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

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Form 10-Q

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

For the quarterly period ended March 31, 2018

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 001-11919

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**TTEC Holdings, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**84-1291044**  
(I.R.S. Employer  
Identification No.)

**9197 South Peoria Street**  
**Englewood, Colorado 80112**  
(Address of principal executive offices)

Registrant's telephone number, including area code: (303) 397-8100

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post 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 the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
(Do not check if a smaller reporting company) Emerging growth company

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

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

As of April 30, 2018, there were 46,006,719 shares of the registrant's common stock outstanding.

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TTEC HOLDINGS, INC. AND SUBSIDIARIES  
MARCH 31, 2018 FORM 10-Q  
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**PART I. FINANCIAL INFORMATION**  
**ITEM 1. FINANCIAL STATEMENTS**  
**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**(Amounts in thousands, except share amounts)**  
**(unaudited)**

	March 31, 2018	December 31, 2017
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 81,594	\$ 74,437
Accounts receivable, net	344,249	385,751
Prepays and other current assets	71,840	63,668
Deferred tax assets, net	—	—
Income tax receivable	12,569	11,099
Assets held for sale	7,412	7,835
<b>Total current assets</b>	<b>517,664</b>	<b>542,790</b>
<b>Long-term assets</b>		
Property, plant and equipment, net	157,215	163,297
Goodwill	205,632	206,694
Deferred tax assets, net	16,476	12,012
Other intangible assets, net	88,707	92,086
Other long-term assets	49,168	61,857
<b>Total long-term assets</b>	<b>517,198</b>	<b>535,946</b>
<b>Total assets</b>	<b>\$ 1,034,862</b>	<b>\$ 1,078,736</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 39,472	\$ 46,029
Accrued employee compensation and benefits	85,004	83,997
Other accrued expenses	29,442	18,993
Income tax payable	18,318	7,497
Deferred revenue	28,675	21,628
Other current liabilities	22,535	22,312
Liabilities held for sale	1,481	1,322
<b>Total current liabilities</b>	<b>224,927</b>	<b>201,778</b>
<b>Long-term liabilities</b>		
Line of credit	302,500	344,000
Deferred tax liabilities, net	11,458	11,285
Non-current income tax payable	38,956	47,871
Deferred rent	14,677	15,714
Other long-term liabilities	97,121	95,243
<b>Total long-term liabilities</b>	<b>464,712</b>	<b>514,113</b>
<b>Total liabilities</b>	<b>689,639</b>	<b>715,891</b>
<b>Commitments and contingencies (Note 10)</b>		
<b>Stockholders' equity</b>		
Preferred stock; \$0.01 par value; 10,000,000 shares authorized; zero shares outstanding as of March 31, 2018 and December 31, 2017	—	—
Common stock; \$0.01 par value; 150,000,000 shares authorized; 45,979,290 and 45,861,959 shares outstanding as of March 31, 2018 and December 31, 2017, respectively	460	459
Additional paid-in capital	351,672	351,725
Treasury stock at cost: 36,072,963 and 36,190,294 shares as of March 31, 2018 and December 31, 2017, respectively	(613,738)	(615,677)
Accumulated other comprehensive income (loss)	(107,903)	(102,304)
Retained earnings	707,257	721,664
Noncontrolling interest	7,475	6,978
<b>Total stockholders' equity</b>	<b>345,223</b>	<b>362,845</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 1,034,862</b>	<b>\$ 1,078,736</b>

The accompanying notes are an integral part of these consolidated financial statements.

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**Consolidated Statements of Comprehensive Income (Loss)**  
**(Amounts in thousands, except per share amounts)**  
**(Unaudited)**

	Three months ended March 31,	
	2018	2017
<b>Revenue</b>	\$ 375,249	\$ 338,277
<b>Operating expenses</b>		
Cost of services (exclusive of depreciation and amortization presented separately below)	283,370	253,898
Selling, general and administrative	47,045	43,220
Depreciation and amortization	17,924	14,500
Restructuring and integration charges, net	849	169
Impairment losses	1,120	—
Total operating expenses	<u>350,308</u>	<u>311,787</u>
<b>Income from operations</b>	24,941	26,490
<b>Other income (expense)</b>		
Interest income	1,068	426
Interest expense	(6,459)	(2,318)
Other income (expense), net	(11,516)	960
Total other income (expense)	<u>(16,907)</u>	<u>(932)</u>
<b>Income before income taxes</b>	8,034	25,558
Provision for income taxes	<u>(2,102)</u>	<u>(5,391)</u>
<b>Net income</b>	5,932	20,167
Net income attributable to noncontrolling interest	(1,341)	(922)
<b>Net income attributable to TTEC stockholders</b>	<u>\$ 4,591</u>	<u>\$ 19,245</u>
<b>Other comprehensive income (loss)</b>		
Net income	\$ 5,932	\$ 20,167
Foreign currency translation adjustments	(5,599)	6,228
Derivative valuation, gross	1,235	13,975
Derivative valuation, tax effect	(1,242)	(5,791)
Other, net of tax	108	129
Total other comprehensive income (loss)	<u>(5,498)</u>	<u>14,541</u>
<b>Total comprehensive income (loss)</b>	<u>434</u>	<u>34,708</u>
Less: Comprehensive income attributable to noncontrolling interest	(1,442)	(1,014)
<b>Comprehensive (loss) income attributable to TTEC stockholders</b>	<u>\$ (1,008)</u>	<u>\$ 33,694</u>
<b>Weighted average shares outstanding</b>		
Basic	45,871	45,950
Diluted	46,452	46,315
<b>Net income per share attributable to TTEC stockholders</b>		
Basic	\$ 0.10	\$ 0.42
Diluted	\$ 0.10	\$ 0.42
<b>Dividends declared per share outstanding</b>	\$ 0.27	\$ 0.22

The accompanying notes are an integral part of these consolidated financial statements.

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**Consolidated Statement of Stockholders' Equity**  
**(Amounts in thousands)**  
**(Unaudited)**

	Stockholders' Equity of the Company									
	Preferred Stock		Common Stock		Treasury Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Noncontrolling interest	Total Equity
	Shares	Amount	Shares	Amount						
<b>Balance as of December 31, 2017</b>			45,802	459	(615,677)	351,725	(102,304)	721,564	6,978	362,845
Cumulative effect of adopting accounting standard updates								(6,354)		(6,354)
Net income								4,591	1,341	5,932
Dividends to shareholders (\$0.27 per common share)								(12,414)		(12,414)
Dividends distributed by noncontrolling interest									(945)	(945)
Foreign currency translation adjustments							(5,700)			(5,599)
Derivatives valuation, net of tax							(7)			(7)
Vesting of restricted stock units			117	1	1,939	(3,662)				(1,722)
Exercise of stock options										
Equity-based compensation expense						3,609				3,609
Purchases of common stock										
Other, net of tax							108			108
<b>Balance as of March 31, 2018</b>			45,979	460	(613,739)	351,672	(107,903)	707,257	7,475	345,223

The accompanying notes are an integral part of these consolidated financial statements.

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
**(Amounts in thousands)**  
**(Unaudited)**

	Three Months Ended March 31,	
	2018	2017
<b>Cash flows from operating activities</b>		
Net income	\$ 5,932	\$ 20,167
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	17,924	14,500
Amortization of contract acquisition costs	362	406
Amortization of debt issuance costs	247	171
Imputed interest expense and fair value adjustments to contingent consideration	2,011	20
Provision for doubtful accounts	124	61
(Gain) loss on disposal of assets	18	23
Impairment losses	1,120	—
Impairment on equity investment	15,632	—
Gain (adjustment) on bargain purchase of a business	(685)	—
Deferred income taxes	(972)	(918)
Excess tax benefit from equity-based awards	(227)	(284)
Equity-based compensation expense	3,609	2,041
(Gain) loss on foreign currency derivatives	725	(1,205)
Changes in assets and liabilities, net of acquisitions:		
Accounts receivable	41,197	28,610
Prepays and other assets	2,337	(7,187)
Accounts payable and accrued expenses	2,720	10,456
Deferred revenue and other liabilities	(24,687)	8,071
Net cash provided by operating activities	<u>67,387</u>	<u>74,932</u>
<b>Cash flows from investing activities</b>		
Proceeds from sale of long-lived assets	4	13
Purchases of property, plant and equipment, net of acquisitions	(7,508)	(12,035)
Payments for contract acquisition costs	—	(1,021)
Investments in non-marketable equity investments	(2,119)	(1,153)
Acquisitions, net of cash acquired of zero and zero, respectively	(460)	—
Net cash used in investing activities	<u>(10,083)</u>	<u>(14,196)</u>
<b>Cash flows from financing activities</b>		
Proceeds from line of credit	630,800	536,900
Payments on line of credit	(672,300)	(572,200)
Payments on other debt	(1,563)	(1,215)
Payments of contingent consideration and hold-back payments to acquisitions	(399)	—
Dividends paid to shareholders	—	—
Payments to noncontrolling interest	(945)	(945)
Proceeds from exercise of stock options	—	—
Tax payments related to issuance of restricted stock units	(1,722)	(687)
Payments of debt issuance costs	—	—
Purchase of treasury stock	—	(11,658)
Net cash used in financing activities	<u>(46,129)</u>	<u>(49,805)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(4,018)</u>	<u>280</u>
Increase in cash and cash equivalents	7,157	11,211
Cash and cash equivalents, beginning of period	74,437	55,264
Cash and cash equivalents, end of period	<u>\$ 81,594</u>	<u>\$ 66,475</u>
<b>Supplemental disclosures</b>		
Cash paid for interest	\$ 4,201	\$ 2,127
Cash paid for income taxes	\$ 4,143	\$ 450
<b>Non-cash investing and financing activities</b>		
Acquisition of long-lived assets through capital leases	\$ 4,048	\$ 534
Acquisition of equipment through increase in accounts payable, net	\$ (372)	\$ 1,361
Contract acquisition costs credited to accounts receivable	\$ —	\$ —
Dividend declared but not paid	\$ 12,414	\$ 10,069

The accompanying notes are an integral part of these consolidated financial statements.

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

**(1) OVERVIEW AND BASIS OF PRESENTATION**

**Summary of Business**

TTEC Holdings, Inc. ("TTEC", "the Company") (formerly known as TeleTech Holdings, Inc. until the name was changed in January 2018) is a global customer experience company that designs, builds and operates omnichannel customer experiences on behalf of some of the world's most innovative brands. The Company helps large global companies increase revenue and reduce costs by delivering personalized customer experiences across every interactional channel and phase of the customer lifecycle as an end-to-end provider of customer engagement services, technologies, insights and innovations. TTEC's 50,500 employees serve clients in the automotive, communication, financial services, government, healthcare, logistics, media and entertainment, retail, technology, transportation and travel industries via operations in the U.S., Australia, Belgium, Brazil, Bulgaria, Canada, China, Costa Rica, Germany, Hong Kong, India, Ireland, Lebanon, Macedonia, Mexico, New Zealand, the Philippines, Poland, Singapore, South Africa, Thailand, Turkey, the United Arab Emirates, and the United Kingdom.

**Basis of Presentation**

The Consolidated Financial Statements are comprised of the accounts of TTEC, its wholly owned subsidiaries, its 55% equity owned subsidiary Percepta, LLC, and its 100% interest in Motif, Inc. (see Note 2). All intercompany balances and transactions have been eliminated in consolidation.

The unaudited Consolidated Financial Statements do not include all of the disclosures required by accounting principles generally accepted in the U.S. ("GAAP"), pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The unaudited Consolidated Financial Statements reflect all adjustments which, in the opinion of management, are necessary to state fairly the consolidated financial position of the Company and the consolidated results of operations and comprehensive income (loss) and the consolidated cash flows of the Company. Operating results for the periods presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2018.

These unaudited Consolidated Financial Statements should be read in conjunction with the Company's audited Consolidated Financial Statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

**Use of Estimates**

The preparation of the Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions in determining the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the Consolidated Financial Statements and the reported amounts of revenue and expenses during the reporting period. On an on-going basis, the Company evaluates its estimates including those related to derivatives and hedging activities, income taxes including the valuation allowance for deferred tax assets, self-insurance reserves, litigation reserves, restructuring reserves, allowance for doubtful accounts, contingent consideration, and valuation of goodwill, long-lived and intangible assets. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ materially from these estimates under different assumptions or conditions.

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

**Recently Issued Accounting Pronouncements**

In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers". ASU 2014-09 provides new guidance related to how an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, ASU 2014-09 specifies new accounting for costs associated with obtaining or fulfilling contracts with customers and expands the required disclosures related to revenue and cash flows from contracts with customers. While ASU-2014-09 was originally effective for fiscal years and interim periods within those years beginning after December 15, 2016, in August 2015, the FASB issued ASU 2015-14, "Deferral of Effective Date", deferring the effective date by one year, to be effective for fiscal years, and interim periods within those years, beginning after December 15, 2017. Earlier adoption is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. ASU 2014-09 can be adopted either retrospectively to each prior reporting period presented or as a cumulative-effect adjustment as of the date of adoption, with early application not permitted. In June 2017, FASB issued ASU 2017-10, "Service Concession Arrangements", which will be adopted along with the ASU 2014-09 guidance.

On January 1, 2018, the Company adopted ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), using the modified retrospective method. The adoption of ASC 606 resulted in the deferral of certain fees that had already been recognized in prior periods. The Company recorded a net reduction to opening retained earnings of \$10.0 million, net of tax, as of January 1, 2018 due to the cumulative impact of adopting ASC 606, summarized as follows (in thousands):

	December 31, 2017	Adjustments Due to ASU 2014-09	January 1, 2018
<b>Balance Sheet</b>			
<b>Assets</b>			
Prepays and other current assets	\$ 63,668	\$ 10,797	\$ 74,465
Deferred tax assets	12,012	4,006	16,018
<b>Liabilities</b>			
Deferred revenue	\$ 21,628	24,785	46,413
<b>Equity</b>			
Retained earnings	\$ 721,664	\$ (9,982)	\$ 711,682

The ASC 606 adjustments pertain to the timing of revenue recognition associated with upfront training fees on certain contracts. Revenues and associated costs for reporting periods beginning after January 1, 2018 are recognized and presented in compliance with the provisions of ASC 606. Consistent with the modified retrospective method of adoption, the Company has not adjusted prior period amounts which continue to be reported in accordance with the Company's historic revenue accounting policy and principles.



**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

In accordance with the new revenue standard requirements, the disclosure of the impact of adoption on the Company's consolidated income statement and balance sheet was as follows (in thousands):

	<b>As of March 31, 2018</b>		
	<b>Balances Without</b>		<b>Effect of Change Higher/(Lower)</b>
	<b>As reported</b>	<b>Adoption of ASC 606</b>	
<b>Statements of Comprehensive Income</b>			
Revenue	\$ 375,249	\$ 362,748	\$ 12,501
Cost of services	283,370	277,179	6,191
Provision for income taxes	2,102	335	1,767
Net income	\$ 5,932	\$ 1,389	\$ 4,543

	<b>As of March 31, 2018</b>		
	<b>Balances Without</b>		<b>Effect of Change Higher/(Lower)</b>
	<b>As reported</b>	<b>Adoption of ASC 606</b>	
<b>Balance Sheet</b>			
<b>Assets</b>			
Prepays and other current assets	\$ 71,840	\$ 67,234	\$ 4,606
Deferred tax assets	16,476	14,229	2,247
<b>Liabilities</b>			
Deferred revenue	\$ 28,675	\$ 16,389	\$ 12,286
<b>Equity</b>			
Retained earnings	\$ 707,257	\$ 712,690	\$ (5,433)

In connection with the adoption of ASC 606, certain of the Company's revenue and related policies have been modified; all policies relevant to ASC 606 have been included below.

*Revenue Recognition*

The Company recognizes revenue from contracts and programs when control of the promised goods or services is transferred to the customers, in an amount that reflects the consideration it expects to be entitled to in exchange for those goods or services. Revenue is recognized when or as performance obligations are satisfied by transferring control of a promised good or service to a customer. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. Performance obligation is the unit of accounting for revenue recognition under the provisions of ASC 606. A contract's transaction price is allocated to each distinct performance obligation in recognizing revenue.

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

The Business Process Outsourcing ("BPO") inbound and outbound service fees are based on either a per minute, per hour, per FTE, per transaction or per call basis, which make up the majority of our contracts. These contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and, therefore, not distinct. For example, services for the training of the Company's agents (which are separately billable to the customer) are a separate promise in the BPO contracts, but they are not distinct from the primary service obligations to transfer services to the customers. The performance of the customer service by the agents is highly dependent on the initial, growth, and seasonal training services provided to the agents during the life of a program. The training itself is not considered to have value to the customer on a standalone basis, and therefore, training on a standalone basis cannot be considered a separate unit of accounting. The Company therefore defers revenue from certain training services that are rendered mainly upon commencement of a new client contract or program, including seasonal programs. Revenue is also deferred when there is significant growth in an existing program. Accordingly, recognition of initial, growth, and seasonal training revenues and associated costs (consisting primarily of labor and related expenses) are deferred and amortized over the period of economic benefit. With the exception of training which is typically billed upfront and deferred, the remainder of revenue is invoiced on a monthly or quarterly basis as services are performed and do not create a contract asset or liability.

In addition to revenue from BPO services, revenue also consists of fees from services for program launch, professional consulting, fully-hosted or managed technology and learning innovation services. The contracts containing these service offerings may contain multiple performance obligations. For contracts with multiple performance obligations, the Company allocates the contract's transaction price to each performance obligation using the best estimate of the standalone selling price of each distinct good or service in the contract. The primary method used to estimate standalone selling price is the expected cost plus a margin approach, under which the Company forecasts its expected costs of satisfying a performance obligation and then adds an appropriate margin for that distinct good or service. The Company forecasts its expected cost based on historical data, current prevailing wages, direct and indirect other costs incurred in recently completed contracts, market conditions, and client specific other cost considerations. For these services, the point at which the transfer of control occurs determines when revenue is recognized in a specific reporting period. Where there are product sales, the attribution of revenue is made when FOB-destination delivery occurs (control transfers), which is the standard shipment terms, and therefore at a point in time. Where services are rendered to a customer, the attribution is aligned with the progress of work and is recognized over time (i.e. based on measuring the progress toward complete satisfaction of a performance obligation using an output method or an input method). Where output method is used, revenue is recognized on the basis of direct measurements of the value to the customer of the goods or services transferred relative to the remaining goods or services promised under the contract. The majority of the Company's services is recognized over time using the input method in which revenue is recognized on the basis of efforts or inputs toward satisfying a performance obligation (for example, resources consumed, labor hours expended, costs incurred, or time elapsed) relative to the total expected inputs to satisfy the performance obligation. The measures used provide faithful depiction of the transfer of goods or services to the customers. For example, revenue is recognized on certain consulting contracts based on labor hours expended as a measurement of progress where the consulting work involves input of consultants' time. The progress is measured based on the hours expended over total number of estimated hours included in the contract multiplied by the total contract consideration. The contract consideration can be a fixed price or an hourly rate, and in either case, the use of labor hours expended as an input measure provides a faithful depiction of the transfer of services to the customers. Deferred revenues for these services represent amounts collected from, or invoiced to, customers in excess of revenues recognized. This results primarily from i) receipt of license fees that are deferred due to one or more of the revenue recognition criteria not being met, and ii) the billing of annual customer support agreements, annual managed service agreements, and billings for other professional services that have not yet been performed by the Company. The Company records amounts billed and received, but not earned, as deferred revenue. These amounts are recorded in Deferred revenue as a component of Other long-term liabilities in the accompanying Consolidated Balance Sheets based on the period over which the Company expects to render services. Costs

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

directly associated with revenue deferred, consisting primarily of labor and related expenses, are also deferred and recognized in proportion to the expected future revenue from the contract.

Variable consideration exists in contracts for certain client programs that provide for adjustments to monthly billings based upon whether the Company achieves, exceeds or fails certain performance criteria. Adjustments to monthly billings consist of contractual bonuses/penalties, holdbacks and other performance based conditions. Variable consideration is estimated at contract inception at its most likely value and updated at the end of each reporting period as additional performance data becomes available. Revenue related to such variable consideration is recognized only to the extent that a significant reversal of any incremental revenue is not considered probable.

Contract modifications are routine in the performance of the customer contracts. Contracts are often modified to account for customer mandated changes in the contract specifications or requirements, including service level changes. In most instances, contract modifications relate to goods or services that are incremental and distinctly identifiable, and, therefore, are accounted for prospectively.

