later than 30 days after the Participant first becomes eligible to participate in the Plan.

If a deferral election made in accordance with this Section 3.3(b) relates to compensation earned based upon a specified performance period, the amount eligible for deferral shall be equal to (i) the total amount of compensation for the performance period, multiplied by (ii) a fraction, the numerator of which is the number of days remaining in the service period after the Participant’s deferral election is made, and the denominator of which is the total number of days in the performance period.

Any deferral election made in accordance with this Section 3.3(b) shall become irrevocable no later than the 30th day after the date the Director or selected Employee becomes eligible to participate in the Plan.

- (c) **Timing of Deferral Elections for Performance-Based Compensation.** Subject to the limitations described below, the Committee may determine that an irrevocable initial deferral election for an amount that qualifies as Performance-Based Compensation may be made by submitting an Election Form on or before the deadline established by the Committee, which in no event shall be later than 6 months before the end of the performance period.

In order for a Participant to be eligible to make a deferral election for Performance-Based Compensation in accordance with the deadline established pursuant to this Section 3.3(c), the Participant must have performed services continuously from the later of (i) the beginning of the performance period for such compensation, or (ii) the date upon which the performance criteria for such compensation are established, through the date upon which the Participant makes the deferral election for such compensation. In no event shall a deferral election submitted under this Section 3.3(c) be permitted to apply to any amount of Performance-Based Compensation that has become readily ascertainable.

- (d) **Timing Rule for Deferral of Compensation Subject to Risk of Forfeiture.** With respect to compensation (i) to which a Participant has a legally binding right to payment in a

subsequent year, and (ii) that is subject to a forfeiture condition requiring the Participant's continued services for a period of at least 12 months from the date the Participant obtains the legally binding right, the Committee may determine that an irrevocable deferral election for such compensation may be made by timely delivering an Election Form to the Committee in accordance with its rules and procedures, no later than the 30th day after the Participant obtains the legally binding right to the compensation, provided that the election is made at least 12 months in advance of the earliest date at which the forfeiture condition could lapse, as determined in accordance with Treas. Reg. §1.409A-2(a)(5).

Any deferral election(s) made in accordance with this Section 3.3(d) shall become irrevocable no later than the 30th day after the Participant obtains the legally binding right to the compensation subject to such deferral election(s).

3.4 **Withholding and Crediting of Annual Deferral Amounts.** For each Plan Year, the Base Salary portion of the Annual Deferral Amount shall be withheld from each regularly scheduled Base Salary payroll in equal amounts, as adjusted from time to time for increases and decreases in Base Salary. The Bonus, Commissions, LTIP Amounts and/or Director Fees portion of the Annual Deferral Amount shall be withheld at the time the Bonus, Commissions, LTIP Amounts or Director Fees are or otherwise would be paid to the Participant, whether or not this occurs during the Plan Year itself. Annual Deferral Amounts shall be credited to the Participant's Annual Account for such Plan Year at the time such amounts would otherwise have been paid to the Participant.

3.5 **Company Contribution Amount** .

- (a) For each Plan Year, an Employer may be required to credit amounts to a Participant's Annual Account in accordance with employment or other agreements entered into between the Participant and the Employer, which amounts shall be part of the Participant's Company Contribution Amount for that Plan Year. Such amounts shall be credited to the Participant's Annual Account for the applicable Plan Year on the date or dates prescribed by such agreements.
- (b) For each Plan Year, an Employer, in its sole discretion, may, but is not required to, credit any amount it desires to any Participant's Annual Account under this Plan, which amount shall be part of the Participant's Company Contribution Amount for that Plan Year. The amount so credited to a Participant may be smaller or larger than the amount credited to any other Participant, and the amount credited to any Participant for a Plan Year may be zero, even though one or more other Participants receive a Company Contribution Amount for that Plan Year. The Company Contribution Amount described in this Section 3.5(b), if any, shall be credited to the Participant's Annual Account for the applicable Plan Year on a date or dates to be determined by the Committee.
- (c) If not otherwise specified in the Participant's employment or other agreement entered into between the Participant and the Employer, the amount (or the method or formula for determining the amount) of a Participant's Company Contribution Amount shall be set forth in writing in one or more documents, which shall be deemed to be incorporated into this Plan in accordance with Section 1.31, no later than the date on which such Company Contribution Amount is credited to the applicable Annual Account of the Participant.

3.6 **Vesting** .

- (a) A Participant shall at all times be 100% vested in the portion of his or her Account Balance attributable to Annual Deferral Amounts, plus amounts credited or debited on such amounts pursuant to Section 3.7.
- (b) A Participant shall be vested in his or her Company Contribution Account in accordance with the vesting schedule(s) set forth in his or her Plan Agreement, employment agreement

or any other agreement entered into between the Participant and his or her Employer. If not addressed in such agreements, the Company shall determine the vesting schedule for Company Contribution Amounts at the time such contribution is made to the Participant's Company Contribution Account.