*Incremental Costs to Obtain a Contract*

Direct and incremental costs to obtain or fulfill a contract are capitalized, and the capitalized costs are amortized over the corresponding period of benefit, determined on a contract by contract basis. The Company recognizes an asset for the incremental costs of obtaining a contract with a customer if it expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Company incurs to obtain a customer contract that it would not have incurred if the contract had not been obtained. Contract acquisition costs consist primarily of payment of commissions to sales personnel and are incurred when customer contracts are signed. The deferred sales commission amounts are amortized based on the expected period of economic benefit and are classified as current or non-current based on the timing of when they are expected to be recognized as an expense. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained are recognized as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained. Sales commissions are paid for obtaining new clients only and are not paid for contract renewals or contract modifications. Capitalized costs of obtaining contracts are periodically reviewed for impairment.

In certain cases, the Company negotiates an upfront payment to a customer in conjunction with the execution of a contract. Such upfront payments are critical to acquisition of new business and are often used as an incentive to negotiate favorable rates from the clients and are accounted for as upfront discounts for future services. Such payments are either made in cash at the time of execution of a contract or are netted against the Company's service invoices. Payments to customers are capitalized as contract acquisition costs and are amortized in proportion to the expected future revenue from the contract, which in most cases results in straight-line amortization over the life of the contract. Such payments are considered a reduction of the selling prices of the Company's products or services, and therefore, are accounted for as a reduction of revenue when amortized. Such capitalized contract acquisition costs are periodically reviewed for impairment taking into consideration ongoing future cash flows expected from the contract and estimated remaining useful life of the contract.

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*Practical Expedients and Exemptions*

The Company does not disclose the value of unsatisfied performance obligations for contracts for which it recognizes revenue at the amount to which it has the right to invoice for services performed. Additionally, the Company's standard payment terms are less than one year. Given the foregoing, the Company has elected the practical expedient under ASC 606-10-32-18 to not assess whether a contract has a significant financing component. Some of the Company's service contracts are short-term in nature with a contract term of one year or less. For those contracts, the Company has utilized the practical expedient in ASC 606-10-50-14 exempting the Company from disclosure of the transaction price allocated to remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less. Pursuant to the Company's election of the practical expedient under ASC 606-10-32-2A, sales, value add, and other taxes that are collected from customers concurrent with revenue-producing activities, which the Company has an obligation to remit to the governmental authorities, are excluded from revenue.

**Other Accounting Pronouncements**

In February 2016, the FASB issued ASU 2016-02, "Leases", which amends the existing accounting standards for lease accounting, including requiring lessees, to recognize most leases on their balance sheets related to the rights and obligations created by those leases and making targeted changes to lessor accounting. The ASU also requires new disclosures regarding the amounts, timing, and uncertainty of cash flows arising from leases. The ASU is effective for interim and annual periods beginning on or after December 15, 2018 and early adoption is permitted. The new leases standard requires a modified retrospective transition approach for all leases existing at, or entered into after, the date of initial application, with an option to use certain transition relief. The Company has assigned a project manager, is currently selecting an external consultant to assist through the project, is evaluating software solutions and other tracking methods, is assessing the impact on the consolidated financial statements and related disclosures, and determining the implementation approach.

In August 2016, the FASB issued ASU No. 2016-15, "Statement of Cash Flows". ASU 2016-15 is intended to reduce diversity in practice regarding how certain cash transactions are presented and classified in the Consolidated Statement of Cash Flows by providing guidance on eight specific cash flow issues. The ASU is effective for interim and annual periods beginning on or after December 15, 2017. The Company has adopted the new guidance effective January 1, 2018 and this adoption did not have a material impact on its cash flow or related disclosures.

In August 2017, the FASB issued ASU 2017-12, "Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities". ASU 2017-12 amends and simplifies existing guidance for derivatives and hedges including aligning accounting with companies' risk management strategies and increasing disclosure transparency regarding both the scope and results of hedging programs. The changes include designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results. The ASU is effective for interim and annual periods beginning after December 15, 2018 and early adoption is permitted. The Company is currently assessing the impact on the consolidated financial statements and related disclosures.

In February 2018, the FASB issued ASU 2018-02, "Income Statement - Reporting Comprehensive Income (Topic 220), Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income". ASU 2018-02 allows companies the option to reclassify stranded tax effects from Accumulated other comprehensive income (loss) ("AOCI") to retained earnings resulting from the newly enacted corporate tax rate in the Tax Cuts and Jobs Act. If adopted, the ASU is effective in years beginning after December 15, 2018, and early adoption is permitted. The Company early adopted the new standard effective January 1, 2018 and the adoption did not have a material impact on its financial position.

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**(2) ACQUISITIONS AND DIVESTITURES**

*Berkshire Hathaway Specialty Concierge*

On March 31, 2018, the Company, through its subsidiary Percepta, acquired certain assets from Berkshire Hathaway Specialty Concierge, LLC ("BH") related to a customer engagement center and the related customer contracts. This acquisition is being accounted for as a business combination. These assets will be integrated into the Customer Management Services ("CMS") segment.

The total cash paid was \$1. In connection with the purchase, Percepta assumed the lease for the customer engagement center and entered into a transitional services agreement with BH to facilitate the transfer of the employees and business. Fair values were assigned to each purchased asset including \$257 thousand for customer relationships, \$330 thousand as a lease subsidy and \$98 thousand for fixed assets. Based on the \$1 purchase price, a gain on purchase of \$685 thousand was recorded in the quarter ended March 31, 2018 and was included in Other income (expense) in the Consolidated Statements of Comprehensive Income (Loss).

*Motif*

On November 8, 2017, the Company agreed to acquire all of the outstanding shares in Motif, Inc., a California corporation ("Motif"). Motif is a digital trust and safety services company serving eCommerce marketplaces, online retailers, travel agencies and financial services companies. Motif provides omni-channel community moderation services via voice, email and chat from delivery centers in India and the Philippines via approximately 2,700 employees. Motif will be integrated into the Customer Management Services ("CMS") segment.

The acquisition will be implemented through two separate transactions. In November 2017, the Company completed the acquisition of 70% of all outstanding shares in Motif from private equity and certain individual investors for \$46.8 million, subject to customary representations and warranties, and working capital adjustments. The Company also agreed to purchase the remaining 30% interest in Motif from Motif's founders ("founders' shares") no later than May 2020 ("30% buyout period"). The Company agreed to pay for the founders' shares at a purchase price based on Motif's fiscal year 2020's adjusted normalized EBITDA, \$5.0 million in cash, and 30% of the excess cash present in the business at the time of the buyout; or if the buyout occurs prior to May 2020, based on the trailing twelve months EBITDA, calculated from the most recently completed full monthly period ending prior to the date of the buyout triggering event, \$5.0 million in cash, and 30% of the excess cash in the business at that point. In connection with this mandatory buyout, the Company has recorded a \$29.8 million liability as of March 31, 2018 which is included in Other long-term liabilities in the Consolidated Balance Sheet. As a part of the transition, the Motif founders agreed to continue to stay as executives in the acquired business, at least through the 30% buyout period, as part of the Company's CMS segment, and not to compete with the Company with respect to the acquired business.

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The following summarizes the preliminary estimated fair values of the identifiable assets acquired and liabilities assumed as of the acquisition date (in thousands):

	<b>Preliminary Estimate of Acquisition Date Fair Value</b>
Cash	\$ 5,997
Accounts receivable, net	5,187
Prepaid expenses	1,248
Other current assets	670
Property, plant and equipment	2,182
Income tax receivable	1,691
Customer relationships	37,200
Goodwill	39,272
	\$ 93,447
Accounts payable	\$ 2,914
Accrued employee compensation and benefits	5,249
Accrued expenses	104
Deferred tax liability	11,402
Other	340
	\$ 20,009
<b>Total purchase price</b>	<b>\$ 73,438</b>

The estimates of fair value of identifiable assets acquired and liabilities assumed are preliminary, pending finalization of a valuation and tax returns, thus are subject to revisions that may result in adjustments to the values presented above.

The Motif customer relationships have been estimated based on the initial valuation and are amortized over an estimated useful life of 11 years. The goodwill recognized from the Motif acquisition is estimated to be attributable, but not limited to, the acquired workforce and expected synergies with CMS. None of the tax basis of the acquired intangibles and goodwill will be deductible for income tax purposes. The acquired goodwill and intangibles, and operating results of Motif are reported within the CMS segment from the date of acquisition.

*Connexions*

On April 3, 2017, the Company acquired all of the outstanding shares of Connexions, Inc., a health care customer service provider company, from OptumHealth Holdings, LLC. Connexions is being integrated into the health care vertical of the CMS segment of the Company. Connexions employed approximately 2,000 at several centers in the U.S.

The total cash paid at acquisition was \$80 million. The purchase price was subject to customary representations and warranties, indemnities, and net working capital adjustment. In connection with the acquisition, the Company and OptumHealth (directly and through affiliates) also entered into long-term technology and customer services agreements, and into transition services agreements to facilitate the transfer of the business. The Company was required to pay an additional \$1.8 million for the working capital adjustment, which was paid during the third quarter of 2017. Additionally, fair value adjustments related to the transition services agreements reduced the purchase price by \$4.1 million resulting in a net purchase price of \$77.7 million.

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The following summarizes the fair values of the identifiable assets acquired and liabilities assumed as of the acquisition date (in thousands):

	Acquisition Date Fair Value
Cash	\$ —
Accounts receivable, net	15,959
Prepaid expenses	241
Other current assets	51
Property, plant and equipment	7,594
Customer relationships	35,000
Goodwill	35,272
	\$ 94,117
Accounts payable	\$ 1
Accrued employee compensation and benefits	346
Accrued expenses	386
Deferred tax liabilities	15,273
Deferred revenue	399
	\$ 16,405
<b>Total purchase price</b>	<b>\$ 77,712</b>

In the fourth quarter of 2017, the Company finalized its valuation of Connexions for the acquisition date assets acquired and liabilities assumed and determined that no material adjustments to any of the balances were required.

The Connexions customer relationships will be amortized over a useful life of 12 years. The goodwill recognized from the Connexions acquisition is attributable, but not limited to, the acquired work force and expected synergies with CMS. None of the tax basis of the acquired intangibles and goodwill will be deductible for income tax purposes. The acquired goodwill and the operating results of Connexions are reported within the CMS segment from the date of acquisition.

**Financial Impact of Acquired Businesses**

*2018 Acquisition*

The acquired business purchased in the first three months of 2018 was not material to the Company's consolidated financial position or results of operations. The pro forma impact of the 2018 acquisition on the consolidated results of operations of the Company for the first three months of 2018 and 2017 as though the acquisitions occurred on January 1 was also not material.

*2017 Acquisitions*

The acquired businesses purchased in 2017 did not contribute any revenue and net income to the Company for the three months ended March 31, 2017.

The unaudited proforma financial results for the three months ended March 31, 2017 combines the consolidated results of the Company and its 2017 acquisitions assuming they had been completed on January 1, 2017. The reported revenue and net income of \$338.3 million and \$19.2 million would have been \$384.0 million and \$19.0 million for the three months ended March 31, 2017 on an unaudited proforma basis.

The unaudited pro forma consolidated results are not to be considered indicative of the results if these acquisitions occurred in the periods mentioned above, or indicative of future operations or results. Additionally, the pro forma consolidated results do not reflect any anticipated synergies expected as a result of the acquisition.

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
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**Assets and Liabilities Held for Sale**

During the third quarter of 2016, the Company determined that one business unit from the Customer Growth Services ("CGS") segment and one business unit from the Customer Strategy Services ("CSS") segment would be divested from the Company's operations. These business units met the criteria to be classified as held for sale. The Company had engaged a broker for both business units and was working with potential buyers for both business units. The Company took into consideration the discounted cash flow models, management input based on early discussions with brokers and potential buyers, and third-party evidence from similar transactions to complete the fair value analysis as there had not been a selling price determined at this point for either unit. For the two business units in CGS and CSS losses of \$2.6 million and \$2.7 million, respectively, were recorded as of December 31, 2016 in Loss on assets held for sale in the Consolidated Statements of Comprehensive Income (Loss). No adjustments have been made for the CSS business unit as this continues to be reflective of the fair value at March 31, 2018.

For the business unit in CGS, based on further discussion and initial offers, management determined that the estimated selling price assumed should be revised and an additional \$3.2 million loss was recorded in June 30, 2017 and included in Loss on assets held for sale in the Consolidated Statements of Comprehensive Income (Loss). Effective December 22, 2017, the business unit was sold to The Search Agency ("TSA") for an up-front payment of \$245 thousand and future contingent earnout on the one year anniversary of the closing date. During the fourth quarter of 2017, a net \$0.6 million gain was recorded in Loss on assets held for sale in the Consolidated Statements of Comprehensive Income (Loss).

The following table presents information related to the major components of assets and liabilities that were classified as held for sale in the Consolidated Balance Sheet as of March 31, 2018.

	As of
	March 31, 2018
Cash	\$ —
Accounts receivable, net	5,834
Other assets	230
Property, plant and equipment	58
Customer relationships	957
Goodwill	3,033
Allowance for reduction of assets held for sale	(2,700)
Total assets	\$ 7,412
Accounts payable	\$ 495
Accrued employee compensation and benefits	931
Accrued expenses	44
Other	11
Total liabilities	\$ 1,481



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**Investments**

*CaféX*

In the first quarter of 2015, the Company invested \$9.0 million in CafeX Communications, Inc. ("CaféX") through the purchase of a portion of the Series B Preferred Stock of CaféX. CaféX is a provider of omni-channel web-based real time communication (WebRTC) solutions that enhance mobile applications and websites with in-app video communication and screen share technology to increase customer satisfaction and enterprise efficiency. TTEC anticipated deploying the CaféX technology as part of the TTEC customer experience offerings within the CMS business segment and as part of its Humanify platform. At December 31, 2015, the Company owned 17.2% of the total equity of CaféX. During the fourth quarter of 2016, the Company invested an additional \$4.3 million to purchase a portion of the Series C Preferred Stock; \$3.2 million was paid in the fourth quarter of 2016 and \$1.1 million was paid in the first quarter of 2017. At March 31, 2018, the Company owns 17.2% of the total equity of CaféX. The investment is accounted for under the cost method of accounting. The Company evaluates its investments for possible other-than-temporary impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable.

During the first quarter of 2018, the Company provided to CaféX \$2.1 million in the form of a bridge loan which accrues interest at a rate of 12% until maturity or conversion, which will be no later than June 30, 2020. Based on certain events, the loan could convert into Series D preferred stock.

As of March 31, 2018, the Company evaluated the investment in CaféX for impairment due to a large anticipated sale of IP not being completed as planned during the first quarter, a shift in the strategy of the company, the loan balance with the external bank is now in default, and the lack of potential additional funding options as of March 31, 2018. It was determined that the fair value of the investment was zero and thus the investment should be impaired as of March 31, 2018. The Company recorded a \$15.6 million write-off of the equity investment and the bridge loan which was included in Other income (expense) in the Consolidated Statements of Comprehensive Income (Loss).

**Divestitures**

*Technology Solutions Group ("TSG")*

Effective June 30, 2017, the Company sold the Technology Solutions Group to SKC Communication Products, LLC ("SKC") for an upfront payment of \$250 thousand and future contingent royalty payments over the next 3 years. TSG had been included in the CTS segment. During the second quarter of 2017, a \$30 thousand gain, which included the write-off of \$0.7 million of goodwill, was recorded and included in the Consolidated Statements of Comprehensive Income (Loss). During the third quarter of 2017, a \$141 thousand gain was recorded as a result of TSG delivering to SKC working capital in excess of the target set forth in the stock purchase agreement, and the gain was included in the Consolidated Statements of Comprehensive Income (Loss). During the fourth quarter of 2017 and first quarter of 2018, TTEC received \$259 thousand and \$794 thousand, respectively, related to royalty payments which were included in Other Income (expense) in the Consolidated Statements of Comprehensive Income (Loss) in the respective periods.

*TTEC Spain Holdings SL*

In the third quarter of 2017, the Company dissolved TTEC Spain Holdings SL, a fully owned foreign subsidiary domiciled in Spain. Upon complete liquidation, \$3.2 million attributable to the accumulated translation adjustment component of equity has been removed from Accumulated other comprehensive income (loss) and recognized as part of the gain on liquidation. The \$3.2 million gain is included in Other income (expense), net in the Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2017.

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**Subsequent Event**

On April 30, 2018, the Company agreed to acquire all of the outstanding shares in Strategic Communications Services, Ltd (“SCS”). SCS provides services as a system integrator for omnichannel contact center platforms, including CISCO. The Company offers in-house, managed and outsourced network, information, communications and contact center services to leading brands throughout Europe.

Total cash paid at acquisition was £4.4 million (\$6.2 million USD) (inclusive of £3.3 million related to cash balances). The purchase price was subject to customary representations and warranties, indemnities, and a net working capital adjustment. The agreement includes potential earn-out payments over the next three years with a maximum value of £3.0 million (\$4.2 million USD) contingent on EBITDA performance over the next three years.

**(3) SEGMENT INFORMATION**

The Company reports the following four segments:

- the CMS segment includes the customer experience delivery solutions which integrate innovative technology with highly-trained customer experience professionals to optimize the customer experience across all channels and all stages of the customer lifecycle from an onshore, offshore or work-from-home environment;
- the CGS segment provides technology-enabled sales and marketing solutions that support revenue generation across the customer lifecycle, including sales advisory, search engine optimization, digital demand generation, lead qualification, and acquisition sales, growth and retention services;
- the CTS segment includes system design consulting, customer experience technology product, implementation and integration consulting services, and management of clients’ cloud and on-premise solutions; and
- the CSS segment provides professional services in customer experience strategy and operations, insights, system and operational process optimization, and culture development and knowledge management.

The Company allocates to each segment its portion of corporate operating expenses. All intercompany transactions between the reported segments for the periods presented have been eliminated.

The following tables present certain financial data by segment (in thousands):

**Three Months Ended March 31, 2018**

	Gross Revenue	Intersegment Sales	Net Revenue	Depreciation & Amortization	Income from Operations
Customer Management Services	\$ 292,641	\$ —	\$ 292,641	\$ 15,177	\$ 18,215
Customer Growth Services	32,540	—	32,540	595	1,380
Customer Technology Services	35,208	—	35,208	1,630	4,844
Customer Strategy Services	14,860	—	14,860	522	502
<b>Total</b>	<b>\$ 375,249</b>	<b>\$ —</b>	<b>\$ 375,249</b>	<b>\$ 17,924</b>	<b>\$ 24,941</b>

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**Three Months Ended March 31, 2017**

	Gross Revenue	Intersegment Sales	Net Revenue	Depreciation & Amortization	Income from Operations
Customer Management Services	\$ 252,098		\$ 252,079	\$ 11,242	\$ 20,596
Customer Growth Services	33,658	(19)	33,658	778	2,410
Customer Technology Services	35,850	(157)	35,693	1,812	3,057
Customer Strategy Services	16,847	—	16,847	668	427
Total	<u>\$ 338,453</u>	<u>\$ (176)</u>	<u>\$ 338,277</u>	<u>\$ 14,500</u>	<u>\$ 26,490</u>

	Three Months Ended March 31,	
	2018	2017
<b>Capital Expenditures</b>		
Customer Management Services	\$ 7,353	\$ 8,579
Customer Growth Services	—	120
Customer Technology Services	31	3,200
Customer Strategy Services	124	136
Total	<u>\$ 7,508</u>	<u>\$ 12,035</u>

	March 31, 2018	December 31, 2017
<b>Total Assets</b>		
Customer Management Services	\$ 824,472	\$ 869,594
Customer Growth Services	46,092	41,036
Customer Technology Services	101,379	100,351
Customer Strategy Services	62,919	67,755
Total	<u>\$ 1,034,862</u>	<u>\$ 1,078,736</u>

	March 31, 2018	December 31, 2017
<b>Goodwill</b>		
Customer Management Services	\$ 118,336	\$ 119,497
Customer Growth Services	24,439	24,439
Customer Technology Services	40,839	40,839
Customer Strategy Services	22,018	21,919
Total	<u>\$ 205,632</u>	<u>\$ 206,694</u>

The following table presents revenue based upon the geographic location where the services are provided (in thousands):

	Three Months Ended March 31,	
	2018	2017
<b>Revenue</b>		
United States	\$ 209,848	\$ 178,432
Philippines	89,205	85,575
Latin America	30,498	33,117
Europe / Middle East / Africa	15,971	15,410
Asia Pacific / India	13,437	7,111
Canada	16,290	18,632
Total	<u>\$ 375,249</u>	<u>\$ 338,277</u>

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**(4) SIGNIFICANT CLIENTS AND OTHER CONCENTRATIONS**

The Company had one client and no clients that contributed in excess of 10% of total revenue for the three months ended March 31, 2018 and 2017, respectively. This client operates in the healthcare industry and is included in the CMS segment. This client contributed 11.3% and 2.9% of total revenue for the three months ended March 31, 2018 and 2017, respectively. The Company does have other clients with revenue exceeding \$100 million annually and the loss of one or more of these clients could have a material adverse effect on the Company's business, operating results, or financial condition.