3.7 **Crediting/Debiting of Account Balances.** In accordance with, and subject to, the rules and procedures that are established from time to time by the Committee, in its sole discretion, amounts shall be credited or debited to a Participant's Account Balance in accordance with the following rules:

- (a) **Measurement Funds.** The Participant may elect one or more of the measurement funds selected by the Committee, in its sole discretion, which are based on certain mutual funds (the "Measurement Funds"), for the purpose of crediting or debiting additional amounts to his or her Account Balance. As necessary, the Committee may, in its sole discretion, discontinue, substitute or add a Measurement Fund. Each such action will take effect as of the first day of the first calendar quarter that begins at least 30 days after the day on which the Committee gives Participants advance written notice of such change.
- (b) **Election of Measurement Funds.** A Participant, in connection with his or her initial deferral election in accordance with Section 3.3 above, shall elect, on the Election Form, one or more Measurement Fund(s) (as described in Section 3.7(a) above) to be used to determine the amounts to be credited or debited to his or her Account Balance. If a Participant does not elect any of the Measurement Funds as described in the previous sentence, the Participant's Account Balance shall automatically be allocated into the lowest-risk Measurement Fund, as determined by the Committee, in its sole discretion. The Participant may (but is not required to) elect, by submitting an Election Form to the Committee that is accepted by the Committee, to add or delete one or more Measurement Fund(s) to be used to determine the amounts to be credited or debited to his or her Account Balance, or to change the portion of his or her Account Balance allocated to each previously or newly elected Measurement Fund. If an election is made in accordance with the previous sentence, it shall apply as of the first business day deemed reasonably practicable by the Committee, in its sole discretion, and shall continue thereafter for each subsequent day in which the Participant participates in the Plan, unless changed in accordance with the previous sentence. Notwithstanding the foregoing, the Committee, in its sole discretion, may impose limitations on the frequency with which one or more of the Measurement Funds elected in accordance with this Section 3.7(b) may be added or deleted by such Participant; furthermore, the Committee, in its sole discretion, may impose limitations on the frequency with which the Participant may change the portion of his or her Account Balance allocated to each previously or newly elected Measurement Fund.
- (c) **Proportionate Allocation.** In making any election described in Section 3.7(b) above, the Participant shall specify on the Election Form, in increments of one percent (1%), the percentage of his or her Account Balance or Measurement Fund, as applicable, to be allocated/reallocated.
- (d) **Crediting or Debiting Method.** The performance of each Measurement Fund (either positive or negative) will be determined on a daily basis based on the manner in which such Participant's Account Balance has been hypothetically allocated among the Measurement Funds by the Participant.
- (e) **No Actual Investment.** Notwithstanding any other provision of this Plan that may be interpreted to the contrary, the Measurement Funds are to be used for measurement purposes only, and a Participant's election of any such Measurement Fund, the allocation of his or

her Account Balance thereto, the calculation of additional amounts and the crediting or debiting of such amounts to a Participant's Account Balance shall not be considered or construed in any manner as an actual investment of his or her Account Balance in any such Measurement Fund. In the event that the Company or the Trustee (as that term is defined in the Trust), in its own discretion, decides to invest funds in any or all of the investments on which the Measurement Funds are based, no Participant shall have any rights in or to such investments themselves. Without limiting the foregoing, a Participant's Account Balance shall at all times be a bookkeeping entry only and shall not represent any investment made on his or her behalf by the Company or the Trust; the Participant shall at all times remain an unsecured creditor of the Company.

3.8 **FICA and Other Taxes** .

- (a) **Annual Deferral Amounts**. For each Plan Year in which an Annual Deferral Amount is being withheld from a Participant, the Participant's Employer(s) shall withhold from that portion of the Participant's Base Salary, Bonus, Commissions and/or LTIP Amounts that is not being deferred, in a manner determined by the Employer(s), the Participant's share of FICA and other employment taxes on such Annual Deferral Amount. If necessary, the Committee may reduce the Annual Deferral Amount in order to comply with this Section 3.8.
- (b) **Company Contribution Amounts**. When a Participant becomes vested in a portion of his or her Account Balance attributable to any Company Contribution Amounts, the Participant's Employer(s) shall withhold from that portion of the Participant's Base Salary, Bonus, Commissions and/or LTIP Amounts that is not deferred, in a manner determined by the Employer(s), the Participant's share of FICA and other employment taxes on such amounts. If necessary, the Committee may reduce the vested portion of the Participant's Company Contribution Amount, as applicable, in order to comply with this Section 3.8.
- (c) **Distributions**. The Participant's Employer(s), or the trustee of the Trust, shall withhold from any payments made to a Participant under this Plan all federal, state and local income, employment and other taxes required to be withheld by the Employer(s), or the trustee of the Trust, in connection with such payments, in amounts and in a manner to be determined in the sole discretion of the Employer(s) and the trustee of the Trust.

ARTICLE 4

Scheduled Distribution; Unforeseeable Emergencies

- 4.1 **Scheduled Distributions**. In connection with each election to defer an Annual Deferral Amount, a Participant may elect to receive (i) in the case of Annual Deferral Amounts preceding the Restatement Date, all or a portion of such Annual Deferral Amount and (ii) in the case of Annual Deferral Amounts following the Restatement Date, all of such Annual Deferral Amounts, plus amounts credited or debited on that amount pursuant to Section 3.7, in the form of a lump sum payment, calculated as of the close of business on or around the Benefit Distribution Date designated by the Participant in accordance with this Section (a "Scheduled Distribution"). The Benefit Distribution Date for the amount subject to a Scheduled Distribution election shall be the first day of any Plan Year designated by the Participant, which may be the 5th, 10th, or 15th Plan Year after the end of the Plan Year to which the Participant's deferral election relates, unless otherwise provided on an Election Form approved by the Committee.