To limit the Company's credit risk with its clients, management performs periodic credit evaluations, maintains allowances for uncollectible accounts and may require pre-payment for services from certain clients. Based on currently available information, management does not believe significant credit risk existed as of March 31, 2018.

**(5) GOODWILL AND OTHER INTANGIBLE ASSETS**

Goodwill consisted of the following (in thousands):

	December 31, 2017	Acquisitions / Adjustments	Impairments	Effect of Foreign Currency	March 31, 2018
Customer Management Services	\$ 119,497	\$ —	—	(1,161)	\$ 118,336
Customer Growth Services	24,439	—	—	—	24,439
Customer Technology Services	40,839	—	—	—	40,839
Customer Strategy Services	21,919	—	—	99	22,018
Total	<u>\$ 206,694</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (1,062)</u>	<u>\$ 205,632</u>

The Company performs a goodwill impairment assessment on at least an annual basis. The Company conducts its annual goodwill impairment assessment during the fourth quarter, or more frequently, if indicators of impairment exist. During the quarter ended March 31, 2018, the Company assessed whether any such indicators of impairment existed and concluded there were none.

**(6) DERIVATIVES**

**Cash Flow Hedges**

The Company enters into foreign exchange related derivatives. Foreign exchange derivatives entered into consist of forward and option contracts to reduce the Company's exposure to foreign currency exchange rate fluctuations that are associated with forecasted revenue earned in foreign locations. Upon proper qualification, these contracts are designated as cash flow hedges. It is the Company's policy to only enter into derivative contracts with investment grade counterparty financial institutions, and correspondingly, the fair value of derivative assets consider, among other factors, the creditworthiness of these counterparties. Conversely, the fair value of derivative liabilities reflects the Company's creditworthiness. As of March 31, 2018, the Company has not experienced, nor does it anticipate, any issues related to derivative counterparty defaults. The following table summarizes the aggregate unrealized net gain or loss in Accumulated other comprehensive income (loss) for the three months ended March 31, 2018 and 2017 (in thousands and net of tax):

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	Three Months Ended March 31,	
	2018	2017
Aggregate unrealized net gain/(loss) at beginning of period	\$ (15,746)	\$ (32,393)
Add: Net gain/(loss) from change in fair value of cash flow hedges	3,886	12,320
Less: Net (gain)/loss reclassified to earnings from effective hedges	(3,893)	(4,136)
Aggregate unrealized net gain/(loss) at end of period	\$ (15,753)	\$ (24,209)

The Company's foreign exchange cash flow hedging instruments as of March 31, 2018 and December 31, 2017 are summarized as follows (amounts in thousands). All hedging instruments are forward contracts.

As of March 31, 2018	Local Currency Notional Amount	U.S. Dollar Notional Amount	% Maturing in the next 12 months	Contracts Maturing Through
Philippine Peso	8,990,000	183,228 <sup>(1)</sup>	57.6 %	August 2021
Mexican Peso	1,444,000	82,952	45.3 %	May 2021
		\$ 266,180		

  

As of December 31, 2017	Local Currency Notional Amount	U.S. Dollar Notional Amount
Philippine Peso	10,685,000	219,917 <sup>(1)</sup>
Mexican Peso	1,609,000	93,589
		\$ 313,506

(1) Includes contracts to purchase Philippine pesos in exchange for New Zealand dollars and Australian dollars, which are translated into equivalent U.S. dollars on March 31, 2018 and December 31, 2017.

**Fair Value Hedges**

The Company enters into foreign exchange forward contracts to economically hedge against foreign currency exchange gains and losses on certain receivables and payables of the Company's foreign operations. Changes in the fair value of derivative instruments designated as fair value hedges are recognized in earnings in Other income (expense), net. As of March 31, 2018 and December 31, 2017 the total notional amounts of the Company's forward contracts used as fair value hedges were \$180.3 million and \$176.2 million, respectively.



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The effects of derivative instruments on the Consolidated Statements of Comprehensive Income (Loss) for the three months ended March 31, 2018 and 2017 were as follows (in thousands):

<b>Designation:</b>	<b>Three Months Ended March 31,</b>			
	<b>2018</b>		<b>2017</b>	
	<b>Designated as Hedging Instruments</b>		<b>Designated as Hedging Instruments</b>	
	<b>Foreign Exchange Cash Flow</b>	<b>Interest Rate Cash Flow</b>	<b>Foreign Exchange Cash Flow</b>	<b>Interest Rate Cash Flow</b>
Amount of gain or (loss) recognized in Other comprehensive income (loss) - effective portion, net of tax	\$ (3,893)	\$ —	\$ (4,084)	\$ (52)
Amount and location of net gain or (loss) reclassified from Accumulated OCI to income - effective portion:				
Revenue	\$ (5,332)	\$ —	\$ (6,806)	\$ —
Interest expense	—	—	—	(89)

<b>Designation:</b>	<b>Three Months Ended March 31,</b>			
	<b>2018</b>		<b>2017</b>	
	<b>Not Designated as Hedging Instruments Foreign Exchange</b>		<b>Not Designated as Hedging Instruments Foreign Exchange</b>	
	<b>Forward Contracts</b>	<b>Fair Value</b>	<b>Forward Contracts</b>	<b>Fair Value</b>
Amount and location of net gain or (loss) recognized in the Consolidated Statement of Comprehensive Income (Loss):				
Costs of services	\$ —	\$ —	\$ —	\$ —
Other income (expense), net	\$ —	\$ (3,352)	\$ —	\$ (56)

**(7) FAIR VALUE**

The authoritative guidance for fair value measurements establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires that the Company maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, similar assets and liabilities in markets that are not active or can be corroborated by observable market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The following presents information as of March 31, 2018 and December 31, 2017 for the Company's assets and liabilities required to be measured at fair value on a recurring basis, as well as the fair value hierarchy used to determine their fair value.

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

*Accounts Receivable and Payable* - The amounts recorded in the accompanying balance sheets approximate fair value because of their short-term nature.

*Investments* - The Company measures investments, including cost and equity method investments, at fair value on a nonrecurring basis when they are deemed to be other-than-temporarily impaired. The fair values of these investments are determined based on valuation techniques using the best information available, and may include market observable inputs, and discounted cash flow projections. An impairment charge is recorded when the cost of the investment exceeds its fair value and this condition is determined to be other-than-temporary. As of March 31, 2018, the investment in CaféX Communication, Inc., which consisted of the Company's total \$15.6 million investment was fully impaired to zero (See Note 2).

*Debt* - The Company's debt consists primarily of the Company's Credit Agreement, which permits floating-rate borrowings based upon the current Prime Rate or LIBOR plus a credit spread as determined by the Company's leverage ratio calculation (as defined in the Credit Agreement). As of March 31, 2018 and December 31, 2017, the Company had \$302.5 million and \$344.0 million, respectively, of borrowings outstanding under the Credit Agreement. During the first quarter of 2018 outstanding borrowings accrued interest at an average rate of 2.8% per annum, excluding unused commitment fees. The amounts recorded in the accompanying Balance Sheets approximate fair value due to the variable nature of the debt based on Level 2 inputs.

*Derivatives* - Net derivative assets (liabilities) are measured at fair value on a recurring basis. The portfolio is valued using models based on market observable inputs, including both forward and spot foreign exchange rates, interest rates, implied volatility, and counterparty credit risk, including the ability of each party to execute its obligations under the contract. As of March 31, 2018, credit risk did not materially change the fair value of the Company's derivative contracts.

The following is a summary of the Company's fair value measurements for its net derivative assets (liabilities) as of March 31, 2018 and December 31, 2017 (in thousands):

**As of March 31, 2018**

	Fair Value Measurements Using			At Fair Value
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Cash flow hedges	\$ —	\$ (21,608)	\$ —	\$ (21,608)
Fair value hedges	—	777	—	777
Total net derivative asset (liability)	\$ —	\$ (20,831)	\$ —	\$ (20,831)

**As of December 31, 2017**

	Fair Value Measurements Using			At Fair Value
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Cash flow hedges	\$ —	\$ (26,256)	\$ —	\$ (26,256)
Fair value hedges	—	1,470	—	1,470
Total net derivative asset (liability)	\$ —	\$ (24,786)	\$ —	\$ (24,786)



**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

The following is a summary of the Company's fair value measurements as of March 31, 2018 and December 31, 2017 (in thousands):

**As of March 31, 2018**

	Fair Value Measurements Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<b>Assets</b>		
Derivative instruments, net	\$ —	\$ —	\$ —
<b>Total assets</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Liabilities</b>			
Deferred compensation plan liability	\$ —	\$ (13,882)	\$ —
Derivative instruments, net	—	(20,831)	—
Contingent consideration	—	—	—
<b>Total liabilities</b>	<b>\$ —</b>	<b>\$ (34,713)</b>	<b>\$ —</b>

**As of December 31, 2017**

	Fair Value Measurements Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<b>Assets</b>		
Derivative instruments, net	\$ —	\$ —	\$ —
<b>Total assets</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>
<b>Liabilities</b>			
Deferred compensation plan liability	\$ —	\$ (13,219)	\$ —
Derivative instruments, net	—	(24,786)	—
Contingent consideration	—	—	(399)
<b>Total liabilities</b>	<b>\$ —</b>	<b>\$ (38,005)</b>	<b>\$ (399)</b>

*Deferred Compensation Plan* — The Company maintains a non-qualified deferred compensation plan structured as a Rabbi trust for certain eligible employees. Participants in the deferred compensation plan select from a menu of phantom investment options for their deferral dollars offered by the Company each year, which are based upon changes in value of complementary, defined market investments. The deferred compensation liability represents the combined values of market investments against which participant accounts are tracked.

*Contingent Consideration* — The Company recorded contingent consideration related to a revenue servicing agreement with Welltok in the fourth quarter of 2016, in which a maximum of \$1.25 million would be paid over eight quarters based on the dollar value of revenue earned by the Company. The contingent payable was recognized at fair value of \$1.25 million as of December 31, 2016. As required, payments totaling \$851 thousand were completed during 2017. The final payment of \$399 thousand was completed during the first quarter of 2018 and the liability has been reduced to zero.

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
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**(UNAUDITED)**

A rollforward of the activity in the Company's fair value of the contingent consideration payable is as follows (in thousands):

	December 31, 2017	Acquisitions	Payments	Imputed Interest / Adjustments	March 31, 2018
Welltok	\$ 399	\$ —	\$ (399)	\$ —	\$ —
Total	\$ 399	\$ —	\$ (399)	\$ —	\$ —

**(8) INCOME TAXES**

The United States recently enacted comprehensive tax reform legislation known as the Tax Cuts and Jobs Act (the "2017 Tax Act") that, among other things, reduces the U.S. federal corporate income tax rate from 35% to 21% and implements a territorial tax system, but imposes an alternative "base erosion and anti-abuse tax" ("BEAT"), and an incremental tax on global intangible low taxed foreign income ("GILTI") effective January 1, 2018.

The Company's selection of an accounting policy with respect to both the new GILTI and BEAT rules is to compute the related taxes in the period the entity becomes subject to GILTI. A reasonable estimate of the effects of these provisions has been included in the first quarter financial statements.

The ultimate impact of the 2017 Tax Act may materially differ from the provisional amounts recorded, due to, among other things, additional analysis, changes in interpretations and assumptions we have made, additional regulatory guidance that may be issued, and actions we may take as a result of the Tax Act. In addition, foreign and state governments may enact tax laws in response to the Tax Act that could result in further changes to global taxation and materially affect our financial position and results of operations. We expect to complete our analysis of the impacts of the 2017 Tax Act within the measurement period in accordance with SAB 118.

The Company accounts for income taxes in accordance with the accounting literature for income taxes, which requires recognition of deferred tax assets and liabilities for the expected future income tax consequences of transactions that have been included in the Consolidated Financial Statements. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax basis of assets and liabilities using tax rates in effect for the year in which the differences are expected to reverse. Quarterly, the Company assesses the likelihood that its net deferred tax assets will be recovered. Based on the weight of all available evidence, both positive and negative, the Company records a valuation allowance against deferred tax assets when it is more-likely-than-not that a future tax benefit will not be realized.

As of March 31, 2018, the Company had \$16.5 million of gross deferred tax assets (after a \$ 9.5 million valuation allowance) and net deferred tax assets (after deferred tax liabilities) of \$5.0 million related to the U.S. and international tax jurisdictions whose recoverability is dependent upon future profitability.

The effective tax rate for the three months ended March 31, 2018 and 2017 was 26.2% and 21.1%, respectively.

The Company's U.S. income tax returns filed for the tax years ending December 31, 2014 to present, remain open tax years. The Company has been notified of the intent to audit, or is currently under audit of, income taxes for Canada for tax years 2009 and 2010, the Philippines for tax year 2015, Ireland for tax year 2016 and the state of Minnesota in the United States for tax years 2014 through 2016. Although the outcome of examinations by taxing authorities are always uncertain, it is the opinion of management that the resolution of these audits will not have a material effect on the Company's Consolidated Financial Statements. The Company successfully closed their audit in the second quarter of 2017 in Hong Kong for the tax year 2014 with no material changes. The Company also recorded a benefit in the amount of \$0.8 million in the financial statements during the fourth quarter of 2017 related to the favorable resolution of tax audits.

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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The Company has been granted "Tax Holidays" as an incentive to attract foreign investment by the government of the Philippines. Generally, a Tax Holiday is an agreement between the Company and a foreign government under which the Company receives certain tax benefits in that country, such as exemption from taxation on profits derived from export-related activities. In the Philippines, the Company has been granted multiple agreements with an initial period of four years and additional periods for varying years, expiring at various times between 2011 and 2020. The aggregate effect on income tax expense for the three months ended March 31, 2018 and 2017 was approximately \$1.8 million and \$3.1 million, respectively, which had a favorable impact on diluted net income per share of \$0.04 and \$0.07, respectively.

**(9) RESTRUCTURING CHARGES, INTEGRATION CHARGES AND IMPAIRMENT LOSSES**

**Restructuring Charges**

During the three months ended March 31, 2018 and 2017, the Company continued restructuring activities primarily associated with reductions in the Company's capacity, workforce and related management in several of the segments to better align the capacity and workforce with current business needs.

During 2017, several restructuring activities were completed related to the purchase of Connexions (see Note 2) including the closure of two delivery centers that came with the acquisition. During 2017, a net \$0.4 million severance accrual was recorded in relation to these closures. In conjunction with closing these two delivery centers, a \$0.6 million termination fee and a \$1.4 million net lease liability and applicable expenses were recorded as of December 31, 2017. These net charges were included in the Consolidated Statements of Comprehensive Income (Loss) during the year ended December 31, 2017.

A summary of the expenses recorded in Restructuring and integration charges, net in the accompanying Consolidated Statements of Comprehensive Income (Loss) for the three months ended March 31, 2018 and 2017, respectively, is as follows (in thousands):

	<u>Three Months Ended March 31,</u>	
	<u>2018</u>	<u>2017</u>
<b>Reduction in force</b>		
Customer Management Services	\$ 153	\$ (36)
Customer Growth Services	—	—
Customer Technology Services	—	79
Customer Strategy Services	51	—
Total	<u>\$ 204</u>	<u>\$ 43</u>
	<u>Three Months Ended March 31,</u>	
	<u>2018</u>	<u>2017</u>
<b>Facility exit and other charges</b>		
Customer Management Services	\$ 645	\$ 42
Customer Growth Services	—	—
Customer Technology Services	—	84
Customer Strategy Services	—	—
Total	<u>\$ 645</u>	<u>\$ 126</u>

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

A rollforward of the activity in the Company's restructuring accrual is as follows (in thousands):

	Reduction in Force	Facility Exit and Other Charges	Total
Balance as of December 31, 2017	\$ 694	\$ 1,409	\$ 2,103
Expense	204	645	849
Payments	(326)	(323)	(649)
Change due to foreign currency	(29)	—	(29)
Change in estimates	—	—	—
Balance as of March 31, 2018	\$ 543	\$ 1,731	\$ 2,274

The remaining restructuring and other accruals are expected to be paid or extinguished during the next twelve months and are all classified as current liabilities within Other accrued expenses in the Consolidated Balance Sheets.

**Integration Charges**

During the third and fourth quarters of 2017, as a result of the Connexions acquisition, certain integration activities were completed and \$5.6 million and \$3.9 million of additional expenses were incurred and paid, respectively. These integration activities included the hiring, training and licensing of a group of employees at new delivery centers as one of the acquired centers was closed during the third quarter of 2017 and one of the acquired centers was closed during the fourth quarter of 2017. In connection with these center closures, leasehold improvements of \$3.5 million were written off as a related integration expense. The Company has also incurred significant expenses related to the integration of the IT systems and has paid duplicative software costs and facilities expenses for several areas during the transition period.

**Impairment Losses**

During each of the periods presented, the Company evaluated the annual recoverability of its leasehold improvement assets at certain customer engagement centers. An asset is considered to be impaired when the anticipated undiscounted future cash flows of its asset group are estimated to be less than the asset group's carrying value. The amount of impairment recognized is the difference between the carrying value of the asset group and its fair value. To determine fair value, the Company used Level 3 inputs in its discounted cash flows analysis. Assumptions included the amount and timing of estimated future cash flows and assumed discount rates. During the three months ended March 31, 2018 and 2017, the Company recognized impairment losses related to leasehold improvement assets of \$1.1 million and zero, respectively, in its CMS segment.

**(10) COMMITMENTS AND CONTINGENCIES**

**Credit Facility**

On February 11, 2016, the Company entered into a First Amendment to its June 3, 2013 Amended and Restated Credit Agreement and Amended and Restated Security Agreement (collectively the "Credit Agreement") for a senior secured revolving credit facility (the "Credit Facility") with a syndicate of lenders led by Wells Fargo Bank, National Association. The Credit Agreement provides for a secured revolving credit facility that matures on February 11, 2021 with an initial maximum aggregate commitment of \$900.0 million, and an accordion feature of up to \$1.2 billion in the aggregate, if certain conditions are satisfied.

On October 30, 2017, the Company entered into a Third Amendment to the Credit Agreement and exercised the Credit Facility's accordion feature to increase the total commitment under the Credit Facility to \$1.2 billion. All other material terms of the Credit Agreement remained unchanged.

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
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Base rate loans bear interest at a rate equal to the greatest of (i) Wells Fargo's prime rate, (ii) one half of 1% in excess of the federal funds effective rate, and (iii) 1.25% in excess of the one month London Interbank Offered Rate ("LIBOR"); plus in each case a margin of 0% to 0.75% based on the Company's net leverage ratio. Eurodollar loans bear interest at LIBOR plus a margin of 1.0% to 1.75% based on the Company's net leverage ratio. Alternate currency loans bear interest at rates applicable to their respective currencies.

Letter of credit fees are one eighth of 1% of the stated amount of the letter of credit on the date of issuance, renewal or amendment, plus an annual fee equal to the borrowing margin for Eurodollar loans.

The Credit Facility commitment fees are payable to the lenders in an amount equal to the unused portion of the Credit Facility at a rate of 0.125% to 0.250% based on the Company's net leverage ratio.

The Company is obligated to maintain a maximum net leverage ratio no greater than 3.25 to 1.00, and a minimum interest coverage ratio no less than 2.50 to 1.00.

The Company primarily utilizes its Credit Agreement to fund working capital, general operations, stock repurchases, dividends and other strategic activities, such as the acquisitions described in Note 2. As of March 31, 2018 and December 31, 2017, the Company had borrowings of \$302.5 million and \$344.0 million, respectively, under its Credit Agreement, and its average daily utilization was \$576.7 million and \$410.4 million for the three months ended March 31, 2018 and 2017, respectively. Based on the current level of availability based on the covenant calculations, the Company's remaining borrowing capacity was approximately \$425 million as of March 31, 2018. As of March 31, 2018, the Company was in compliance with all covenants and conditions under its Credit Agreement.

**Letters of Credit**

As of March 31, 2018, outstanding letters of credit under the Credit Agreement totaled \$3.8 million and primarily guaranteed workers' compensation and other insurance related obligations. As of March 31, 2018, letters of credit and contract performance guarantees issued outside of the Credit Agreement totaled \$1.8 million.

**Legal Proceedings**

From time to time, the Company has been involved in legal actions, both as plaintiff and defendant, which arise in the ordinary course of business. The Company accrues for exposures associated with such legal actions to the extent that losses are deemed both probable and reasonably estimable. To the extent specific reserves have not been made for certain legal proceedings, their ultimate outcome, and consequently, an estimate of possible loss, if any, cannot reasonably be determined at this time.