Subject to the other terms and conditions of this Plan, each Scheduled Distribution elected shall be paid out during a 30 day period commencing immediately after the Benefit Distribution Date. By way of example, if a Scheduled Distribution is elected for Annual Deferral Amounts that are earned in the Plan Year commencing January 1, 2015, the earliest Benefit Distribution Date that may be

designated by a Participant would be January 1, 2021, and the Scheduled Distribution would be paid out during the 30 day period commencing immediately after such Benefit Distribution Date.

4.2 **Other Benefits Take Precedence Over Scheduled Distributions.** Should an event occur prior to any Benefit Distribution Date designated for a Scheduled Distribution that would trigger a benefit under Articles 5 through 9, as applicable, all amounts subject to a Scheduled Distribution election shall be paid in accordance with the other applicable provisions of the Plan and not in accordance with this Article 4.

4.3 **Unforeseeable Emergencies.**

(a) If a Participant experiences an Unforeseeable Emergency prior to the occurrence of a distribution event described in Articles 5 through 9, as applicable, the Participant may petition the Committee to receive a partial or full payout from the Plan. The payout, if any, from the Plan shall not exceed the lesser of (i) the Participant's vested Account Balance, calculated as of the close of business on or around the Benefit Distribution Date for such payout, as determined by the Committee in accordance with provisions set forth below, or (ii) the amount necessary to satisfy the Unforeseeable Emergency, plus amounts necessary to pay Federal, state, or local income taxes or penalties reasonably anticipated as a result of the distribution. A Participant shall not be eligible to receive a payout from the Plan to the extent that the Unforeseeable Emergency is or may be relieved (A) through reimbursement or compensation by insurance or otherwise, (B) by liquidation of the Participant's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship or (C) by cessation of deferrals under this Plan.

If the Committee, in its sole discretion, approves a Participant's petition for payout from the Plan, the Participant's Benefit Distribution Date for such payout shall be the date on which such Committee approval occurs and such payout shall be distributed to the Participant in a lump sum no later than 30 days after such Benefit Distribution Date. In addition, in the event of such approval the Participant's outstanding deferral elections under the Plan shall be cancelled.

(b) A Participant's deferral elections under this Plan shall also be cancelled to the extent the Committee determines that such action is required for the Participant to obtain a hardship distribution from an Employer's 401(k) Plan pursuant to Treas. Reg. §1.401(k)-1(d)(3).

ARTICLE 5

Change in Control Benefit

5.1 **Change in Control Benefit.**

(a) **Newly Eligible Participants.** A Participant, in connection with his or her commencement of participation in the Plan, shall have an opportunity to irrevocably elect to receive his or her vested Account Balance in the form of a lump sum payment in the event that a Change in Control occurs prior to the Participant's Separation from Service, Disability or death (the "Change in Control Benefit").

(b) **Existing Participants as of 2014 Restatement Date.** Notwithstanding anything to the contrary in Section 5.1(a) hereof, a Pre-2014 Restatement Participant shall have a one-time opportunity to irrevocably elect, prior to the deadline established by the Committee for deferrals relating to the 2015 Plan Year, a Change in Control Benefit (if the Pre-2014 Restatement Participant had not previously elected a Change in Control Benefit) or to revoke a Change in Control Benefit (if the Pre-2014 Restatement Participant had previously elected a Change in Control Benefit), in each case, with respect to Annual Accounts that accrue on

and after the commencement of the 2015 Plan Year. For the avoidance of any doubt, the one-time election contemplated under the foregoing sentence shall replace and supersede any Change in Control Benefit election made with respect to a Pre-2014 Restatement Participant's Annual Accounts that accrue on and after the commencement of the 2015 Plan Year, but the one-time election shall have no effect on a Pre-2014 Restatement Participant's election made pursuant to Section 5.1(a) above with respect to Annual Accounts relating to Annual Deferral Amounts deferred prior to the commencement of the 2015 Plan Year.

- (c) **Failure to Elect.** If a Participant elects not to receive a Change in Control Benefit in Sections 5(a) and 5(b) above, or fails to make an election in connection with his or her commencement of participation in the Plan or pursuant to the one-time election opportunity provided under Section 5(b) above, the Participant's Account Balance shall be paid in accordance with the other applicable provisions of the Plan.
- (d) **Benefit Distribution Date.** The Benefit Distribution Date for the Change in Control Benefit elected in Sections 5(a) and 5(b) above, if any, shall be the date on which the Change in Control occurs.

5.2 **Payment of Change in Control Benefit.** The Change in Control Benefit, if any, shall be calculated as of the close of business on or around the Participant's Benefit Distribution Date, as determined by the Committee, and paid to the Participant no later than 30 days after the Participant's Benefit Distribution Date.

ARTICLE 6

Retirement Benefit

6.1 **Retirement Benefit.** If a Participant experiences a Separation from Service that qualifies as a Retirement, the Participant shall be eligible to receive his or her vested Account Balance in either a lump sum or annual installment payments, as elected by the Participant in accordance with Section 6.2 (the "Retirement Benefit"). A Participant's Retirement Benefit shall be calculated as of the close of business on or around the applicable Benefit Distribution Date for such benefit, which shall be the first day after the end of the 6-month period immediately following the date on which the Participant experiences such Separation from Service.

6.2 **Payment of Retirement Benefit.**

- (a) **Elections Prior to Restatement Date.** A Participant, in connection with his or her commencement of participation in the Plan prior to the Restatement Date, shall elect on an Election Form to receive the Retirement Benefit in a lump sum or pursuant to an Annual Installment Method of *5, 10 or 15 years*.
- (b) **Elections Following Restatement Date and Prior to 2014 Restatement Date.** In connection with his or her participation in the Plan following the Restatement Date but prior to the 2014 Restatement Date, a Participant, in connection with each election to defer an Annual Deferral Amount, shall elect on an Election Form to receive the portion of the Retirement Benefit relating to the applicable elected Annual Deferral Amounts that accrue in an Annual Account in a lump sum or pursuant to an Annual Installment Method of *5, 10 or 15 years*.
- (c) **Elections Following 2014 Restatement Date.** A Participant, in connection with his or her commencement of participation in the Plan following the 2014 Restatement Date, shall elect on an Election Form to receive the Retirement Benefit in the form of a lump sum or pursuant to an Annual Installment Method of *5, 10 or 15 years*. Notwithstanding anything to the contrary in Section 6.2(b), a Pre-2014 Restatement Participant, in connection with his or her continuing participation in the Plan, shall elect on an Election Form, prior to the deadline

established by the Committee for deferrals relating to the 2015 Plan Year, to receive the Retirement Benefit for all Annual Deferral Amounts that accrue in Annual Accounts on and after the commencement of the 2015 Plan Year in the form of a lump sum or pursuant to an Annual Installment Method of 5, 10 or 15 years. For the avoidance of any doubt, the election contemplated under the foregoing sentence shall apply to a Participant's Annual Accounts that accrue on and after the commencement of the 2015 Plan Year.

- (d) **Failure to Elect.** If a Participant does not make any election with respect to the payment of the Retirement Benefit, then such Participant shall be deemed to have elected to receive the Retirement Benefit as a lump sum.
- (e) **Benefit Distribution Date.** The lump sum payment shall be made, or installment payments shall commence, no later than 30 days after the Participant's Benefit Distribution Date. Remaining installments, if any, shall be paid no later than 30 days after each anniversary of the Participant's Benefit Distribution Date.

ARTICLE 7
Termination Benefit

- 7.1 **Termination Benefit.** If a Participant experiences a Separation from Service that does not qualify as a Retirement, the Participant shall receive his or her vested Account Balance in the form of a lump sum payment (the "Termination Benefit"). A Participant's Termination Benefit shall be calculated as of the close of business on or around the Benefit Distribution Date for such benefit, which shall be the first day after the end of the 6-month period immediately following the date on which the Participant experiences such Separation from Service
- 7.2 **Payment of Termination Benefit.** The Termination Benefit shall be paid to the Participant no later than 30 days after the Participant's Benefit Distribution Date.

ARTICLE 8
Disability Benefit

- 8.1 **Disability Benefit.** If a Participant becomes Disabled prior to the occurrence of a distribution event described in Articles 5 through 7, as applicable, the Participant shall receive his or her vested Account Balance in the form of a lump sum payment (the "Disability Benefit"). The Disability Benefit shall be calculated as of the close of business on or around the Participant's Benefit Distribution Date for such benefit, which shall be the date on which the Participant becomes Disabled.
- 8.2 **Payment of Disability Benefit.** The Disability Benefit shall be paid to the Participant no later than 30 days after the Participant's Benefit Distribution Date.

ARTICLE 9
Death Benefit

- 9.1 **Death Benefit.** In the event of a Participant's death prior to the complete distribution of his or her vested Account Balance, the Participant's Beneficiary(ies) shall receive the Participant's unpaid vested Account Balance in a lump sum payment (the "Death Benefit"). The Death Benefit shall be calculated as of the close of business on or around the Benefit Distribution Date for such benefit, which shall be the date on which the Committee is provided with proof that is satisfactory to the Committee of the Participant's death.
- 9.2 **Payment of Death Benefit.** The Death Benefit shall be paid to the Participant's Beneficiary(ies) no later than 30 days after the Participant's Benefit Distribution Date.

ARTICLE 10
Beneficiary Designation

- 10.1 **Beneficiary.** Each Participant shall have the right, at any time, to designate his or her Beneficiary(ies) (both primary as well as contingent) to receive any benefits payable under the Plan to a beneficiary upon the death of a Participant. The Beneficiary designated under this Plan may be the same as or different from the Beneficiary designation under any other plan of an Employer in which the Participant participates.
- 10.2 **Beneficiary Designation; Change; Spousal Consent.** A Participant shall designate his or her Beneficiary by completing and signing the Beneficiary Designation Form, and returning it to the Committee or its designated agent. A Participant shall have the right to change a Beneficiary by completing, signing and otherwise complying with the terms of the Beneficiary Designation Form and the Committee's rules and procedures, as in effect from time to time. If the Participant names someone other than his or her spouse as a Beneficiary, the Committee may, in its sole discretion, determine that spousal consent is required to be provided in a form designated by the Committee, executed by such Participant's spouse and returned to the Committee. Upon the acceptance by the Committee of a new Beneficiary Designation Form, all Beneficiary designations previously filed shall be canceled. The Committee shall be entitled to rely on the last Beneficiary Designation Form filed by the Participant and accepted by the Committee prior to his or her death.
- 10.3 **Acknowledgment.** No designation or change in designation of a Beneficiary shall be effective until received and acknowledged in writing by the Committee or its designated agent.
- 10.4 **No Beneficiary Designation.** If a Participant fails to designate a Beneficiary as provided in Sections 10.1, 10.2 and 10.3 above or, if all designated Beneficiaries predecease the Participant or die prior to complete distribution of the Participant's benefits, then the Participant's designated Beneficiary shall be deemed to be his or her surviving spouse. If the Participant has no surviving spouse, the benefits remaining under the Plan to be paid to a Beneficiary shall be payable to the executor or personal representative of the Participant's estate.
- 10.5 **Doubt as to Beneficiary.** If the Committee has any doubt as to the proper Beneficiary to receive payments pursuant to this Plan, the Committee shall have the right, exercisable in its discretion, to cause the Participant's Employer to withhold such payments until this matter is resolved to the Committee's satisfaction.
- 10.6 **Discharge of Obligations.** The payment of benefits under the Plan to a Beneficiary shall fully and completely discharge all Employers and the Committee from all further obligations under this Plan with respect to the Participant, and that Participant's Plan Agreement shall terminate upon such full payment of benefits.