Based on currently available information and advice received from counsel, the Company believes that the disposition or ultimate resolution of any current legal proceedings, except as otherwise specifically reserved for in its financial statements, will not have a material adverse effect on the Company's financial position, cash flows or results of operations.

**(11) NONCONTROLLING INTEREST**

The following table reconciles equity attributable to noncontrolling interest (in thousands):

	<b>Three Months Ended March 31,</b>	
	<b>2018</b>	<b>2017</b>
Noncontrolling interest, January 1	\$ 6,978	\$ 6,981
Net income attributable to noncontrolling interest	1,341	922
Dividends distributed to noncontrolling interest	(945)	(945)
Foreign currency translation adjustments	101	92
Equity-based compensation expense	—	(291)
Noncontrolling interest, March 31	<u>\$ 7,475</u>	<u>\$ 6,759</u>

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(UNAUDITED)**

**(12) ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)**

The following table presents changes in the accumulated balance for each component of other comprehensive income (loss), including current period other comprehensive income (loss) and reclassifications out of accumulated other comprehensive income (loss) (in thousands):

	Foreign Currency Translation Adjustment	Derivative Valuation, Net of Tax	Other, Net of Tax	Totals
<b>Accumulated other comprehensive income (loss) at December 31, 2016</b>	\$ (92,008)	\$ (32,393)	\$ (2,563)	\$ (126,964)
Other comprehensive income (loss) before reclassifications	6,136	12,320	246	18,702
Amounts reclassified from accumulated other comprehensive income (loss)	—	(4,136)	(117)	(4,253)
Net current period other comprehensive income (loss)	6,136	8,184	129	14,449
<b>Accumulated other comprehensive income (loss) at March 31, 2017</b>	\$ (85,872)	\$ (24,209)	\$ (2,434)	\$ (112,515)
<b>Accumulated other comprehensive income (loss) at December 31, 2017</b>	\$ (84,100)	\$ (15,746)	\$ (2,458)	\$ (102,304)
Other comprehensive income (loss) before reclassifications	(5,700)	3,886	209	(1,605)
Amounts reclassified from accumulated other comprehensive income (loss)	—	(3,893)	(101)	(3,994)
Net current period other comprehensive income (loss)	(5,700)	(7)	108	(5,599)
<b>Accumulated other comprehensive income (loss) at March 31, 2018</b>	\$ (89,800)	\$ (15,753)	\$ (2,350)	\$ (107,903)

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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The following table presents the classification and amount of the reclassifications from Accumulated other comprehensive income (loss) to the statement of comprehensive income (loss) (in thousands):

	For the Three Months Ended March 31,		Statement of Comprehensive Income (Loss) Classification
	2018	2017	
<b>Derivative valuation</b>			
Gain (loss) on foreign currency forward exchange contracts	\$ (5,332)	\$ (6,806)	Revenue
Loss on interest rate swaps	—	(89)	Interest expense
Tax effect	1,439	2,759	Provision for income taxes
	<u>\$ (3,893)</u>	<u>\$ (4,136)</u>	Net income (loss)
<b>Other</b>			
Actuarial loss on defined benefit plan	\$ (112)	\$ (130)	Cost of services
Tax effect	11	13	Provision for income taxes
	<u>\$ (101)</u>	<u>\$ (117)</u>	Net income (loss)

**(13) NET INCOME PER SHARE**

The following table sets forth the computation of basic and diluted shares for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2018	2017
Shares used in basic earnings per share calculation	45,871	45,950
Effect of dilutive securities:		
Stock options	10	6
Restricted stock units	569	342
Performance-based restricted stock units	2	17
Total effects of dilutive securities	<u>581</u>	<u>365</u>
Shares used in dilutive earnings per share calculation	<u>46,452</u>	<u>46,315</u>

For the three months ended March 31, 2018 and 2017, options to purchase 0.0 million and 0.1 million shares of common stock, respectively, were outstanding, but not included in the computation of diluted net income per share because the exercise price exceeded the value of the shares and the effect would have been anti-dilutive. For the three months ended March 31, 2018 and 2017, restricted stock units ("RSUs") of 0.0 million and 0.0 million, respectively, were outstanding, but not included in the computation of diluted net income per share because the effect would have been anti-dilutive.

**(14) EQUITY-BASED COMPENSATION PLANS**

All equity-based awards to employees are recognized in the Consolidated Statements of Comprehensive Income (Loss) at the fair value of the award on the grant date. During the three months ended March 31, 2018 and 2017, the Company recognized total compensation expense of \$3.6 million and \$2.0 million, respectively. Of the total compensation expense, \$1.3 million and \$0.4 million was recognized in Cost of services and \$2.3 million and \$1.6 million was recognized in Selling, general and administrative during the three months ended March 31, 2018 and 2017, respectively.

**TTEC HOLDINGS, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**Restricted Stock Unit Grants**

During the three months ended March 31, 2018 and 2017, the Company granted 18,128 and 624,862 RSUs, respectively, to new and existing employees, which vest in equal installments over four or five years. The Company recognized compensation expense related to RSUs of \$3.6 million and \$2.3 million for the three months ended March 31, 2018 and 2017, respectively. As of March 31, 2018, there was approximately \$20.9 million of total unrecognized compensation cost (including the impact of expected forfeitures) related to RSUs granted under the Company's equity plans.

**Stock Options**

The Company recognized compensation expense related to subsidiary performance options of zero and \$(0.3) million for the three months ended March 31, 2018 and 2017, respectively. The option benefit for 2017 resulted from the Company concluding that the performance targets of the subsidiary will not be achieved.

**(15) RELATED PARTY**

The Company entered into an agreement under which Avion, LLC ("Avion") and Airmax LLC ("Airmax") provide certain aviation flight services as requested by the Company. Such services include the use of an aircraft and flight crew. Kenneth D. Tuchman, Chairman and Chief Executive Officer of the Company, has a direct 100% beneficial ownership interest in Avion and Airmax. During the three months ended March 31, 2018 and 2017, the Company expensed \$0.3 million and \$0.2 million, respectively, to Avion and Airmax for services provided to the Company. There was \$254 thousand in payments due and outstanding to Avion and Airmax as of March 31, 2018.

During 2014, the Company entered into a vendor contract with Convercent Inc. to provide learning management and web and telephony based global helpline solutions. This contract was renewed, after an arms-length market pricing review, in the fourth quarter of 2016. The majority owner of Convercent is a company which is owned and controlled by Kenneth D. Tuchman, Chairman and Chief Executive Officer of the Company. During the three months ended March 31, 2018 and 2017, the Company expensed \$15 thousand and \$25 thousand, respectively.

During 2015, the Company entered into a contract to purchase software from CaféX, which is a company that TTEC holds a 17.2% equity investment in. During the three months ended March 31, 2018 and 2017, the Company purchased \$15 thousand and \$16 thousand, respectively, of software from CaféX. See Note 2 for further information regarding this investment.

During 2017, in connection with the Motif acquisition, the Company became a party to a real estate lease for a building that is owned by one of the Motif Founders. The lease expires in 2020 and has future payments of approximately \$134 thousand.



**CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS**

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (“Litigation Reform Act”), relating to our future operations, expected financial condition and prospects, results of operation, continuation of client relationships, and other business matters that are based on our current expectations, assumptions, business strategy, and projections with respect to the future, and are not a guarantee of performance. Forward-looking statements may appear throughout this report, including without limitation, the following sections: Part I, Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and Part II, Item 1A, “Risk Factors.” Forward-looking statements generally can be identified by words such as “anticipates,” “believes,” “estimates,” “expects,” “intends,” “plans,” “predicts,” “projects,” “will be,” “will continue,” “will likely result,” and similar expressions. When we discuss our strategy, plans, goals, initiatives, or objectives, we are making forward-looking statements. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Litigation Reform Act.

We caution you not to rely unduly on any forward-looking statements. Actual results may differ materially from what is expressed in the forward-looking statements, and you should review and consider carefully the risks, uncertainties and other factors that affect our business and may cause such differences, as outlined but not limited to factors discussed in the “Risk Factors” section of our 2017 Annual Report on Form 10-K. The risk factors we wish for you to be aware of in particular include but are not limited to the risk inherent in the volatile and uncertain economic conditions, the fact that a large portion of our revenue is generated from a limited number of clients and the loss of one or more of these clients or a large portion of one client’s business could adversely affect our results of operations, the risk of client consolidation, the possibility that the current trend among clients to outsource their customer care may not continue, the competitiveness of our markets, the risk of information systems breach and the related impact on our clients and their data, our geographic concentration, the risk inherent in the terms of our contracts that we do not always have the opportunity to negotiate, the risk related to our international footprint, how our foreign currency exchange risk can adversely impact our results of operations, the risk of changes in law that impact our business and our ability to comply with all the laws that relate to our operations, the risk related to the reliability of the information infrastructure that we use and our ability to deliver uninterrupted service to our clients, the risk of not being able to forecast demand for services accurately and the related impact on capacity utilization, our inability to attract and retain qualified and skilled personnel, impact of changing technologies on our services and solutions, the restrictive covenants contained in our credit facility that may impact our ability to execute our strategy and operate our business, the supply chain disruption related risk, the risk to innovation due to unforeseen intellectual property infringement, the risk related to our M&A activity and our ability to identify, acquire and properly integrate acquired businesses in accordance with our strategy, the controlling shareholder risk, and the volatility of our stock price that may result in loss of investment.

The forward-looking statements are based on information available as of the date that this Form 10-Q is filed with the United States Securities and Exchange Commission (“SEC”) and we undertake no obligation to update them, except as may be required by applicable laws. They are based on numerous assumptions and developments that are not within our control. Although we believe these forward-looking statements are reasonable, we cannot assure you they will turn out to be correct.

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

### Executive Summary

TTEC Holdings, Inc. ("TTEC", "the Company", "we", "our" or "us") is a global customer experience company that designs, builds and operates omnichannel customer experiences on behalf of some of the world's most innovative brands. We help large global companies increase revenue and reduce costs by delivering personalized customer experiences across every interactional channel and phase of the customer lifecycle as an end-to-end provider of customer engagement services, technologies, insights and innovations. We are organized into two centers of excellence: TTEC Digital and TTEC Engage.

- TTEC Digital is the Company's digital consultancy that designs and builds human centric, tech-enabled, insight-driven customer experience solutions.
- TTEC Engage is the Company's global hub of operational excellence providing clients with turnkey customer acquisition, care, revenue growth, and digital trust and safety services.

TTEC Digital and TTEC Engage come together under our unified offering, Humanify™ Customer Engagement as a Service, which drives measurable results for clients through delivery of personalized omnichannel interactions that are seamless and relevant. Our offering is supported by 50,500 employees delivering services in 24 countries from 92 customer engagement centers on six continents. Our end-to-end approach differentiates the Company by combining service design, strategic consulting, data analytics, process optimization, system integration, operational excellence, and technology solutions and services. This unified offering is value-oriented, outcome-based, and delivered on a global scale across four business segments: two of which comprise TTEC Engage - Customer Management Services ("CMS") and Customer Growth Services ("CGS"); and two of which comprise TTEC Digital - Customer Technology Services ("CTS") and Customer Strategy Services ("CSS").

Our revenue for the three months ended March 31, 2018 was \$375.2 million, approximately 22% or \$82.6 million of which came from the CGS, CTS and CSS segments, focused on customer-centric strategy, growth and technology-based services with the remainder of our revenue coming from the core customer care services of our CMS segment.

Since our establishment in 1982, we have helped clients strengthen their customer relationships, brand recognition and loyalty by simplifying and personalizing interactions with their customers. We deliver thought leadership, through innovation in programs that differentiate our clients from their competition.

To improve our competitive position in a rapidly changing market and stay strategically relevant to our clients, we continue to invest in innovation and growth businesses, diversifying and strengthening our core customer care services with consulting, data analytics and insights technologies, and technology-enabled, outcomes-focused services.

We also invest in businesses that enable us to expand our geographic footprint, broaden our product and service capabilities, increase our global client base and industry expertise, and further scale our end-to-end integrated solutions platform. In 2017, we acquired Motif, Inc., a digital trust and safety services company based in India and the Philippines, and Connexions, Inc., a U.S.-based health services company focused on improving the customer relationships for healthcare plan providers and pharmacy benefits managers.

We have developed tailored expertise in the automotive, communications, healthcare, financial services, government, logistics, media and entertainment, retail, technology, travel and transportation industries. We target customer-focused industry leaders in the Global 1000 and serve approximately 300 clients globally.

### Our Integrated Service Offerings, Centers of Excellence and Business Segments

We have two centers of excellence that encompass our four operating and reportable segments.

**TTEC Digital** houses our professional services and technology platforms. These solutions are critical to enabling and accelerating digital transformation for our clients.

Customer Strategy Services Segment

Through our strategy and operations, analytics, and learning and performance consulting expertise, we help our clients design, build and execute their customer engagement strategies. We help our clients to better understand and predict their customers' behaviors and preferences along with their current and future economic value. Using proprietary analytic models, we provide the insight clients need to build the business case for customer centricity and to better optimize their investments in customer experience. This insight-based strategy creates a roadmap for transformation. We build customer journey maps to inform service design across automated, human and hybrid interactions and increasingly are developing and implementing strategies around Interactive Virtual Assistants (chat bots). A key component of this segment involves instilling a high-performance culture through management and leadership alignment and process optimization.

Customer Technology Services Segment

In connection with the design of the customer engagement strategy, our ability to architect, deploy and host or manage the client's customer experience environments becomes a key enabler to achieving and sustaining the client's customer engagement vision. Given the proliferation of mobile communication technologies and devices, we enable our clients' operations to interact with their customers across the growing array of channels including email, social networks, mobile, web, SMS text, voice and chat. We design, implement and manage cloud, on-premise or hybrid customer experience environments to deliver a consistent and superior experience across all touch points on a global scale that we believe results in higher quality, lower costs and reduced risk for our clients. Through our Humanify™ Technology platforms, we also provide data-driven context aware software-as-a-service ("SaaS") based solutions that link customers seamlessly and directly to appropriate resources, any time and across any channel.

**TTEC Engage** houses our end-to-end managed services operations for customer care, growth and trust and safety services.

Customer Management Services Segment

We design and manage clients' front-to-back office processes to deliver just-in-time, personalized, protected, multi-channel interactions. Our front-office solutions seamlessly integrate voice, chat, email, e-commerce and social media to optimize the customer experience for our clients. In addition, we manage certain client back-office processes to enhance their customer-centric view of relationships and maximize operating efficiencies. We also perform fraud prevention and content moderation services to protect our clients and their customers from malevolent digital activities. Our delivery of integrated business processes via our onshore, offshore or work-from-home associates reduces operating costs and allows customer needs to be met more quickly and efficiently, resulting in higher satisfaction, brand loyalty and a stronger competitive position for our clients.

Customer Growth Services Segment

We offer integrated sales and marketing solutions to help our clients boost revenue in new, fragmented or underpenetrated business-to-consumer or business-to-business markets. We deliver or manage approximately \$4 billion in client revenue annually via the discovery, acquisition, growth and retention of customers through a combination of our highly trained, client-dedicated sales professionals and proprietary analytics platform. This platform continuously aggregates individual customer information across all channels into one holistic view so as to ensure more relevant and personalized communications.

Based on our clients' requirements, we provide our services on an integrated cross-business segment and on a discrete basis.

Additional information with respect to our segments and geographic footprint is included in Part I. Item 1. Financial Statements, Note 3 to the Consolidated Financial Statements.

**Financial Highlights**

In the first quarter of 2018, our revenue increased 10.9% to \$375.2 million over the same period in 2017. This increase in revenue is primarily related to net incremental volumes in CMS related to the Connexions and Motif acquisitions, a \$12.5 million net revenue increase related to the adoption of ASC 606 and a \$4.0 million increase related to foreign exchange fluctuations. Excluding the ASC 606 adoption adjustment of \$12.5 million, revenue increased by \$24.4 million, or 7.2%, over the prior year.

Our first quarter 2018 income from operations decreased 5.8% to \$24.9 million or 6.6% of revenue, from \$26.5 million or 7.8% of revenue in the first quarter of 2017. The change in operating income is comprised of a number of factors across the segments. The lion share of the decline in the operating income is attributable to CMS and is comprised of a \$6.3 million increase related to the adoption of ASC 606, and a \$1.9 million increase related to foreign exchange fluctuations, offset by a net decrease in client profitability over the same period in 2017. The net decrease is comprised of an increase in operating income from the Connexions and Motif acquisitions offset by certain restructure and impairment charges and planned investments in strategy, rebranding, product development, marketing and sales activities and resources during the first quarter of 2018 that were not included in the same period in 2017. These investments, while adversely impacting the first quarter operating income will decline as a percentage of revenue and be accretive to our operating margin over the remainder of the year.

The CTS operating income expanded significantly with a 58.5% improvement over the same period last year primarily on the growth of its high margin recurring cloud business. The CSS operating income improved slightly including the asset held for sale; excluding the asset held for sale, the CSS operating income improved 34%. Although the CGS operating income declined, it is due to new business launches which typically require transition investment in the first 90 days; excluding these new business launches, the CGS operating income increased from the same period in 2017.

Income from operations in the first quarter of 2018 and 2017 included \$2.0 million and \$0.2 million of restructuring and integration charges and asset impairments, respectively.

Our offshore customer engagement centers serve clients based in the U.S. and in other countries and spans seven countries with 24,200 workstations, representing 56% of our global delivery capability. Revenue for our CMS and CGS segments that is provided in these offshore locations was \$114 million and represented 35% of our revenue for the first quarter of 2018, as compared to \$109 million and 38% of our revenue for 2017.

We internally target capacity utilization in our customer engagement centers at 80% to 90% of our available workstations. As of March 31, 2018, the overall capacity utilization in our centers was 77%, down from 78% in the prior period. The table below presents workstation data for all of our centers as of March 31, 2018 and 2017. Our utilization percentage is defined as the total number of utilized production workstations compared to the total number of available production workstations.

	March 31, 2018			March 31, 2017		
	Total Production Workstations	In Use	% In Use	Total Production Workstations	In Use	% In Use
Total centers						
Sites open >1 year	40,919	31,271	76 %	38,643	29,962	78 %
Sites open <1 year	1,973	1,956	99 %	270	270	100 %
Total workstations	42,892	33,227	77 %	38,913	30,232	78 %

While we continue to see demand from all geographic regions to utilize our offshore delivery capabilities and expect this trend to continue with our clients, some of our clients have regulatory pressures to bring the services onshore to the United States. In light of these trends we plan to continue to selectively retain and grow capacity and expand into new offshore markets, while maintaining appropriate capacity in the United States. As we grow our offshore delivery capabilities and our exposure to foreign currency fluctuations increases, we continue to actively manage this risk via a multi-currency hedging program designed to minimize operating margin volatility.

**Recently Issued Accounting Pronouncements**

Refer to Part I, Item 1, Financial Statements, Note 1 to the Consolidated Financial Statements for a discussion of recently issued accounting pronouncements.

**Critical Accounting Policies and Estimates**

Management's Discussion and Analysis of our financial condition and results of operations are based upon our Consolidated Financial Statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, as well as the disclosure of contingent assets and liabilities. We regularly review our estimates and assumptions. These estimates and assumptions, which are based upon historical experience and on various other factors believed to be reasonable under the circumstances, form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Reported amounts and disclosures may have been different had management used different estimates and assumptions or if different conditions had occurred in the periods presented. For further information, please refer to the discussion of all critical accounting policies in Note 1 of the Notes to the Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2017.

**Revenue changes for ASC 606**

In connection with the adoption of ASC 606, certain of the Company's revenue and related policies have been modified. See Part I, Item 1, Financial Statements, Note 1 to the Consolidated Financial Statements for these policies.

**Results of Operations****Three months ended March 31, 2018 compared to three months ended March 31, 2017**

The tables included in the following sections are presented to facilitate an understanding of Management's Discussion and Analysis of Financial Condition and Results of Operations and present certain information by segment for the three months ended March 31, 2018 and 2017 (amounts in thousands). All inter-company transactions between the reported segments for the periods presented have been eliminated.

*Customer Management Services*

	Three Months Ended March 31,		\$ Change	% Change
	2018	2017		
Revenue	\$ 292,641	\$ 252,079	\$ 40,562	16.1 %
Operating Income	18,215	20,596	(2,381)	(11.6)%
Operating Margin	6.2 %	8.2 %		

The increase in revenue for the Customer Management Services segment was attributable to a \$55.4 million net increase in client programs including the Connexions and Motif acquisitions, a \$12.4 million increase related to the adoption of ASC 606 for revenue recognition, and a \$3.4 million increase due to foreign currency fluctuations, offset by program completions of \$30.6 million.