ARTICLE 11
Leave of Absence

- 11.1 **Paid Leave of Absence.** If a Participant is authorized by the Participant's Employer to take a paid leave of absence from the employment of the Employer, and such leave of absence does not constitute a Separation from Service, (a) the Participant shall continue to be considered eligible for the benefits provided under the Plan, and (b) the Annual Deferral Amount shall continue to be withheld during such paid leave of absence in accordance with Section 3.3.
- 11.2 **Unpaid Leave of Absence.** If a Participant is authorized by the Participant's Employer to take an unpaid leave of absence from the employment of the Employer for any reason, and such leave of absence does not constitute a Separation from Service, such Participant shall continue to be eligible for the benefits provided under the Plan. During the unpaid leave of absence, the Participant
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shall not be allowed to make any additional deferral elections. However, if the Participant returns to employment, the Participant may elect to defer an Annual Deferral Amount for the Plan Year following his or her return to employment and for every Plan Year thereafter while a Participant in the Plan, provided such deferral elections are otherwise allowed and an Election Form is delivered to and accepted by the Committee for each such election in accordance with Section 3.3 above.

ARTICLE 12

Termination of Plan, Amendment or Modification

- 12.1 **Termination of Plan.** Although each Employer anticipates that it will continue the Plan for an indefinite period of time, there is no guarantee that any Employer will continue the Plan or will not terminate the Plan at any time in the future. Accordingly, each Employer reserves the right to terminate the Plan with respect to all of its Participants. In the event of a Plan termination no new deferral elections shall be permitted for the affected Participants and such Participants shall no longer be eligible to receive new company contributions. However, after the Plan termination the Account Balances of such Participants shall continue to be credited with Annual Deferral Amounts attributable to a deferral election that was in effect prior to the Plan termination to the extent deemed necessary to comply with Code Section 409A and related Treasury Regulations, and additional amounts shall continue to be credited or debited to such Participants' Account Balances pursuant to Section 3.7. The Measurement Funds available to Participants following the termination of the Plan shall be comparable in number and type to those Measurement Funds available to Participants in the Plan Year preceding the Plan Year in which the Plan termination is effective. In addition, following a Plan termination, Participant Account Balances shall remain in the Plan and shall not be distributed until such amounts become eligible for distribution in accordance with the other applicable provisions of the Plan. Notwithstanding the preceding sentence, to the extent permitted by Treas. Reg. §1.409A-3(j)(4)(ix), the Employer may provide that upon termination of the Plan, all Account Balances of the Participants shall be distributed, subject to and in accordance with any rules established by such Employer deemed necessary to comply with the applicable requirements and limitations of Treas. Reg. §1.409A-3(j)(4)(ix).
- 12.2 **Amendment.** Any Employer may, at any time, amend or modify the Plan in whole or in part with respect to that Employer. Notwithstanding the foregoing, (i) no amendment or modification shall be effective to decrease the value of a Participant's vested Account Balance in existence at the time the amendment or modification is made, and (ii) no amendment or modification of this Section 12.2 or Section 13.2 of the Plan shall be effective
- 12.3 **Plan Agreement.** Despite the provisions of Sections 12.1, if a Participant's Plan Agreement contains benefits or limitations that are not in this Plan document, the Employer may only amend or terminate such provisions with the written consent of the Participant.
- 12.4 **Effect of Payment.** The full payment of the Participant's vested Account Balance in accordance with the applicable provisions of the Plan shall completely discharge all obligations to a Participant and his or her designated Beneficiaries under this Plan, and the Participant's Plan Agreement shall terminate.

ARTICLE 13

Administration

- 13.1 **Committee Duties.** Except as otherwise provided in this Article 13, this Plan shall be administered by a Committee, which shall consist of the Board, or such committee as the Board shall appoint. The members of the Committee need not be members of the Board and may be Participants under this Plan. The Committee shall also have the discretion and authority to (a) make, amend, interpret, and enforce all appropriate rules and regulations for the administration of this
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Plan, and (b) decide or resolve any and all questions, including benefit entitlement determinations and interpretations of this Plan, as may arise in connection with the Plan. Any individual serving on the Committee who is a Participant shall not vote or act on any matter relating solely to himself or herself. When making a determination or calculation, the Committee shall be entitled to rely on information furnished by a Participant or the Company.

- 13.2 **Administration Upon Change In Control.** For purposes of this Plan, the Committee shall be the “Administrator” at all times prior to the occurrence of a Change in Control. Within one hundred and twenty (120) days following a Change in Control, an independent third party “Administrator” may be selected by the individual who, immediately prior to the Change in Control, was the Company’s Chief Executive Officer or, if not so identified, the Company’s highest ranking officer (the “Ex-CEO”). The Committee, as constituted prior to the Change in Control, shall continue to be the Administrator until the earlier of (i) the date on which such independent third party is selected and approved, or (ii) the expiration of the one hundred and twenty (120) day period following the Change in Control. If an independent third party is not selected within one hundred and twenty (120) days of such Change in Control, the Committee, as described in Section 13.1 above, shall be the Administrator. The Administrator shall continue to have the discretionary power to determine all questions arising in connection with the administration of the Plan and the interpretation of the Plan and Trust including, but not limited to benefit entitlement determinations; provided, however, upon and after the occurrence of a Change in Control, only the Trustee shall have the power to direct the investment of Plan or Trust assets or select any investment manager or custodial firm for the Plan or Trust. Upon and after the occurrence of a Change in Control, the Company must: (1) pay all reasonable administrative expenses and fees of the Administrator; (2) indemnify the Administrator against any costs, expenses and liabilities including, without limitation, attorney’s fees and expenses arising in connection with the performance of the Administrator hereunder, except with respect to matters resulting from the gross negligence or willful misconduct of the Administrator or its employees or agents; and (3) supply full and timely information to the Administrator on all matters relating to the Plan, the Trust, the Participants and their Beneficiaries, the Account Balances of the Participants, the date and circumstances of the Retirement, Disability, death or Separation from Service of the Participants, and such other pertinent information as the Administrator may reasonably require. Upon and after a Change in Control, the Administrator may be terminated (and a replacement appointed) by the Trustee only with the approval of the Ex-CEO. Upon and after a Change in Control, the Administrator may not be terminated by the Company.
- 13.3 **Agents.** In the administration of this Plan, the Committee or the Administrator, as applicable, may, from time to time, employ agents and delegate to them such administrative duties as it sees fit (including acting through a duly appointed representative) and may from time to time consult with counsel.
- 13.4 **Binding Effect of Decisions.** The decision or action of the Committee or Administrator, as applicable, with respect to any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations promulgated hereunder shall be final and conclusive and binding upon all persons having any interest in the Plan.
- 13.5 **Indemnity of Committee.** All Employers shall indemnify and hold harmless the members of the Committee, any Employee to whom the duties of the Committee may be delegated, and the Administrator against any and all claims, losses, damages, expenses or liabilities arising from any action or failure to act with respect to this Plan, except in the case of willful misconduct by the Committee, any of its members, any such Employee or the Administrator.
- 13.6 **Employer Information.** To enable the Committee and/or Administrator to perform its functions, the Company and each Employer shall supply full and timely information to the Committee and/or Administrator, as the case may be, on all matters relating to the Plan, the Trust,
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the Participants and their Beneficiaries, the Account Balances of the Participants, the compensation of its Participants, the date and circumstances of the Separation from Service, Disability or death of its Participants, and such other pertinent information as the Committee or Administrator may reasonably require.

ARTICLE 14
Other Benefits and Agreements

- 14.1 **Coordination with Other Benefits.** The benefits provided for a Participant and Participant's Beneficiary under the Plan are in addition to any other benefits available to such Participant under any other plan or program for employees of the Participant's Employer. The Plan shall supplement and shall not supersede, modify or amend any other such plan or program except as may otherwise be expressly provided.

ARTICLE 15
Claims Procedures

- 15.1 **Presentation of Claim.** Any Participant or Beneficiary of a deceased Participant (such Participant or Beneficiary being referred to below as a "Claimant") may deliver to the Committee a written claim for a determination with respect to the amounts distributable to such Claimant from the Plan. If such a claim relates to the contents of a notice received by the Claimant, the claim must be made within 60 days after such notice was received by the Claimant. All other claims must be made within 180 days of the date on which the event that caused the claim to arise occurred. The claim must state with particularity the determination desired by the Claimant.
- 15.2 **Notification of Decision.** The Committee shall consider a Claimant's claim within a reasonable time, but no later than 90 days after receiving the claim. If the Committee determines that special circumstances require an extension of time for processing the claim, written notice of the extension shall be furnished to the Claimant prior to the termination of the initial 90 day period. In no event shall such extension exceed a period of 90 days from the end of the initial period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render the benefit determination. The Committee shall notify the Claimant in writing:
- (a) that the Claimant's requested determination has been made, and that the claim has been allowed in full; or
 - (b) that the Committee has reached a conclusion contrary, in whole or in part, to the Claimant's requested determination, and such notice must set forth in a manner calculated to be understood by the Claimant:
 - (i) the specific reason(s) for the denial of the claim, or any part of it;
 - (ii) specific reference(s) to pertinent provisions of the Plan upon which such denial was based;
 - (iii) a description of any additional material or information necessary for the Claimant to perfect the claim, and an explanation of why such material or information is necessary;
 - (iv) an explanation of the claim review procedure set forth in Section 15.3 below; and
 - (v) a statement of the Claimant's right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on review.