The operating income as a percentage of revenue decreased to 6.2% in the first quarter of 2018 as compared to 8.2% in the prior period. The operating margin decreased due to a combination of positive and negative factors. The adoption of ASC 606 and foreign currency fluctuations added \$6.3 million and \$1.9 million, respectively, of income to the first quarter of 2018. The Connexions and Motif acquisitions were additive to operating income as well. These increases were offset by \$1.3 million related to the impairment of leasehold improvements for a center in Brazil and certain restructure charges related to severance. Investments in strategy, rebranding, product development, and marketing programs and incremental sales resources also decreased operating income as similar expense were not in the same period during 2017. Included in the operating income was amortization expense related to acquired intangibles of \$2.2 million and \$0.5 million for the quarters ended March 31, 2018 and 2017, respectively.

Customer Growth Services

	Three Months Ended March 31,		\$ Change	% Change
	2018	2017		
Revenue	\$ 32,540	\$ 33,658	\$ (1,118)	(3.3)%
Operating Income	1,380	2,410	(1,030)	(42.7)%
Operating Margin	4.2 %	7.2 %		

The decrease in revenue for the Customer Growth Services segment was due to a \$1.8 million increase in client programs offset by a decrease for program completions of \$2.9 million.

The operating income as a percentage of revenue decreased to 4.2% in the first quarter of 2018 as compared to 7.2% in the prior period. This decrease in margin is related to a \$0.6 million cease use lease accrual for a center that was exited on March 31, 2018 and lower margins for certain programs that are currently in the launch phase.

Customer Technology Services

	Three Months Ended March 31,		\$ Change	% Change
	2018	2017		
Revenue	\$ 35,208	\$ 35,693	\$ (485)	(1.4)%
Operating Income	4,844	3,057	1,787	58.5 %
Operating Margin	13.8 %	8.6 %		

The decrease in revenue for the Customer Technology Services segment was driven by a decrease in the Avaya offerings as the business unit was sold in the second quarter of 2017, offset by revenue increases in the CISCO offerings.

The operating income as a percentage of revenue increased to 13.8% in the first quarter of 2018 as compared to 8.6% in the prior period. This increase is primarily due to significant growth in the segment's high margin cloud platform and the continued reorganization, consolidation and modernization of the information technology functions within the Company. Included in the operating income was amortization expense related to acquired intangibles of \$0.3 million and \$0.3 million for the quarters ended March 31, 2018 and 2017, respectively.

Customer Strategy Services

	Three Months Ended March 31,		\$ Change	% Change
	2018	2017		
Revenue	\$ 14,860	\$ 16,847	\$ (1,987)	(11.8)%
Operating Income	502	427	75	17.6 %
Operating Margin	3.4 %	2.5 %		

The decrease in revenue for the Customer Strategy Services segment was related to decreases in the Learning and Performance practices across multiple delivery regions as the business refocuses its efforts on transforming and digitizing its clients' customer experience, training, and knowledge platforms.

The operating income as a percentage of revenue increased to 3.4% in the first quarter of 2018 as compared to 2.5% in the prior period. The increase is primarily related to expense rationalization in connection with the lower revenue. Included in the operating income was amortization expense of \$0.3 million and \$0.6 million for the quarters ended March 31, 2018 and 2017, respectively. Excluding this segment's asset held for sale the operating margin was 7.7% vs. 5.2% in the prior year period.

Interest Income (Expense)

For the three months ended March 31, 2018 interest income increased to \$1.1 million from \$0.4 million in the same period in 2017. Interest expense increased to \$6.5 million during 2018 from \$2.3 million during 2017 due to larger utilization of the line of credit primarily due to acquisitions, higher interest rates, the upsizing of the credit facility completed in October 2017, and a \$1.9 million charge related to the future purchase of the remaining 30% of the Motif acquisition.

*Other Income (Expense)*

Included in the three months ended March 31, 2018 was a \$15.6 million impairment of the full value of an equity investment and the related bridge loan.

Included in the three months ended March 31, 2018 was a \$0.8 million gain related to the quarterly royalty payment for the June 30, 2017 divestiture of TSG.

Included in the three months ended March 31, 2018 was a \$0.7 million gain related to the bargain purchase for the Percepta acquisition closed on March 31, 2018.

For further information on the above three items, see Part I. Item 1. Financial Statements, Note 2 to the Consolidated Financial Statements.

*Income Taxes*

The effective tax rate for the three months ended March 31, 2018 was 26.2%. This compares to an effective tax rate of 21.1% for the comparable period of 2017. The effective tax rate for the three months ended March 31, 2018 was influenced by earnings in international jurisdictions currently under an income tax holiday and the distribution of income between the U.S. and international tax jurisdictions. Without a \$0.6 million benefit related to excess taxes on equity compensation, \$1.8 million of expense related to revenue recorded under ASC 606, \$0.2 million of benefit from restructuring expenses, \$4.6 million of benefit related to impairments, \$0.5 million expense related to the write off of tax credits, and \$0.4 million of other expense, the Company's effective tax rate for the first quarter of 2018 would have been 24.5%.

**Liquidity and Capital Resources**

Our principal sources of liquidity are our cash generated from operations, our cash and cash equivalents, and borrowings under our Credit Facility. During the three months ended March 31, 2018, we generated positive operating cash flows of \$67.4 million. We believe that our cash generated from operations, existing cash and cash equivalents, and available credit will be sufficient to meet expected operating and capital expenditure requirements for the next 12 months.

We manage a centralized global treasury function in the United States with a focus on concentrating and safeguarding our global cash and cash equivalents. While the majority of our cash is held outside the U.S., we prefer to hold U.S. Dollars in addition to the local currencies of our foreign subsidiaries. We expect to use our offshore cash to support working capital and growth of our foreign operations. While there are no assurances, we believe our global cash is protected given our cash management practices, banking partners and utilization of diversified, high quality investments.

We have global operations that expose us to foreign currency exchange rate fluctuations that may positively or negatively impact our liquidity. We are also exposed to higher interest rates associated with our variable rate debt. To mitigate these risks, we enter into foreign exchange forward and option contracts through our cash flow hedging program. Please refer to Item 3. Quantitative and Qualitative Disclosures About Market Risk, Foreign Currency Risk, for further discussion.

The following discussion highlights our cash flow activities during the three months ended March 31, 2018 and 2017.

*Cash and Cash Equivalents*

We consider all liquid investments purchased within 90 days of their original maturity to be cash equivalents. Our cash and cash equivalents totaled \$81.6 million and \$74.4 million as of March 31, 2018 and December 31, 2017, respectively. We diversify the holdings of such cash and cash equivalents considering the financial condition and stability of the counterparty institutions.

We reinvest our cash flows to grow our client base, expand our infrastructure, for investment in research and development, for strategic acquisitions, for the purchase of our outstanding stock and to pay dividends.

*Cash Flows from Operating Activities*

For the three months ended March 31, 2018 and 2017, net cash flows provided by operating activities was \$67.4 million and \$74.9 million, respectively. The decrease was primarily due to a \$7.7 million increase in payments made for operating expenses, and \$32.8 million increase to deferred revenue primarily in connection with ASC 606 adoption, offset by an additional \$12.6 million in cash collected from accounts receivable and a \$9.5 million increase in prepaid assets.

*Cash Flows from Investing Activities*

For the three months ended March 31, 2018 and 2017, net cash flows used in investing activities was \$10.1 million and \$14.2 million, respectively. The decrease was due to a \$4.5 million decrease in capital expenditures.

*Cash Flows from Financing Activities*

For the three months ended March 31, 2018 and 2017, net cash flows used in financing activities was \$46.1 million and \$49.8 million, respectively. The change in net cash flows from 2017 to 2018 was primarily due to an \$11.7 million decrease in purchases of our outstanding common stock, offset by a \$6.2 million decrease in the Credit Facility.

*Free Cash Flow*

Free cash flow (see "Presentation of Non-GAAP Measurements" below for the definition of free cash flow) decreased for the three months ended March 31, 2018 compared to the three months ended March 31, 2017 primarily due to a decrease in cash flow from working capital. Free cash flow was \$59.9 million and \$62.9 million for the three months ended March 31, 2018 and 2017, respectively.

**Presentation of Non-GAAP Measurements***Free Cash Flow*

Free cash flow is a non-GAAP liquidity measurement. We believe that free cash flow is useful to our investors because it measures, during a given period, the amount of cash generated that is available for debt obligations and investments other than purchases of property, plant and equipment. Free cash flow is not a measure determined by GAAP and should not be considered a substitute for "income from operations," "net income," "net cash provided by operating activities," or any other measure determined in accordance with GAAP. We believe this non-GAAP liquidity measure is useful, in addition to the most directly comparable GAAP measure of "net cash provided by operating activities," because free cash flow includes investments in operational assets. Free cash flow does not represent residual cash available for discretionary expenditures, since it includes cash required for debt service. Free cash flow also includes cash that may be necessary for acquisitions, investments and other needs that may arise.

The following table reconciles net cash provided by operating activities to free cash flow for our consolidated results (in thousands):

	<b>Three Months Ended March 31,</b>	
	<b>2018</b>	<b>2017</b>
Net cash provided by operating activities	\$ 67,387	\$ 74,932
Less: Purchases of property, plant and equipment	7,508	12,035
Free cash flow	\$ 59,879	\$ 62,897



**Obligations and Future Capital Requirements**

Future maturities of our outstanding debt and contractual obligations as of March 31, 2018 are summarized as follows (in thousands):

	Less than 1 Year	1 to 3 Years	3 to 5 Years	Over 5 Years	Total
Credit Facility <sup>(1)</sup>	\$ 10,487	322,601	—	—	\$ 333,088
Equipment financing arrangements	4,470	7,006	2,071	—	13,547
Purchase obligations	12,931	9,117	792	—	22,840
Operating lease commitments	41,667	58,570	36,662	28,763	165,662
Transition tax related to US 2017 Tax Act	3,800	7,600	7,600	28,600	47,600
Other debt	2,905	32,741	199	—	35,845
<b>Total</b>	<b>\$ 76,260</b>	<b>\$ 437,635</b>	<b>\$ 47,324</b>	<b>\$ 57,363</b>	<b>\$ 618,582</b>

(1) Includes estimated interest payments based on the weighted-average interest rate, unused commitment fees, current interest rate swap arrangements, and outstanding debt as of March 31, 2018.

- Contractual obligations to be paid in a foreign currency are translated at the period end exchange rate.
- Purchase obligations primarily consist of outstanding purchase orders for goods or services not yet received, which are not recognized as liabilities in our Consolidated Balance Sheets until such goods and/or services are received.
- The contractual obligation table excludes our liabilities of \$5.3 million related to uncertain tax positions because we cannot reliably estimate the timing of cash payments.

Our outstanding debt is primarily associated with the use of funds under our Credit Agreement to fund working capital, repurchase our common stock, pay dividends, and for other cash flow needs across our global operations.

**Future Capital Requirements**

We expect total capital expenditures in 2018 to be approximately 3.8% of revenue. Approximately 70% of these expected capital expenditures are to support growth in our business and 30% relate to the maintenance for existing assets. The anticipated level of 2018 capital expenditures is primarily driven by new client contracts and the corresponding requirements for additional delivery center capacity as well as enhancements to our technological infrastructure.

The amount of capital required over the next 12 months will depend on our levels of investment in infrastructure necessary to maintain, upgrade or replace existing assets. Our working capital and capital expenditure requirements could also increase materially in the event of acquisitions or joint ventures, among other factors. These factors could require that we raise additional capital through future debt or equity financing. We can provide no assurance that we will be able to raise additional capital upon commercially reasonable terms acceptable to us.

#### Client Concentration

During the three months ended March 31, 2018, one of our clients represented 11.3% of our total revenue. Our five largest clients, collectively, accounted for 36.4% and 34.1% of our consolidated revenue for the three months ended March 31, 2018 and 2017, respectively. We have experienced long-term relationships with our top five clients, ranging from 11 to 21 years, with the majority of these clients having completed multiple contract renewals with us. The relative contribution of any single client to consolidated earnings is not always proportional to the relative revenue contribution on a consolidated basis and varies greatly based upon specific contract terms. In addition, clients may adjust business volumes served by us based on their business requirements. We believe the risk of this concentration is mitigated, in part, by the long-term contracts we have with our largest clients. Although certain client contracts may be terminated for convenience by either party, we believe this risk is mitigated, in part, by the service level disruptions and transition/migration costs that would arise for our clients.

The contracts with our five largest clients expire between 2018 and 2023. Additionally, a particular client may have multiple contracts with different expiration dates. We have historically renewed most of our contracts with our largest clients. However, there is no assurance that future contracts will be renewed, or if renewed, will be on terms as favorable as the existing contracts.

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

Market risk represents the risk of loss that may impact our consolidated financial position, consolidated results of operations, or consolidated cash flows due to adverse changes in financial and commodity market prices and rates. Market risk also includes credit and non-performance risk by counterparties to our various financial instruments. We are exposed to market risk due to changes in interest rates and foreign currency exchange rates (as measured against the U.S. dollar); as well as credit risk associated with potential non-performance of our counterparty banks. These exposures are directly related to our normal operating and funding activities. We enter into derivative instruments to manage and reduce the impact of currency exchange rate changes, primarily between the U.S. dollar/Philippine peso, the U.S. dollar/Mexican peso, and the Australian dollar/Philippine peso. To mitigate against credit and non-performance risk, it is our policy to only enter into derivative contracts and other financial instruments with investment grade counterparty financial institutions and, correspondingly, our derivative valuations reflect the creditworthiness of our counterparties. As of the date of this report, we have not experienced, nor do we anticipate, any issues related to derivative counterparty defaults.

#### Interest Rate Risk

We previously entered into interest rate derivative instruments to reduce our exposure to interest rate fluctuations associated with our variable rate debt. The interest rate on our Credit Agreement is variable based upon the Prime Rate, the Federal Funds rate, or LIBOR and, therefore, is affected by changes in market interest rates. As of March 31, 2018, we had \$302.5 million of outstanding borrowings under the Credit Agreement. Based upon average outstanding borrowings during the March 31, 2018, interest accrued at a rate of approximately 2.8% per annum. If the Prime Rate or LIBOR increased by 100 basis points, there would be an annualized \$1.0 million of additional interest expense per \$100.0 million of outstanding borrowing under the Credit Agreement.

#### Foreign Currency Risk

Our subsidiaries in the Philippines, Mexico, India, Costa Rica, Bulgaria and Poland use the local currency as their functional currency for paying labor and other operating costs. Conversely, revenue for these foreign subsidiaries is derived principally from client contracts that are invoiced and collected in U.S. dollars or other foreign currencies. As a result, we may experience foreign currency gains or losses, which may positively or negatively affect our results of operations attributed to these subsidiaries. For the three months ended March 31, 2018 and 2017, revenue associated with this foreign exchange risk was 25% and 28% of our consolidated revenue, respectively.

In order to mitigate the risk of these non-functional foreign currencies weakening against the functional currencies of the servicing subsidiaries, which thereby decreases the economic benefit of performing work in these countries, we may hedge a portion, though not 100%, of the projected foreign currency exposure related to client programs served from these foreign countries through our cash flow hedging program. While our hedging strategy can protect us from adverse changes in foreign currency rates in the short term, an overall weakening of the non-functional foreign currencies would adversely impact margins in the segments of the servicing subsidiary over the long term.

*Cash Flow Hedging Program*

To reduce our exposure to foreign currency exchange rate fluctuations associated with forecasted revenue in non-functional currencies, we purchase forward and/or option contracts to acquire the functional currency of the foreign subsidiary at a fixed exchange rate at specific dates in the future. We have designated and account for these derivative instruments as cash flow hedges for forecasted revenue in non-functional currencies.

While we have implemented certain strategies to mitigate risks related to the impact of fluctuations in currency exchange rates, we cannot ensure that we will not recognize gains or losses from international transactions, as this is part of transacting business in an international environment. Not every exposure is or can be hedged and, where hedges are put in place based on expected foreign exchange exposure, they are based on forecasts for which actual results may differ from the original estimate. Failure to successfully hedge or anticipate currency risks properly could adversely affect our consolidated operating results.

Our cash flow hedging instruments as of March 31, 2018 and December 31, 2017 are summarized as follows (in thousands). All hedging instruments are forward contracts, except as noted.

	Local Currency Notional Amount	U.S. Dollar Notional Amount	% Maturing in the next 12 months	Contracts Maturing Through
<b>As of March 31, 2018</b>				
Philippine Peso	8,990,000	183,228 <sup>(1)</sup>	57.6 %	August 2021
Mexican Peso	1,444,000	82,952	45.3 %	May 2021
		<u>\$ 266,180</u>		
<b>As of December 31, 2017</b>				
Philippine Peso	10,685,000	219,917 <sup>(1)</sup>		
Mexican Peso	1,609,000	93,589		
		<u>\$ 313,506</u>		

(1) Includes contracts to purchase Philippine pesos in exchange for New Zealand dollars and Australian dollars, which are translated into equivalent U.S. dollars on March 31, 2018 and December 31, 2017.

The fair value of our cash flow hedges at March 31, 2018 was assets/(liabilities) (in thousands):

	March 31, 2018	Maturing in the Next 12 Months
Philippine Peso	\$ (13,524)	\$ (8,692)
Mexican Peso	(8,084)	(6,176)
	<u>\$ (21,608)</u>	<u>\$ (14,868)</u>

Our cash flow hedges are valued using models based on market observable inputs, including both forward and spot foreign exchange rates, implied volatility, and counterparty credit risk. The increase in fair value from December 31, 2017 largely reflects a broad weakening in the U.S. dollar.

We recorded net losses of approximately \$5.3 million and \$6.8 million for settled cash flow hedge contracts and the related premiums for the three months ended March 31, 2018 and 2017, respectively. These losses were reflected in Revenue in the accompanying Consolidated Statements of Comprehensive Income (Loss). If the exchange rates between our various currency pairs were to increase or decrease by 10% from current period-end levels, we would incur a material gain or loss on the contracts. However, any gain or loss would be mitigated by corresponding increases or decreases in our underlying exposures.

Other than the transactions hedged as discussed above and in Part I, Item 1. Financial Statements, Note 6 to the Consolidated Financial Statements, the majority of the transactions of our U.S. and foreign operations are denominated in their respective local currency. However, transactions are denominated in other currencies from time-to-time. We do not currently engage in hedging activities related to these types of foreign currency risks because we believe them to be insignificant as we endeavor to settle these accounts on a timely basis. For the three months ended March 31, 2018 and 2017, approximately 23% and 26%, respectively, of revenue was derived from contracts denominated in currencies other than the U.S. Dollar. Our results from operations and revenue could be adversely affected if the U.S. Dollar strengthens significantly against foreign currencies.

**Fair Value of Debt and Equity Securities**

We did not have any investments in marketable debt or equity securities as of March 31, 2018 or December 31, 2017.

**ITEM 4. CONTROLS AND PROCEDURES**

This report includes the certifications of our Chief Executive Officer (the "CEO") and Chief Financial Officer (the "CFO") required by Rule 13a-14 of the Securities Exchange Act of 1934 (the "Exchange Act"). See Exhibits 31.1 and 31.2. This Item 4 includes information concerning the controls and control evaluations referred to in those certifications.

**Disclosure Controls and Procedures**

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are designed to provide reasonable assurance that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

We carried out an evaluation under the supervision and with the participation of management, including the CEO and CFO, of the effectiveness of our disclosure controls and procedures, as of March 31, 2018, the end of the period covered by this Form 10-Q. Based on this evaluation, our CEO and CFO have concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) were effective at the reasonable assurance level.

**Inherent Limitations of Internal Controls**

Our management, including the CEO and CFO, believes that any disclosure controls and procedures or internal controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of internal control are met. Further, the design of internal controls must consider the benefits of controls relative to their costs. Inherent limitations within internal controls include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of controls. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with associated policies or procedures. While the objective of the design of any system of controls is to provide reasonable assurance of the effectiveness of controls, such design is also based in part upon certain assumptions about the likelihood of future events, and such assumptions, while reasonable, may not take into account all potential future conditions. Thus, even effective internal control over financial reporting can only provide reasonable assurance of achieving their objectives. Therefore, because of the inherent limitations in cost effective internal controls, misstatements due to error or fraud may occur and may not be prevented or detected.

**Changes in Internal Control over Financial Reporting**

There have been no changes in our internal control over financial reporting during the quarter ended March 31, 2018 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**

Part I, Item 1. Financial Statements, Note 10 to the Consolidated Financial Statements of this Form 10-Q is hereby incorporated by reference.

**ITEM 1A. RISK FACTORS**

There were no material changes to the risk factors described in Item 1A. Risk Factors described in our Annual Report on Form 10-K for the year ended December 31, 2017.