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- 15.3 **Review of a Denied Claim.** On or before 60 days after receiving a notice from the Committee that a claim has been denied, in whole or in part, a Claimant (or the Claimant's duly authorized representative) may file with the Committee a written request for a review of the denial of the claim. The Claimant (or the Claimant's duly authorized representative):
- (a) may, upon request and free of charge, have reasonable access to, and copies of, all documents, records and other information relevant (as defined in applicable ERISA regulations) to the claim for benefits;
 - (b) may submit written comments or other documents; and/or
 - (c) may request a hearing, which the Committee, in its sole discretion, may grant.
- 15.4 **Decision on Review.** The Committee shall render its decision on review promptly, and no later than 60 days after the Committee receives the Claimant's written request for a review of the denial of the claim. If the Committee determines that special circumstances require an extension of time for processing the claim, written notice of the extension shall be furnished to the Claimant prior to the termination of the initial 60 day period. In no event shall such extension exceed a period of 60 days from the end of the initial period. The extension notice shall indicate the special circumstances requiring an extension of time and the date by which the Committee expects to render the benefit determination. In rendering its decision, the Committee shall take into account all comments, documents, records and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. The decision must be written in a manner calculated to be understood by the Claimant, and it must contain:
- (a) specific reasons for the decision;
 - (b) specific reference(s) to the pertinent Plan provisions upon which the decision was based;
 - (c) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of, all documents, records and other information relevant (as defined in applicable ERISA regulations) to the Claimant's claim for benefits; and
 - (d) a statement of the Claimant's right to bring a civil action under ERISA Section 502(a).
- 15.5 **Legal Action.** A Claimant's compliance with the foregoing provisions of this Article 15 is a mandatory prerequisite to a Claimant's right to commence any legal action with respect to any claim for benefits under this Plan.

ARTICLE 16

Trust

- 16.1 **Establishment of the Trust.** In order to provide assets from which to fulfill its obligations to the Participants and their Beneficiaries under the Plan, the Company may establish a trust by a trust agreement with a third party, the trustee, to which each Employer may, in its discretion, contribute cash or other property, including securities issued by the Company, to provide for the benefit payments under the Plan (the "Trust").
- 16.2 **Interrelationship of the Plan and the Trust.** The provisions of the Plan and the Plan Agreement shall govern the rights of a Participant to receive distributions pursuant to the Plan. The provisions of the Trust shall govern the rights of the Employers, Participants and the creditors of the Employers to the assets transferred to the Trust. Each Employer shall at all times remain liable to carry out its obligations under the Plan.

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- 16.3 **Distributions From the Trust.** Each Employer's obligations under the Plan may be satisfied with Trust assets distributed pursuant to the terms of the Trust, and any such distribution shall reduce the Employer's obligations under this Plan.

ARTICLE 17
Miscellaneous

- 17.1 **Status of Plan** . The Plan is intended to be a plan that is not qualified within the meaning of Code Section 401(a) and that “is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees” within the meaning of ERISA Sections 201(2), 301(a)(3) and 401(a)(1). The Plan shall be administered and interpreted (a) to the extent possible in a manner consistent with the intent described in the preceding sentence, and (b) in accordance with Code Section 409A and related Treasury guidance and Regulations.
- 17.2 **Unsecured General Creditor.** Participants and their Beneficiaries, heirs, successors and assigns shall have no legal or equitable rights, interests or claims in any property or assets of an Employer. For purposes of the payment of benefits under this Plan, any and all of an Employer's assets shall be, and remain, the general, unpledged unrestricted assets of the Employer. An Employer's obligation under the Plan shall be merely that of an unfunded and unsecured promise to pay money in the future.
- 17.3 **Employer's Liability.** An Employer's liability for the payment of benefits shall be defined only by the Plan and the Plan Agreement, as entered into between the Employer and a Participant. An Employer shall have no obligation to a Participant under the Plan except as expressly provided in the Plan and his or her Plan Agreement.
- 17.4 **Nonassignability.** Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, transfer, hypothecate, alienate or convey in advance of actual receipt, the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are expressly declared to be, unassignable and non-transferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure, attachment, garnishment or sequestration for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, be transferable by operation of law in the event of a Participant's or any other person's bankruptcy or insolvency or be transferable to a spouse as a result of a property settlement or otherwise.
- 17.5 **Not a Contract of Employment.** The terms and conditions of this Plan shall not be deemed to constitute a contract of employment between any Employer and the Participant. Such employment is hereby acknowledged to be an “at will” employment relationship that can be terminated at any time for any reason, or no reason, with or without cause, and with or without notice, unless expressly provided in a written employment agreement. Nothing in this Plan shall be deemed to give a Participant the right to be retained in the service of any Employer, either as an Employee or a Director, or to interfere with the right of any Employer to discipline or discharge the Participant at any time.
- 17.6 **Furnishing Information.** A Participant or his or her Beneficiary will cooperate with the Committee by furnishing any and all information requested by the Committee and take such other actions as may be requested in order to facilitate the administration of the Plan and the payments of benefits hereunder, including but not limited to taking such physical examinations as the Committee may deem necessary.
- 17.7 **Terms.** Whenever any words are used herein in the masculine, they shall be construed as though they were in the feminine in all cases where they would so apply; and whenever any words are used
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herein in the singular or in the plural, they shall be construed as though they were used in the plural or the singular, as the case may be, in all cases where they would so apply.