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

Following is the detail of the issuer purchases made during the quarter ended March 31, 2018:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in thousands)
December 31, 2017				\$ 26,580
January 1, 2018 - January 31, 2018	—	\$ —	—	\$ 26,580
February 1, 2018 - February 28, 2018	—	\$ —	—	\$ 26,580
March 1, 2018 - March 31, 2018	—	\$ —	—	\$ 26,580
<b>Total</b>	<b>—</b>	<b>\$ —</b>	<b>—</b>	<b>\$ 26,580</b>

(1) In November 2001, our Board of Directors ("Board") authorized a stock repurchase program with the objective of increasing stockholder returns. The Board periodically authorizes additional increases to the program. The most recent Board authorization to purchase additional common stock occurred in February 2017, whereby the Board increased the program allowance by \$25.0 million. Since inception of the program through March 31, 2018, the Board has authorized the repurchase of shares up to a total value of \$762.3 million, of which we have purchased 46.1 million shares on the open market for \$735.8 million. As of March 31, 2018 the remaining amount authorized for repurchases under the program was approximately \$26.6 million. The stock repurchase program does not have an expiration date.

**ITEM 5. OTHER INFORMATION**

None

## ITEM 6. EXHIBITS

<u>Exhibit No.</u>	<u>Exhibit Description</u>
10.60*	<a href="#">Amended and Restated Executive Employment Agreement between Regina M. Paolillo and TTEC Holdings, Inc. effective May 1, 2018</a>
10.82*	<a href="#">Amended and Restated Executive Employment Agreement between Judi A. Hand and TTEC Holdings, Inc. effective May 1, 2018</a>
10.83*	<a href="#">Amended and Restated Executive Employment Agreement between Martin F. DeGhetto and TTEC Holdings, Inc. effective May 1, 2018</a>
10.85*	<a href="#">Amended and Restated Executive Employment Agreement between Anthony Y. Tsai and TTEC Holdings, Inc. effective May 1, 2018</a>
10.86*	<a href="#">Amended and Restated Executive Employment Agreement between Margaret B. McLean and TTEC Holdings, Inc. effective May 1, 2018</a>
31.1*	<a href="#">Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)</a>
31.2*	<a href="#">Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)</a>
32.1*	<a href="#">Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)</a>
32.2*	<a href="#">Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)</a>
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema Document
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document

\* Filed or furnished herewith.

\*\* Attached as Exhibit 101 to this report are the following documents formatted in XBRL (Extensible Business Reporting Language): (i) Notes to the Consolidated Financial Statements, (ii) Consolidated Balance Sheets as of March 31, 2018 and December 31, 2017 (unaudited), (iii) Consolidated Statements of Comprehensive Income (Loss) for the three months ended March 31, 2018 and 2017 (unaudited), (iv) Consolidated Statements of Stockholders' Equity as of and for the three months ended March 31, 2018 (unaudited), and (v) Consolidated Statements of Cash Flows for the three months ended March 31, 2018 and 2017 (unaudited).

**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.

TTEC HOLDINGS, INC.  
(Registrant)

Date: May 10, 2018By:

/s/ Kenneth D. Tuchman  
Kenneth D. Tuchman  
Chairman and Chief Executive Officer

Date: May 10, 2018By:

/s/ Regina M. Paolillo  
Regina M. Paolillo  
Chief Financial Officer

## AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This Amended and Restated Executive Employment Agreement ("Agreement") is by and between TTEC Services Corporation, Inc., a Delaware corporation ("TSC" or the "Company"), a wholly owned subsidiary of TTEC Holdings, Inc., a Delaware corporation ("TTEC Parent"), and Regina Paolillo ("Employee" or "Paolillo"), each a "Party" and together the "Parties." The Amended and Restated Agreement is executed to be effective as of **May 1, 2018** ("Effective Date").

**Whereas**, Ms. Paolillo joined TTEC in November 3, 2011 ("Start Date");

**Whereas**, Ms. Paolillo is currently employed as TTEC's Executive VP, chief administrative and financial officer; and in this role Ms. Paolillo reports to TTEC Parent's Chief Executive Officer, Mr. Kenneth D. Tuchman (the "CEO");

**Whereas**, as the chief administrative and financial officer, Ms. Paolillo is a member of the TTEC Parent's executive leadership team (known as the "Executive Committee" or the "EC"); and

**Whereas**, Ms. Paolillo currently has an employment agreement with TTEC Parent and TSC; and, whereas it is the desire of TTEC Parent and the Compensation Committee of the TTEC Board of Directors ("Compensation Committee"), on the advice of the independent compensation consultant of the Committee, to amend and restate such Employment Agreement in order to update the non-competition, non-solicit, severance, and change of control provisions thereof to reflect the prevailing market terms for similarly situated executives;

**Now, Therefore**, the purpose of this Agreement is to formally document the terms and conditions of Ms. Paolillo's employment with the Company as of the Effective Date.

### 1. **Appointment.**

a. The Agreement, hereby confirms Ms. Paolillo's appointment as Executive Vice President, chief administrative and financial officer for TTEC business, reporting to TTEC Parent CEO; and as a member of TTEC Parent Executive Committee.

b. Ms. Paolillo shall devote her full-time and best efforts to the performance of all duties contemplated by her title and responsibilities, and as assigned to her from time to time by the CEO or his delegates. Unless otherwise specifically authorized in writing by TTEC Parent, Employee shall not engage in any other business activity, or otherwise be employed by any other company other than TTEC's subsidiaries. Notwithstanding the foregoing, Ms. Paolillo is not precluded by the terms of this Agreement from serving on boards of directors of other non-competitor companies or not-for-profit organizations with TTEC Parent's prior written approval.

c. As a member of TTEC Parent Executive Committee, Ms. Paolillo shall render services to TTEC Parent as necessary and desirable to protect and advance the best interests of TTEC Parent and all its affiliated companies, acting at all times, in accordance with TTEC **Ethics Code: How TTEC Does Business** (or a successor code of conduct document), the Ethics Code for Executive and Senior Financial Officers, and in accordance with all other TTEC's material policies and procedures.

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d. Ms. Paolillo's role with the Company may require travel and Ms. Paolillo understands and agrees that such travel is a material part of her responsibilities. Ms. Paolillo shall travel in accordance with TTEC Parent travel policy. Notwithstanding the provisions of the travel policy to the contrary, the Company agrees that Ms. Paolillo will be permitted to travel in business class for international travel exceeding 6 hours in duration.

e. Notwithstanding other provisions in this Agreement, but subject to the reasonable interpretation of provisions of Paragraph 6(j) (on "Constructive Termination"), Ms. Paolillo understands and agrees that her role and responsibilities may change over time in the best interest of the business, and TTEC Parent reserves the right to assign to Ms. Paolillo different roles and assignments that best serve the business.

## **2. Compensation.**

a. **Salary and Periodic Salary Review.** As of the Effective Date, Ms. Paolillo's base salary is **\$425,000 per year** ("Base Salary"), payable in equal installments in accordance with the Company's standard payroll practice, less legally required deductions and withholdings. Ms. Paolillo's Base Salary may be periodically reviewed and adjusted, at CEO's discretion, to appropriately reflect her role in the business, the contribution of the role, and the market pay for such role in accordance with TTEC standard compensation review practices. Notwithstanding the foregoing, nothing in this Agreement provides assurances that Ms. Paolillo's salary will be increased from time to time.

b. **Variable Incentive Compensation (annual cash bonus).** As of the Effective Date, Ms. Paolillo is eligible to participate in an annual performance based cash incentive program, currently referred to as TTEC Variable Incentive Plan ("VIP"). As of the Effective Date, Ms. Paolillo's annual VIP opportunity shall be **up to 100%** of her Base Salary in effect for the performance year, tied to the annual targets and goals of the business as set by the CEO and TTEC's Board of Directors. Ms. Paolillo's annual VIP award will be based on a combination of metrics set-out and annually approved by TTEC and by the Board. At present these metrics include the (i) TTEC-wide results of operations; (ii) performance of TTEC's enterprise services organizations under Ms. Paolillo's control, specifically finance & accounting, human resources, legal and risk; and (iii) Ms. Paolillo's individual performance against targets set-out by the CEO.

In addition, the Compensation Committee of the Board may, but shall not be obligated to, adjust the Employee's VIP award upward based on the Company's and Employee's function's overperformance against annual metrics set by the Board and deemed to be that year's business imperatives, such as but not limited to annual bookings, revenue, operating income, total enterprise services and overhead costs, backlog, and cash flow.

The timing for the payment of the VIP award, if any, is determined from time to time by the Compensation Committee annually.

c. **Annual Equity Grant.** Ms. Paolillo is also eligible to participate in TTEC's annual Equity program, designed to provide long term incentives for senior executives of the Company and align their interests with company stockholders. Currently, TTEC offers its equity grants in the form of restricted stock units, vesting over a period of years (the "RSUs"). Ms. Paolillo is, and until and unless modified by the Compensation Committee of the Board, shall be eligible for an annual equity grant opportunity of **up to \$1,000,000.00** in fair market value of TTEC equity, based on the market value of the equity at the time of the grant. The actual amount of the annual equity grant is discretionary and is not guaranteed. It is based on TTEC's performance overall, the performance of the business function for which Ms. Paolillo is responsible, and Ms. Paolillo's individual performance against targets, as set annually by the TTEC's Board. The RSUs are granted under the terms of grant-specific agreements that are approved by the Compensation

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Committee of the Board from time to time ("Equity Agreements"). These Equity Agreements provide vesting schedules, performance metrics, if any, and other material terms of each grant. TTEC and its Compensation Committee of the Board reserve the right, at its discretion, to change the terms of future Equity Agreements and the equity granted thereunder. The use of the RSUs, as part of the annual equity grant, is discretionary and may be substituted, at the discretion of the Compensation Committee of the Board, by other equity instruments in accordance with incentive compensation plans adopted by the Compensation Committee of the Board from time to time. All grants as part of TTEC Parent Equity program are subject to Executive Stock Ownership Guidelines included in this Agreement as Exhibit C.

d. **Reimbursement of Business Expenses.** The Company agrees to reimburse Ms. Paolillo for all reasonable out-of-pocket business expenses incurred by Ms. Paolillo on behalf of the Company in accordance with TTEC expense reimbursement policies.

e. **Services to Subsidiaries.** Ms. Paolillo acknowledges that, as part of her employment responsibilities, she may be required to serve as an officer and/or director ("D&O") of TTEC subsidiaries, affiliates and related entities. She hereby agrees to perform such duties diligently and without additional compensation, and to follow TTEC direction in the performance of such services. For the duration of such D&O services, TTEC shall maintain appropriate D&O insurance policies for Ms. Paolillo's protection in connection with the services. Furthermore, Ms. Paolillo agrees to resign such D&O roles, if requested to do so by TTEC. At the time contemporaneous with the execution of this Agreement or at a prior time, Ms. Paolillo will sign a resignation letter in the general form attached hereto, as Exhibit A, which letter shall become effective on termination of this Agreement, for any reason, or without termination, at TTEC's discretion, if TTEC determines that such resignation is in the best interest of the business.

f. **Tax Liability and Withholdings.** All compensation and other payments made under this Agreement will be subject to withholding of the federal, state, and local taxes, Social Security, Medicare and other withholdings in such amounts as is reasonably determined by Company. The withholdings taxes due with respect to any equity grants may, at Company's discretion and in accordance with the relevant equity plans, be deducted directly from the equity being granted or as it vests. The Company shall have the right to take all the action as it deems necessary to satisfy its and employees tax withholding obligations.

### 3. not used in this agreement.

### 4. Benefits.

a. **Health and Welfare Benefits.** Ms. Paolillo shall continue to be eligible to participate in TTEC health and wellness plans in a manner similar to others at her level of responsibility in the Company, including the participation for Ms. Paolillo and dependents in TTEC group medical, vision, and dental insurance and other welfare plans, as they continue or change from time to time.

b. **Executive Benefits.** Ms. Paolillo will continue to be eligible for the special annual executive physical program and the Company will continue to pay premiums on her \$4M life insurance policy.

c. **Miscellaneous Benefits.** Ms. Paolillo shall continue to be eligible for benefits generally applicable to other senior management employees of the Company, as they are in effect from time to time, including TTEC 401(k) Plan and its Deferred Compensation Plan.

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**d. Paid Leave.** Ms. Paolillo shall continue to be eligible for paid time off ("PTO") and sick leave benefit programs pursuant to the Company's current time off/leave policy (or any other vacation/sick policy then in effect). Ms. Paolillo will also be paid for time off for holidays in accordance with the TTEC holiday policy.

**e. Tenure.** Notwithstanding the effective date of this Agreement, Ms. Paolillo's tenure for purposes of all benefits and otherwise shall date back to her original hire date – Start Date.

#### **5. Change in Control.**

**a.** For the avoidance of doubt, the definition of "Change in Control" as provided in this Agreement is substantially similar to those that are included in the Equity Agreements that Ms. Paolillo currently holds. The sole purpose of the provision being restated in this Agreement is to establish the Change in Control provisions in this omnibus Agreement that controls the terms of Ms. Paolillo's employment with the Company. For purposes of this Agreement, "Change in Control" event shall mean the occurrence of any one of the following:

(i) Any consolidation, merger or other similar transaction (i) involving TTEC Parent, if TTEC Parent is not the continuing or surviving corporation, or (ii) which contemplates that all or substantially all of the business and/or assets of TTEC Parent would be controlled by another corporation not controlled by TTEC Parent;

(ii) Any sale, lease, exchange or transfer (in one transaction or series of related transactions) of all or substantially all of the assets of TTEC Parent (a "Disposition"); provided, however, that the foregoing shall not apply to any Disposition with respect to which, following such Disposition, more than 51% of the combined voting power of the then outstanding voting securities of the receiving entity for the Disposition are directly or indirectly (beneficially or otherwise) owned by all or substantially all of the individuals and entities that were the beneficial owners of at least 51% of the outstanding common stock and/or other voting securities of TTEC Parent immediately prior to such Disposition, in substantially the same proportion of total ownership as their ownership immediately prior to such Disposition;

(iii) Approval by the stockholders of TTEC Parent of any plan or proposal for the liquidation or dissolution of TTEC, unless such plan or proposal is abandoned within 60 days following such approval;

(iv) The acquisition by any "person" (as such term is used in Sections 13(d) and 14(d)(2) of the U.S. Securities Exchange Act of 1934, as amended ("the Exchange Act")), or two or more persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of 51% or more of the outstanding shares of voting stock of TTEC Parent; provided, however, that for purposes of the foregoing, the term "person" shall exclude Kenneth D. Tuchman and his affiliates; provided, further that the foregoing shall exclude any such acquisition (1) made directly from TTEC Parent, (2) made by TTEC Parent (directly or through an affiliated company), or (3) made by TTEC employee benefit plan (or related trust) sponsored or maintained by TTEC Parent or any of its affiliate; or

(v) If, during any period of 15 consecutive calendar months commencing at any time on or after the Effective Date, those individuals ("Continuing Directors") who either (1) were directors of TTEC Parent on the first day of each such 15-months period, or (2) subsequently became directors of TTEC Parent and whose actual election or initial nomination for election subsequent to that date was approved by a majority of the Continuing Directors who were then members of the TTEC Parent Board of Directors, cease to constitute a majority of the Board of Directors of TTEC Parent.

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## 6. Termination and Payments, Benefits On Termination.

**a. Termination by Either Party.** Except as set forth in Paragraphs 6(c) (for Cause termination), (e) (termination due to death) and (f) (termination due to disability), and subject to provisions of Paragraph 6(j) (constructive termination or good reason), either Party may terminate the employment relationship with 30 days' written notice to the other. Both parties may mutually agree to a shorter period.

**b. Termination by the Company without Cause.** Subject to provisions of Paragraph 6(i) (Change in Control termination), upon 30 days written notice, the Company, in its sole discretion, may terminate Ms. Paolillo's employment without Cause (as "Cause" is defined in Paragraph 6(g)). Constructive Termination by the Company (as the term is defined in Paragraph 6(j)) constitutes Termination without Cause by the Company for purposes of this Agreement. In case of termination pursuant to this Paragraph 6(b), the Employee shall be entitled to:

(i) **Severance.** If Ms. Paolillo executes a separation agreement in a form substantially similar to the agreement set forth in Exhibit B (attached hereto), releasing all legal claims except for those that cannot legally be released and Ms. Paolillo continues to comply with all terms of such separation agreement, and any other agreements signed by the Employee with the Company, then the Company shall pay Ms. Paolillo severance compensation equal to eighteen (18) full calendar months of Ms. Paolillo's then current base pay ("Severance" or "salary continuation"). Salary continuation payments will be made at the Company's regular payroll intervals, provided, however, payments accruing for payroll periods prior to the date that the Company has received a signed and effective separation agreement and release shall be suspended and paid on the first payroll date following the effective date of the separation and release.

(ii) **Continuation of Benefits.** In addition to Severance, the Company shall continue to provide to Employee and to the Employee's eligible dependents with the same level of welfare and health benefits, including without limitation medical, dental, vision, accident, disability, life insurance, and other welfare benefits in place prior to termination of employment for a period of twelve (12) months after the effective date of such termination, on substantially the same terms and conditions (including contributions required by the Executive for such benefits) as existed immediately prior to termination; provided that, if Employee cannot continue to participate in the Company's, TTEC Parent's or successor's benefit plans, TTEC Parent or successor shall otherwise provide such benefits on the same after-tax basis as if continued participation had been permitted.

(iii) **Equity Vesting.** Notwithstanding the vesting schedules contained in Equity Agreements that Ms. Paolillo currently holds or would hold, any unvested equity awards that would otherwise vest on or after the termination date shall automatically forfeit.

If the Company terminates this Agreement without Cause under this Paragraph 6(b), and the Company pays Ms. Paolillo the compensation earned as of the effective date of the termination, and provides Ms. Paolillo incremental compensation and continuation of benefits on the terms specified in this Paragraph 6(b), the Company's acts in doing so shall be in complete accord and satisfaction of any claim that Ms. Paolillo has or may at any time have for compensation, benefits or payments of any kind from the Company or TTEC Parent arising from or relating in whole or part to Ms. Paolillo's employment with the Company and/or this Agreement. If the separation agreement and legal release referenced above is not signed within thirty (30) days from the date that such agreement is presented to Ms. Paolillo (which the Company shall present no later than fifteen (15) days after the effective date of Employee's termination), then Ms. Paolillo waives her right to receive any severance compensation pursuant to this Agreement, even if Ms. Paolillo were to successfully litigate any claim against the Company and/or TTEC Parent.

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c. **Termination by the Company for Cause.** The Company may terminate this Agreement with no notice for Cause, as that term is defined in Paragraph 6(g), with the Company's only obligation being the payment of any salary and compensation earned as of the date of termination, and any continuing obligations under the Company benefit plans then in effect, and without liability for severance compensation of any kind, including Severance set forth in Paragraph 6(b).

d. **Termination by Employee.** Ms. Paolillo is not entitled to severance compensation if she terminates her employment with the Company for any reason. Termination by Employee for "Good Reason" (as the term is defined in Paragraph 6(j)) shall constitute Termination without Cause by the Company for purposes of this Agreement.

e. **Termination upon Employee's Death.** This Agreement shall terminate immediately upon Employee's death. Thereafter, the Company shall pay to the Employee's estate all compensation fully earned, and benefits fully vested as of the last date of Employee's continuous, full-time active employment with the Company. For purposes of this Agreement, continuous, full-time active employment shall be defined as the last date upon which Employee continuously performed her job responsibilities on a regular, full-time basis consisting of at least 35 hours per week, and in the usual course of the Company's business ("Continuous Full-Time Active Employment"). In case of Employee's death, the Company shall not be required to pay any form of severance or other compensation concerning or on account of the Employee's employment with the Company or the termination thereof.

f. **Termination Due to or Following Disability.** During the first ninety (90) calendar days after a mental or physical condition that renders Employee unable to perform the essential functions of her position with reasonable accommodation (the "Initial Disability Period"), Employee shall continue to receive her base salary pursuant to Paragraph 2(a) of this Agreement. Thereafter, if Employee qualifies for benefits under the Company's long-term disability insurance plan (the "LTD Plan"), then Employee shall remain on leave for as long as Employee continues to qualify for such benefits, up to a maximum of 180 consecutive days (the "Long-term Leave Period"). The Long-term Leave Period shall begin on the first day following the end of the Initial Disability Period. During the Long-term Leave Period, Employee shall be entitled to any benefits to which the LTD Plan entitles Employee, but no additional compensation from the Company in the form of salary, performance bonus, equity grants, allowances or otherwise. If during or at the end of the Long-term Leave Period Employee remains unable to perform the essential functions of her position, then the Company may terminate this Agreement and/or Employee's employment. If the Company terminates this Agreement or Employee's employment under this Paragraph 6(f), the Company's payment obligation to Employee shall be limited to all compensation fully earned, and benefits fully vested as of the last date of Employee's continuous, full-time active employment with the Company.

g. **Definition of "Cause".** For purposes of this Agreement, "Cause" shall have the following meaning:

- (i) Fraud, theft, embezzlement (or attempted fraud, theft, embezzlement), dishonest acts or illegal conduct;
  - (ii) Other similar acts of willful misconduct on the part of Employee resulting in damage to TTEC Parent or the Company;
  - (iii) A material breach by the Employee of this Agreement;
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(iv) Use of any controlled substance or alcohol while performing Employee's duties except as part of a TTEC Parent or Company-sponsored event in connection with a business-related social engagement such as a trade conference or customer entertainment, but only in moderation and in a professional manner that reflects positively on TTEC Parent and the Company; with visible inebriation at a business-related social engagement constituting a cause for immediate termination;

(v) A breach of a fiduciary duty that results in an adverse impact to TTEC Parent or the Company or in personal profit to the Employee (as determined by the Company based on its conflict of interest policies outlined in the TTEC Ethics Code);

(vi) Use of trade secrets or confidential information of TTEC Parent or the Company, other than in pursuit of TTEC Parent or the Company's business;

(vii) Aiding a competitor of TTEC Parent; or

(viii) Failure by Employee in the performance of her duties that results in material adverse effect on TTEC Parent, the Company or TTEC Parent subsidiary companies.