- 17.8 **Captions.** The captions of the articles, sections and paragraphs of this Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.
- 17.9 **Governing Law.** Subject to ERISA, the provisions of this Plan shall be construed and interpreted according to the internal laws of the State of Delaware without regard to its conflicts of laws principles.
- 17.10 **Notice.** Any notice or filing required or permitted to be given to the Committee under this Plan shall be sufficient if in writing and hand-delivered, or sent by registered or certified mail, to the address below:

Trimble Inc.
Attn: General Counsel – Urgent Notice
935 Stewart Drive
Sunnyvale, California 94085

Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

Any notice or filing required or permitted to be given to a Participant under this Plan shall be sufficient if in writing and hand-delivered, or sent by mail, to the last known address of the Participant.

- 17.11 **Successors.** The provisions of this Plan shall bind and inure to the benefit of the Participant's Employer and its successors and assigns and the Participant and the Participant's designated Beneficiaries.
- 17.12 **Spouse's Interest.** The interest in the benefits hereunder of a spouse of a Participant who has predeceased the Participant shall automatically pass to the Participant and shall not be transferable by such spouse in any manner, including but not limited to such spouse's will, nor shall such interest pass under the laws of intestate succession.
- 17.13 **Validity.** In case any provision of this Plan shall be illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts hereof, but this Plan shall be construed and enforced as if such illegal or invalid provision had never been inserted herein.
- 17.14 **Incompetent.** If the Committee determines in its discretion that a benefit under this Plan is to be paid to a minor, a person declared incompetent or to a person incapable of handling the disposition of that person's property, the Committee may direct payment of such benefit to the guardian, legal representative or person having the care and custody of such minor, incompetent or incapable person. The Committee may require proof of minority, incompetence, incapacity or guardianship, as it may deem appropriate prior to distribution of the benefit. Any payment of a benefit shall be a payment for the account of the Participant and the Participant's Beneficiary, as the case may be, and shall be a complete discharge of any liability under the Plan for such payment amount.
- 17.15 **Domestic Relations Orders.** If necessary to comply with a domestic relations order, as defined in Code Section 414(p)(1)(B), pursuant to which a court has determined that a spouse or former spouse of a Participant has an interest in the Participant's benefits under the Plan, the Committee shall have the right to immediately distribute the spouse's or former spouse's interest in the Participant's benefits under the Plan to such spouse or former spouse.
- 17.16 **Insurance.** The Employers, on their own behalf or on behalf of the trustee of the Trust, and, in their sole discretion, may apply for and procure insurance on the life of the Participant, in such

amounts and in such forms as the Trust may choose. The Employers or the trustee of the Trust, as the case may be, shall be the sole owner and beneficiary of any such insurance. The Participant shall have no interest whatsoever in any such policy or policies, and at the request of the Employers shall submit to medical examinations and supply such information and execute such documents as may be required by the insurance company or companies to whom the Employers have applied for insurance.

- 17.17 **Distribution in the Event of Income Inclusion Under Code Section 409A** . If any portion of a Participant's Account Balance under this Plan is required to be included in income by the Participant prior to receipt due to a failure of this Plan to comply with the requirements of Code Section 409A and related Treasury Regulations, the Committee may determine that such Participant shall receive a distribution from the Plan in an amount equal to the lesser of (i) the portion of his or her Account Balance required to be included in income as a result of the failure of the Plan to comply with the requirements of Code Section 409A and related Treasury Regulations, or (ii) the unpaid vested Account Balance.
- 17.18 **Deduction Limitation on Benefit Payments** . If an Employer reasonably anticipates that the Employer's deduction with respect to any distribution from this Plan would be limited or eliminated by application of Code Section 162(m), then to the extent permitted by Treas. Reg. §1.409A-2(b)(7)(i), payment shall be delayed as deemed necessary to ensure that the entire amount of any distribution from this Plan is deductible. Any amounts for which distribution is delayed pursuant to this Section shall continue to be credited/debited with additional amounts in accordance with Section 3.7. The delayed amounts (and any amounts credited thereon) shall be distributed to the Participant (or his or her Beneficiary in the event of the Participant's death) at the earliest date the Employer reasonably anticipates that the deduction of the payment of the amount will not be limited or eliminated by application of Code Section 162(m). In the event that such date is determined to be after a Participant's Separation from Service, then to the extent deemed necessary to comply with Treas. Reg. §1.409A-3(i)(2), the delayed payment shall not made before the end of the six-month period following such Participant's Separation from Service.
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IN WITNESS WHEREOF, the Company has signed this Plan document as of February 21, 2019.

“Company”
Trimble Inc., a Delaware corporation

By: /s/ James A. Kirkland

Title: Senior Vice President, General Counsel

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Steven W. Berglund, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Trimble Navigation Limited;
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 has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(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 the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2019

/s/ Steven W. Berglund

Steven W. Berglund

Chief Executive Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert G. Painter, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Trimble Navigation Limited;
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 has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(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 the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2019

/s/ Robert G. Painter

Robert G. Painter

Chief Financial Officer

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

In connection with the Quarterly Report on Form 10-Q of Trimble Navigation Limited (the "Company") for the period ended March 29, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Steven W. Berglund, as Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Steven W. Berglund

Steven W. Berglund

Chief Executive Officer

May 7, 2019

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

In connection with the Quarterly Report on Form 10-Q of Trimble Navigation Limited (the "Company") for the period ended March 29, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Robert G. Painter, as Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert G. Painter

Robert G. Painter

Chief Financial Officer

May 7, 2019