If the act or acts constituting Cause are susceptible of cure, Company will provide Employee with written notice setting forth the acts constituting Cause, and providing that Employee may cure such acts within thirty (30) business days of receipt of such notice. Any recurrence of acts constituting Cause within one (1) year of the original occurrence will void Employee's right to such pre-termination right to cure.

**h. Continuing Obligations.** Ms. Paolillo shall remain subject to the Company's Agreement to Protect Confidential Information, Assign Inventions and Prevent Unfair Competition and Unfair Solicitation ("Confidentiality Agreements"), Arbitration agreements, Equity Agreements, and any other similar agreements executed at any time during her employment, including without limitation this Agreement, all of which survive termination of employment.

**i. Termination in Connection with Change in Control Event.** If a Change in Control event occurs, and at any time within twenty-four (24) months of such Change in Control event effective date ("COC Period") the Company, TTEC Parent, or its successor terminates Employee's employment without Cause (as defined in Paragraph 6(g)) whether such termination occurs outright or pursuant to a Constructive Termination (as defined in Paragraph 6(j)), the Employee shall be entitled to and the Company, TTEC Parent or its successor shall cause the following to occur:

(i) **Severance.** If Employee executes a separation agreement in a form substantially similar to the agreement set forth in Exhibit B (attached hereto), releasing all legal claims except for those that cannot legally be released and agrees to continue to comply with all terms of such separation agreement, and any other agreements signed by the Employee with the Company or successor, then the Company shall pay the Employee a lump-sum severance compensation equal to two-and-a-half times (2.5x) of Employee's Base Salary in effect at the time of such termination ("COC Severance") within ten (10) business days of the effective date of such Change in Control related termination; provided, however, if the COC Severance payment is due prior to the date that the Company, TTEC Parent or successor receive a signed and effective separation agreement and release, the payment shall be suspended until the receipt of such signed separation agreement, and then paid as soon as reasonable but in no event later than ten (10) business days after such receipt.

(ii) **Continuation of Benefits.** In addition to COC Severance, the Company, TTEC Parent or successor shall continue to provide to Employee and to the Employee's eligible dependents with the same level of welfare and health benefits, including without limitation medical, dental, vision, accident, disability, life insurance, and other welfare benefits in place prior to termination of

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employment for a period of twelve (12) months after the effective date of such termination, on substantially the same terms and conditions (including contributions required by the Employee for such benefits) as existed immediately prior to termination; provided that, if Employee cannot continue to participate in TTEC's or successor's benefit plans, TTEC or successor shall otherwise provide such benefits (via lump sum compensation or in kind) on the same after-tax basis as if continued participation had been permitted.

(iii) Equity Vesting on Change of Control (single trigger). Notwithstanding any vesting schedule provisions contained in Equity Agreements that Employee currently holds or may hold, provided such Equity Agreements represent awards for performance periods of prior to and including fiscal year 2017 performance period, regardless of when issued, any unvested equity that would otherwise vest pursuant to these awards on or after the Change in Control event's effective date shall automatically vest, as of the date immediately prior to the date of Change in Control event, regardless of whether Employee's employment with the Company, TTEC Parent, or successor shall continue after the Change of Control event.

(iv) Equity Vesting on Change of Control Termination (double trigger). Notwithstanding any vesting schedule provisions contained in Equity Agreements that Employee may hold, provided such Equity Agreements represent awards for performance period after fiscal year 2017 performance period, regardless of when issued, any unvested equity that would vest pursuant to these awards on or after the Change in Control event effective date and would otherwise forfeit on termination of employment, shall vest in full as of employment termination date, if such termination occurs during the COC Period.

(v) Termination Ahead of Change of Control Event. Notwithstanding anything in this Agreement to the contrary, if Employee's employment is terminated (actually or pursuant to a Constructive Termination as defined in Paragraph 6(j) of this Agreement) within three (3) months before a Change in Control event occurs, then for purposes of this Agreement, the effective date of Change in Control event shall be deemed to be the date immediately prior to the date of such termination of employment.

j. "Good Reason" or "Constructive Termination." Termination by Employee for "Good Reason" or "Constructive Termination" by the Company may be triggered if, without Employee's express written consent, the occurrence of any of the following (in connection with or independent of a Change in Control event):

(i) Change in Responsibilities. The material adverse change in Employee's scope of responsibilities and duties (including the diminution of such duties and responsibilities), or material adverse change in Employee's reporting responsibilities or title by the Company, TTEC parent, or in case of a Change in Control event by their successor.

(ii) Change in Compensation. Any material reduction by the Company, TTEC Parent or, in case of a Change in Control event by successor, of Employee's total compensation package, including material adverse change in the annual salary, the incentive bonus ranges and targets, or the timing of payment of same as compared to the compensation package in effect as of the date hereof or immediately prior to a Change in Control event, as the case may be. Notwithstanding anything in this provision to the contrary, a change in the compensation structure that is consistent with prevailing market trends, as supported by an independent report of a qualified compensation advisor to the Compensation Committee of the Board, the Company or its successor, shall not give rise to a 'constructive termination' or 'termination for good reason' claim.

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(iii) Change in Location. Any requirement of the Company or successor that Employee be based anywhere more than twenty-five (25) miles from the site where the Employee is located as of the Effective Date or the time of the Change in Control event.

(iv) Failure to Cause Assumption of this Agreement. Failure of the Company or TTEC Parent to assign and obtain the assumption of this Agreement from any successor in case of a Change in Control event.

An action taken in good faith and which is remedied by TTEC Parent or successor within fifteen (15) calendar days after receipt of Employee's notice thereof shall not constitute Good Reason or Constructive Termination under this Agreement. Employee must provide notice of termination of employment within thirty (30) calendar days of Employee's knowledge of an event constituting "Good Reason" or such event shall not constitute Good Reason or Constructive Termination under this Agreement.

**7. Non-Disclosure, Non-Competition and Non-Solicitation.**

As a senior member of the executive leadership team of TTEC Parent, the Employee is privy to TTEC Parent company wide global business and financial strategy. Therefore, in addition to the provisions of the Confidentiality Agreements that the Employee signed at the time of her original employment with the Company, the Employee in consideration of the employment opportunity and compensation provided hereunder, agrees and covenants during the term of her affiliation with the Company (as an employee or otherwise):

a. **Non-Compete Undertaking.** For a period of twelve (12) months from separation from TTEC Parent and/or the Company, not to work or otherwise contribute her knowledge, directly or indirectly, in whole or in part, as an employee, officer, owner, manager, advisor, consultant, agent, partner, director, significant shareholder (i.e. a shareholder holding more than 5% of outstanding equity in the company), volunteer, intern or in any other similar capacity anywhere in the world to a business entity engaged in the same or substantially similar business as TTEC Parent its subsidiaries and affiliates, including entities engaged in the full life cycle of customer strategy, analytics-driven, technology-enabled customer engagement management solutions from customer engagement strategy consulting, to technology and analytics driven customer acquisition to technology solution development and integration to business process outsourcing customer care (collectively, "TTEC Business"). The Non-Compete Undertaking shall apply throughout, and shall only be limited by, the territory where the Employee performs services for the Company and TTEC Parent, as provided in this Agreement. For the avoidance of doubt, the term 'performs services for' shall not be limited to 'works at' or any other limitation delineating where the Employee performs the actual services, but instead shall relate to the entire territory where the Company and TTEC Parent benefits and is reasonable to expect to benefit from the Employee's services. Given Ms. Paolillo's role as the Executive Vice President and TTEC chief revenue officer, the territory for purposes of this Agreement shall be worldwide.

If Employee's employment is terminated pursuant to provisions of Paragraph 6(i) (Change in Control event) and if Employee is paid Change in Control related compensation and receives other benefits as provided in that Paragraph, the Employee agrees for the Non-Competition Undertaking to be extended from ~~twelve (12) to twenty-four (24) months~~; and

b. **Employee Non-Solicitation Undertaking.** For a period of twelve (12) months from separation from TTEC Parent and the Company, Employee agrees not to solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment, directly or indirectly, of any then current employee of the Company or its subsidiaries and affiliates.

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If Employee's employment is terminated pursuant to provisions of Paragraph 6(i) (Change in Control event) and if Employee is paid Change in Control related compensation and receives other benefits as provided in that Paragraph, the Employee agrees for the Employee Non-Solicitation Undertaking to be extended from twelve (12) to twenty-four (24) months; and

c. **Client Non-Solicitation Undertaking.** For a period of twelve (12) months from separation from TTEC Parent or the Company, Employee agrees not to solicit or interfere with business relationships between TTEC Parent, the Company, and current and prospective (currently actively pursued) clients of TTEC Parent, or any of its subsidiaries and affiliates, for purposes of offering or accepting goods or services similar to or competitive with those offered by TTEC Parent or any of its subsidiaries and affiliates.

If Employee's employment is terminated pursuant to provisions of Paragraph 6(i) (Change in Control event) and if Employee is paid Change in Control related compensation and receives other benefits as provided in that Paragraph, the Employee agrees for the Client Non-Solicitation Undertaking to be extended from twelve (12) to twenty-four (24) months.

d. **Consequences of Breach.** If Employee breaches any of the covenants and undertakings set forth in this Paragraph 7:

(i) All of Employee's unvested equity shall be immediately forfeited and neither TTEC Parent nor the Company shall have any further liabilities to Employee pursuant to this Agreement, including without limitation no liability for any equity not yet granted or granted and unvested;

(ii) Employee and those who aid her in such breach shall be liable for all costs and business losses including any damages and out-of-pocket expenses associated with or resulting from such breach; and

(iii) Employee hereby consents and agrees that TTEC Parent and the Company shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief.

## **8. Miscellaneous.**

a. **Relationship between this Agreement and Other Company Agreements.** In the event of any direct conflict between any term of this Agreement and any TTEC Parent and/or Company agreement, policy, procedure, guideline or other publication addressing the same terms and conditions contained in this Agreement, the terms of this Agreement shall control Ms. Paolillo's employment.

b. **Successors and Assigns.** TTEC Parent, the Company, its successors and assigns may in their sole discretion assign this Agreement to any person or entity in connection with the merger, acquisition or other business combination that results in the divestiture or transfer of all or substantially all the assets of the Company or TTEC Parent. This Agreement shall bind, and inure to the benefit of the Company's successors or assigns. This Agreement is for personal services and Ms. Paolillo shall not assign her rights or obligations hereunder.

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c. IRSC Section 409A.

(i) Interpretation. This Agreement shall be interpreted and administered in a manner so that any amount or benefit payable hereunder shall be paid or provided in a manner that is either exempt from, or complies with, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Internal Revenue Service guidance and Treasury Regulations thereunder (collectively, "Section 409A"). It is the Parties' intention that salary continuation payments under the Agreement will be exempt from the requirements of Section 409A because they are short term deferrals under Treas. Reg. Sec. 1.409A-1(b)(4) or payments under a separation pay plan within the meaning of Treas. Reg. Sec. 1.409A-1(b)(9) and the Agreement shall be construed and administered in a manner consistent with such intent.

(ii) Separation from Service; Separate Payments. Notwithstanding anything in this Agreement to the contrary, to the extent that any payment or benefit subject to Section 409A, including an exemption from Section 409A, and such payment or benefit would otherwise be payable or distributable hereunder by reason of Employee's termination of employment, all references to Ms. Paolillo's "termination of employment" shall be construed to mean a "separation from service," as defined in Treasury Regulation Section 1.409A-1(h), and Employee shall not be considered to have had a termination of employment unless such termination constitutes a "separation from service" with respect to Employee. If under this Agreement, an amount is to be paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment.

(iii) Specified Employee. Notwithstanding anything in this Agreement to the contrary, if the Employee is a "specified employee" (within the meaning of Treasury Regulation Section 1.409A-1(i)) on the date of the Employee's "separation from service", any benefit or payment that constitutes non-exempt "nonqualified deferred compensation" (within the meaning of Section 409A) and is payable on account of the Employee's separation from service shall be delayed in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i), and any such delayed payment shall be paid to Ms. Paolillo in a lump sum during the ten (10) day period commencing on the earlier of (i) the expiration of a six-month period from the date of Employee's "separation from service," or (ii) Employee's death. To the greatest extent permitted under Section 409A, any separate payment or benefit under the Agreement will not be deemed to constitute "nonqualified deferred compensation" subject to Section 409A and the six-month delay requirement to the extent provided in the exceptions in Treasury Regulation Sections 1.409A-1(b)(4) or 1.409A-1(b)(9), or in any other applicable exception or provision of Section 409A.

(iv) Reimbursements. With regard to any provision in this Agreement that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (x) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (y) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, provided that the foregoing clause (y) shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such arrangement provides for a limit on the amount of expenses that may be reimbursed over some or all of the period the arrangement is in effect and (z) such payments shall be made on or before the last day of Ms. Paolillo's taxable year following the taxable year in which the expenses were incurred.

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(v) Cooperation. If the Parties hereto determine that any payments or benefits payable under this Agreement intended to comply with Section 409A do not so comply, Ms. Paolillo and the Company agree to amend this Agreement, or take such other actions as Ms. Paolillo and the Company deem necessary or appropriate, to comply with the requirements of Section 409A, while preserving benefits that are, in the aggregate, no less favorable than the benefits as provided to Ms. Paolillo under this Agreement. If any provision of this Agreement would cause such payments or benefits to fail to so comply, such provision shall not be effective and shall be null and void with respect to such payments or benefits, and such provision shall otherwise remain in full force and effect.

**d. Governing Law and Dispute Resolution.**

(i) Good Faith Negotiation Requirement. Ms. Paolillo, TTEC Parent and the Company agree that in the event of any controversy or claim arising out of or relating to Ms. Paolillo's employment with and/or separation from the Company, they shall negotiate in good faith to resolve the controversy or claim privately, amicably and confidentially. Each Party may consult with counsel in connection with such negotiations.

(ii) Governing Law. This Agreement will be construed and interpreted in accordance with the laws of the State of Colorado without regard to conflict of law principles.

(iii) Disputes. The Parties agree that any action arising from or relating in any way to this Agreement, shall be resolved and tried in the state or federal courts situated in Denver, Colorado. The parties consent to jurisdiction and venue of those courts to the greatest extent allowed by law. In this regard, the Employee acknowledges and admits to all or a combination of several following substantial contacts with Colorado: (v) the Employee is employed, provides services for or otherwise is affiliated with an legal entity headquartered in the state of Colorado; (w) the Employee receives the compensation in a form of Employee checks or wire transfers that are drawn either directly or indirectly, from bank accounts in Colorado; (x) the Employee regularly interacts with, contacts and is contacted by other TTEC and Company employees and executives in Colorado; (y) the Employee either routinely travels to or attends business meetings in Colorado; and (z) the Employee receives substantial compensation and benefits as a result of TTEC Parent being a corporation headquartered in and subject to the laws of Colorado. Based on these and other contacts, the Employee acknowledges that he could reasonably be subject to the laws of Colorado.

**e. Severability**. If any court of competent jurisdiction declares any provision of this Agreement invalid or unenforceable, the remainder of the Agreement shall remain fully enforceable. To the extent that any court concludes that any provision of this Agreement is void or voidable, the court shall reform such provision(s) to render the provision(s) enforceable, but only to the extent absolutely necessary to render the provision(s) enforceable.

**f. Modification of Agreement**. This Agreement or any other term or condition of employment may not be modified by word or deed, except in writing signed by Employee and the Chief Administrative Officer, Chief People Officer or Chief Executive Officer for TTEC Parent.

**g. Waiver**. No provision of this Agreement shall be deemed waived, nor shall there be an estoppel against the enforcement of any such provision, except by a writing signed by the party charged with the waiver or estoppel. No waiver shall be deemed continuing unless specifically stated therein, and the written waiver shall operate only as to the specific term or condition waived, and not for the future or as to any act other than that specifically waived.

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h. **Construction.** Whenever applicable, masculine and neutral pronouns shall equally apply to the feminine genders; the singular shall include the plural and the plural shall include the singular. The Parties have reviewed and understand this Agreement, and each has had a full opportunity to negotiate the agreement's terms and to consult with counsel of their own choosing. Therefore, the Parties expressly waive all applicable common law and statutory rules of construction that any provision of this Agreement should be construed against the agreement's drafter, and agree that this Agreement and all amendments thereto shall be construed as a whole, according to the fair meaning of the language used.

i. **Dodd-Frank Clawback Provision.** Notwithstanding any other provision in this Agreement or in the related Equity Agreements, in the event that pursuant to the terms or requirements of the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or of any applicable laws, rules or regulations promulgated by the US Securities and Exchange Commission or any listing requirements of any stock exchange or stock market on which any securities of TTEC Parent trade, from time to time, and in the event any bonus payment, equity award or other payment is based upon the satisfaction of financial performance metrics which are subsequently reversed due to a restatement or reclassification of financial results of TTEC Parent, then any payments made or equity awards granted (and equity received pursuant to these awards) shall be returned and forfeited to the extent required and as provided by applicable laws, rules, regulations or listing requirements. This Paragraph 8(i) shall survive any expiration or termination of this Agreement for any reason.

j. **Greatest Net Benefit.**

(i) Anything in this Agreement to the contrary notwithstanding, in the event that the Employee determines (at his/her discretion and expense) that the receipt of any payments hereunder would subject the Employee to tax under Internal Revenue Code (the "Code") Section 4999 or a successor provision, the Employee shall have the option at his/her discretion to cause TTEC Parent or successor to reduce the payment due to the Employee under this Agreement so that the net (after tax) benefit of the payments to the Employee is maximized ("Reduced Payment Election"). The Employee shall have forty-five (45) calendar days from receipt of notice of the payment due under this Agreement or the payment itself under this Agreement, as the case may be, to advise TTEC Parent or successor of such election.

(ii) If the Employee accepts the full payment hereunder and thereafter within the period provided above determines that he/she wants to make the Reduced Payment Election, any payments received by the Employee in excess of the amount payable under Reduced Payment Election shall be treated for all purposes as a loan *ab initio* to the Employee, which the Employee shall repay to TTEC Parent or successor, together with appropriate interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code, within sixty (60) days of the Reduced Payment Election.

(iii) Nothing in this Paragraph 8(j) shall be interpreted to compel the Executive to make the Reduced Payment Election.

k. **Assignment and Assumption of Agreement.** Concurrently with any Change in Control event or a business combination that may impact the legal implications of this Agreement, the Company, TTEC Parent shall cause any successor or transferee to assume unconditionally, by written instrument delivered to Employee, all of the obligations of the Company and TTEC Parent hereunder. Failure of the Company or TTEC Parent to obtain such assumption prior to the effectiveness of any Change in Control event or other business combination, shall be a breach of this Agreement and shall constitute Good Reason entitling the Employee to resign, within thirty (30) calendar days of consummation of such Change of Control event or business combination, and receive compensation and benefits as provided in Paragraph 6(i).

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I. **Controlling Provisions.** The employment arrangement contemplated by this Agreement includes other related documents in addition to this Employment Agreement, some of which are TTEC Parent and the Company's standard documents not otherwise tailored to this transaction. To the extent any provisions of these related agreements contradict the clear provisions and terms of this Employment Agreement, the provisions of this Agreement shall be controlling.

**Ms. Paolillo acknowledges and agrees that she reviewed and fully understands the terms and provisions of this Agreement; that she enters into it freely, knowingly, and mindful of the fact that it creates important legal obligations and affects her legal rights; and that she understands the need to and has had the opportunity to consult with counsel (if she so wishes) concerning this Agreement with legal counsel.**

**Employee**

**TTEC Services Corporation**

\_\_\_\_\_  
Regina M. Paolillo

\_\_\_\_\_  
Kenneth D. Tuchman, Chairman & CEO

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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**Exhibit B  
To Executive Employment Agreement  
(Sample Severance Agreement and Release of Claims  
Not Customized for Ms. Paolillo)**

[DATE]

**PERSONAL & CONFIDENTIAL**

[NAME]  
[ADDRESS]

Dear [NAME]:

As you have been advised, your employment with TTEC Services Corporation ("TTEC" or "the Company") will terminate effective the close of business on \_\_\_\_\_ ("Termination Date"). This letter contains a Settlement Agreement and Release of Claims ("Agreement") intended to resolve any and all disputes arising from your employment and your separation from employment with TTEC on mutually agreeable terms as set forth below. Please review it carefully, and if it is acceptable to you, sign and return an original copy to TTEC Human Capital Department, 9197 S. Peoria Street, Englewood, Colorado 80112 Attn: Settlement Agreements, either by mail or by Paolillo delivery. If you are 40 or over, you have been provided 21 days from the date of this Agreement to consider whether to enter into this Agreement.

## **SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS**

**This Agreement is made between** \_\_\_\_\_ ("you") and TTEC (collectively, the "Parties"). In consideration of the mutual promises and other benefits set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Settlement Payment:** Provided that you sign and return this Agreement, and it thereafter becomes effective as described below, you will receive a settlement payment equivalent to \_\_\_\_\_ of your base salary, for a total amount of \$\_\_\_\_\_ ("Settlement Payment"). Payment shall be made in bi-weekly installments in accordance with the Company's normal payroll schedule, less applicable federal, state, and local taxes and other authorized deductions and shall be started within 15 days of the Termination Date.
  2. **Benefits:** Your current medical, dental, vision and healthcare flexible spending account coverage (to the extent that you have a positive balance in that account as of today's date) will be continued until the Termination Date. After the Termination Date, you may continue your existing medical insurance coverage at your own expense pursuant to your rights under federal law (commonly referred to as "COBRA"). You will receive information on COBRA in a later mailing.
  3. **Other Compensation Due You:** You will receive payment for any salary earned through the date of your separation from the Company, less applicable taxes and authorized or required withholding deductions. You understand that you will be paid your earned wages and commissions, if any, set forth in this paragraph regardless of whether you sign this Agreement.
  4. **Reimbursement for Business Expenses:** Within five days of the Termination Date, you will provide to the Company expense reports detailing all items, if any, for which you seek reimbursement, and the required supporting documentation for such expenses. If you hold a corporate credit card account, and there is an outstanding amount due and owing on that account, you must submit documentation showing that the account
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has been paid in full within five days of the Termination Date and understand and agree that if you do not, the Company may withhold any amounts due and owing on that account from the Settlement Payment. Your expense reports and supporting documentation will be subject to the same level of review that all other similar submissions receive from the Company's Accounting Department. The Company will reimburse you in accordance with its existing policies and procedures. In addition, you will provide supporting documentation for all previously filed expense reports and agree to cooperate with the Company's Accounting Department to resolve in good faith any issues relating to expenses.

5. **Return and Prohibition of Removal of Company Property and Records.** Except as otherwise specifically provided in this Agreement, you shall return all Company property and records on the Termination Date. In the event you fail to return such property or records provided herein, you shall be liable to the Company for the value of all such property and records, and all reasonable costs, including attorneys' fees, incurred by the Company in recovering such property or records. Company property and records shall include, but is not limited to, cell phones, pagers, BlackBerry devices, tablets, laptops, printers, fax machines, and any Company related document whether in written or electronic form and whether created by you or another person or entity. Company equipment, files or business information of any kind, whether written, electronic, digital, or otherwise, shall not be copied, taken or otherwise used by you without the prior written consent of the Company. In addition, the Company reserves the right to pursue all legal and equitable relief available for breach of this paragraph.
  6. **Agreement to Protect Confidential Information, Assign Inventions, and Prevent Unfair Competition and Unfair Solicitation.** You understand that all terms and conditions of your "Agreement to Protect Confidential Information, Assign Inventions, and Prevent Unfair Competition and Unfair Solicitation" (the "Non-Compete Agreement") and any other applicable employment documents you signed during your employment at TTEC, survive Termination and shall remain in full force and effect.
  7. **Acknowledgment:** You understand and agree that, absent this Agreement, you would not otherwise be entitled to the payment specified in Paragraph 1. Further, by signing this Agreement, you agree that you are entitled only to the payments described in this Agreement and that you are not entitled to any payments that are not specifically listed in this Agreement, excluding vested rights you may have pursuant to the Company's 401(k), Stock Option, Restricted Stock Units and Life Insurance plans.
  8. **General Release of All Claims:** In exchange for the Company's payments in Paragraph 1, you promise that you will not sue TTEC Services Corporation, including its past and present parents, subsidiaries, partnerships, affiliated companies, officers, directors, employees, or agents. By signing below, you release TTEC Services Corporation, including its past and present parents, subsidiaries, partnerships, affiliated companies, officers, directors, employees or agents (collectively, the "Released Parties"), from any and all claims you may have, known or unknown, that are releasable by private agreement, arising at any time through the date that this Agreement becomes effective, which is eight (8) days after you sign it without revoking it. The release specifically includes and is not limited to:
    - a. any and all rights or claims under any of the following laws: Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000-e, as amended; the Civil Rights Act of 1991; Sections 1981 through 1988 of Title 42 of the United States Code, as amended; the Family and Medical Leave Act of 1993, as amended; the Worker Adjustment and Retraining Notification Act, as amended; the Fair Labor Standards Act of 1938, as amended; the National Labor Relations Act; the Occupational Safety and Health Act, as amended; the Age Discrimination in Employment Act; the Americans with Disabilities Act of 1990, as amended; the Civil Rights Acts of 1866, 1871, and 1991; the Equal Pay Act of 1963; the Employee Retirement and Income Security Act of 1974, as amended; the Immigration Reform and Control Act, as amended; the Conscientious Employee Protection Act, the Colorado Anti-Discrimination Act and any other federal, state, or local employment statute, law, or ordinance, including any and all claims of employment discrimination based on race, color, creed, religion, national origin, sex, age, marital status, disability, sexual orientation, lawful off-duty conduct, or retaliation; and
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- b. any and all common-law claims such as wrongful discharge, violation of public policy, breach of contract, promissory estoppel, defamation, negligence, infliction of emotional distress, any intentional torts, outrageous conduct, interference with contract, fraud, misrepresentation, and invasion of privacy; and
- c. any and all claims for any of the following: money damages (including actual, compensatory, liquidated or punitive damages), equitable relief such as reinstatement or injunctive relief, front or back pay, wages, commissions, bonuses, benefits, sick pay, PTO pay, vacation pay, costs, interest, expenses, attorney fees, or any other remedies; and
- d. any and all claims arising under any federal or state "whistleblower" law, including without limitation the Sarbanes-Oxley Act of 2002, the Whistleblower Protection Act, and common-law wrongful discharge in violation of public policy.

9. **Age Waiver for Employee 40 Years Old or More:** By signing this Agreement, you acknowledge that:

- a. The General Release in this Agreement includes a waiver and release of all claims you may have under the Age Discrimination in Employment Act of 1967 (29 U.S.C. § 621 et seq.);
- b. You have carefully read, and understand, this Agreement;
- c. You have twenty-one (21) days from the date of this Agreement to consider your rights and obligations under this Agreement and if you elect to sign it sooner, have done so knowingly, voluntarily, and after giving it your due consideration;
- d. You were, and hereby are, advised to consult with an attorney and/or any other advisors of your choice before signing this Agreement;
- e. You understand that this Agreement is legally binding and by signing it you give up certain rights;
- f. You have voluntarily chosen to enter into this Agreement and have not been forced or pressured in any way to sign it;
- g. You knowingly and voluntarily release the Released Parties from any and all claims you may have, known or unknown, in exchange for the payments and benefits you have obtained by signing this Agreement, and that these payments are in addition to any payments or benefits you would have otherwise received if you did not sign this Agreement;
- h. You have seven (7) days from the date you sign this Agreement to change your mind and revoke your acceptance. To be effective, your revocation must be in writing and tendered to TTEC Corporate Headquarters, Human Capital Department, 9197 S. Peoria Street, Englewood, Colorado Attn: Settlement Agreements, either by mail or by Paolillo delivery, within the seven (7) day period. If by mail, the revocation must be: 1) postmarked within the seven (7) day period; 2) properly addressed; and 3) sent by Certified Mail, Return Receipt Requested. The Agreement will become effective on the eighth day after you sign it, provided you do not revoke your acceptance. You understand that the Company is not required to make the payments described herein unless and until this Agreement becomes effective; and
- i. You understand that this Agreement does not waive any rights or claims that may arise after this Agreement is signed and becomes effective, which is after the Company's actual receipt of your signed signature page and after the 7-day revocation period has expired.

10. **No Admission of Wrongdoing:** By entering into this Agreement, neither you nor the Company nor any of the Released Parties suggest or admit any wrongdoing or violation of law.

11. **No Claims Filed:** As a condition of the Company entering into this Agreement, you represent that you have not filed, and do not intend to file, any lawsuit against the Company, or any of the other Released Parties.

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This Agreement shall not be construed to prohibit you from filing a charge or complaint with the National Labor Relations Board, the Equal Employment Opportunity Commission, or participating in any investigation or proceedings conducted by either entity.

12. **Confidentiality:** You agree that the terms of this Agreement are confidential. You also agree not to tell anyone about this Agreement and not to disclose any information contained in this Agreement to anyone, other than your lawyer, financial advisor and immediate family members, unless you are compelled to do so by law. If you do tell your lawyer, financial advisor or immediate family members about this Agreement or its contents, you must immediately tell them that they must keep it confidential as well.
13. **Breach of this Agreement:** You promise to abide by the terms and conditions in this Agreement and understand that if you do not, the Company is entitled to seek damages and injunctive relief.
14. **Entire Agreement:** This Agreement, together with the Arbitration Agreement, Agreement to Protect Confidential Information, Assign Inventions and Non-Solicitation (collectively, the "Employee Agreements") constitute the complete understanding between the Parties concerning all matters affecting your employment with the Company, the termination thereof and any ongoing responsibilities. You hereby affirm and will comply with any and all ongoing obligations contained in the Employee Agreements, including obligations relating to confidentiality of Company information and binding arbitration. Moreover, you acknowledge that no promises or representations have been made to induce you to sign this Agreement other than as expressly set forth herein and that you have signed this Agreement as a free and voluntary act.
15. **Severability.** If any clause, provision or paragraph of this Agreement is found to be void, invalid or unenforceable, such finding shall have no effect on the remainder of this Agreement, which shall continue to be in full force and effect. Each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.
16. **Changes to the Agreement:** This Agreement may not be changed unless the changes are in writing and signed by you and an authorized representative of the Company.
17. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Colorado, excluding its choice of law rules, and shall be binding upon the parties hereto and their respective successors and assigns.

If you agree, please sign and return to the Company as instructed above.

By signing below, you accept  
this Agreement and all of  
the terms herein.

TTEC Services Corporation

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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**Exhibit C**  
**To Executive Employment Agreement**  
**Executive Stock Ownership Guidelines**

Equity provides the opportunity for the company to further invest in the employees who passionately uphold our values while driving the business with an entrepreneurial spirit. Company leaders who think and act like owners are crucial to our success and encouraging star players to actively participate in company growth is key to building our future together.

When a company's board of directors, shareholders and employees align their interest in organization's long-term success, the stage is set for true transformation. To that end, TTEC has adopted Stock Ownership Guidelines to encourage company leaders (vice president-level and above) to align their interests with TTEC and our stockholders and to focus on value creation, while sharing in the company's success. The following are answers to questions you may have about TTEC's new Executive Stock Ownership Guidelines.

## Executive Stock Ownership Guidelines

**Q. Why are we implementing an Ownership Guideline?**

A. The Guidelines are designed to align our senior leaders' interests with our shareholders' interest, driving a long-term vision and commitment to creating company value. The Executive Ownership Guidelines are also designed to:

- Support confidence in company strategy to execute our business transformation
- Allow us to remain an attractive and competitive choice for executive-level talent by adopting best practices
- Align executive behavior with external shareholder expectation
- Drive long-term accountability
- Enable company success

**Q. How much stock should I hold as a company leader?**

A. The new Executive Stock Ownership Guidelines call for TTEC vice presidents and above to hold a multiplier of base compensation in TTEC stock (based on Fair Market Value (FMV) of st

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Employee Level	Target Holding Amount within 5 Years
Chief Financial Officer	3 times current base salary
Executive Vice President	2.5 times current base salary
Senior Vice President	1.5 times current base salary
Vice President	0.5 times current base salary

**Q. Do I have to buy TTEC stock to meet this holding Guideline?**

A. TTECTEC does not expect you to buy TTEC stock to meet the holdings Guidelines, and how you meet them is entirely up to you. Most employees will be able to meet the requirement by holding a portion of their annual equity grant (net of tax), as it vests.

**Q. How many shares should I consider holding from each RSU grant to meet the holding Guidelines?**

A. How much you hold from each grant and from each vesting event is entirely up to you. Based on basic modeling, however, we believe that if you hold a percentage of each vesting event (net of tax as indicated in the table below) you should comfortably reach the holding requirement in five years or sooner.

The holding guideline can be satisfied with any stock you hold including:

- the exercise of options to purchase the company's common stock
- the vesting of restricted stock; and
- the vesting of performance shares.

Employee Level	Guideline of Percentage of Net Shares to Hold
Executive Vice President	75%
Senior Vice President	75%
Vice President	50%

Once the holding target is reached, you should maintain it during your entire tenure in the role; and as your role changes be aware of the changes in the holding guidelines as well.

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- Q. What happens if I don't reach my target holding amount within the five-year time frame due to market volatility or amount of my equity awards?**
- A. If the actual Equity Grants you receive and/or market price volatility does not allow an employee to reach the target holding level within the required five-year time frame, the company does not expect employees to invest out of pocket. The company expects the Equity Grants you receive to be the source for the holding requirement and we look to you as a leader to exercise a good faith effort to honor the requirement.
- Q. What if I have a special situation (hardship) that makes maintaining the holding requirement difficult for me?**
- A. The Executive Ownership Guidelines is designed to align your interests with the company's interests and position you to share in our success. If your personal situation makes the compliance with the Ownership Guidelines a hardship, speak to your HC partner and the Executive Committee level executive responsible for your business segment for guidance and support.
- Q. Whom should I contact with questions?**
- A. If you have questions, please contact [Pam LeMasters](#), director, Global Compensation via email or by phone at 303.397.8531.
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## AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This Amended and Restated Executive Employment Agreement ("Agreement") is by and between TTEC Services Corporation, Inc., a Delaware corporation ("TSC" or the "Company"), a wholly owned subsidiary of TTEC Holdings, Inc., a Delaware corporation ("TTEC Parent"), and Judi Hand ("Employee" or "Hand"), each a "Party" and together the "Parties." The Amended and Restated Agreement is executed to be effective as of **May 1, 2018** ("Effective Date").

**Whereas**, Ms. Hand joined Revana, Inc., a wholly owned subsidiary of TTEC Parent in April 2007 ("Start Date");

**Whereas**, effective January 1, 2016, Ms. Hand agreed to have her employment transferred to the Company;

**Whereas**, Ms. Hand is currently employed as TTEC's Executive VP and chief revenue officer; and in this role Ms. Hand reports to TTEC Parent's Chief Executive Officer, Mr. Kenneth D. Tuchman (the "CEO");

**Whereas**, as the chief revenue officer, Ms. Hand is a member of the TTEC Parent's executive leadership team (known as the "Executive Committee" or the "EC"); and

**Whereas**, Ms. Hand currently has an employment agreement with the Company; and, whereas it is the desire of TTEC Parent and the Compensation Committee of the TTEC Board of Directors ("Compensation Committee"), on the advice of the independent compensation consultant of the Committee, to amend and restate such Employment Agreement in order to update the non-competition, non-solicit, severance, and change of control provisions thereof to reflect the prevailing market terms for similarly situated executives;

**Now, Therefore**, the purpose of this Agreement is to formally document the terms and conditions of Ms. Hand's employment with the Company as of the Effective Date.

### 1. **Appointment.**

a. The Agreement, hereby confirms Ms. Hand's appointment as Executive Vice President and chief revenue officer for TTEC business, reporting to TTEC Parent CEO; and as a member of TTEC Parent's Executive Committee.

b. Ms. Hand shall devote her full-time and best efforts to the performance of all duties contemplated by her title and responsibilities, and as assigned to her from time to time by the CEO or his delegates. Unless otherwise specifically authorized in writing by TTEC Parent, Employee shall not engage in any other business activity, or otherwise be employed by any other company other than TTEC's subsidiaries. Notwithstanding the foregoing, Ms. Hand is not precluded by the terms of this Agreement from serving on boards of directors of other non-competitor companies or not-for-profit organizations with TTEC Parent's prior written approval.

c. As a member of TTEC Parent Executive Committee, Ms. Hand shall render services to TTEC Parent as necessary and desirable to protect and advance the best interests of TTEC Parent and all its affiliated companies, acting at all times, in accordance with TTEC **Ethics Code: How TTEC Does Business** (or a successor code of conduct document), the Ethics Code for Executive and Senior Financial Officers, and in accordance with all other material policies and procedures.

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d. Ms. Hand's role with the Company requires extensive travel and Ms. Hand understands and agrees that such travel is a material part of her responsibilities. Ms. Hand shall travel in accordance with TTEC Parent travel policy. Notwithstanding the provisions of the travel policy to the contrary, the Company agrees that Ms. Hand will be permitted to travel in business class for international travel exceeding 6 hours in duration.

e. Notwithstanding other provisions in this Agreement, but subject to the reasonable interpretation of provisions of Paragraph 6(j) (on "Constructive Termination"), Ms. Hand understands and agrees that her role and responsibilities may change over time in the best interest of the business, and TTEC Parent reserves the right to assign to Ms. Hand different roles and assignments that best serve the business.

## **2. Compensation.**

a. **Salary and Periodic Salary Review.** As of the Effective Date, Ms. Hand's base salary is **\$400,000 per year** ("Base Salary"), payable in equal installments in accordance with the Company's standard payroll practice, less legally required deductions and withholdings. Ms. Hand's Base Salary may be periodically reviewed and adjusted, at CEO's discretion, to appropriately reflect her role in the business, the contribution of the role, and the market pay for such role in accordance with TTEC standard compensation review practices. Notwithstanding the foregoing, nothing in this Agreement provides assurances that Ms. Hand's salary will be increased from time to time.

b. **Variable Incentive Compensation (annual cash bonus).** As of the Effective Date, Ms. Hand is eligible to participate in an annual performance based cash incentive program, currently referred to as TTEC Variable Incentive Plan ("VIP"). As of the Effective Date, Ms. Hand's annual VIP opportunity currently shall be **up to \$400,000**, tied to the annual targets and goals of the business as set by the CEO and TTEC's Board of Directors. Ms. Hand's annual VIP award will be based on a combination of metrics set-out and annually approved by TTEC and by the Board. At present these metrics include the (i) TTEC-wide results of operations; (ii) TTEC-wide bookings and acquisition of new clients targets as delivered by the TTEC sales organization that reports to Ms. Hand; and (iii) Ms. Hand's individual performance against targets set-out by the CEO.

In addition, the Compensation Committee of the Board may, but shall not be obligated to, adjust the Employee's VIP award upward based on the Company's and Employee's function's overperformance against annual metrics set by the Board and deemed to be that year's business imperatives, such as but not limited to annual bookings, revenue, operating income, backlog, and cash flow.

The timing for the payment of the VIP award, if any, is determined from time to time by the Compensation Committee annually.

c. **Annual Equity Grant.** Ms. Hand is also eligible to participate in TTEC's annual Equity program, designed to provide long term incentives for senior executives of the Company and align their interests with company stockholders. Currently, TTEC offers its equity grants in the form of restricted stock units, vesting over a period of years (the "RSUs"). Ms. Hand is, and until and unless modified by the Compensation Committee of the Board, shall be eligible for an annual equity grant opportunity of **up to \$800,000** in fair market value of TTEC equity, based on the market value of the equity at the time of the grant. The actual amount of the annual equity grant is discretionary and is not guaranteed. It is based on TTEC's performance overall, the performance of the business function for which Ms. Hand is responsible, and Ms. Hand's individual performance against targets, as set annually by the TTEC's Board. The RSUs are granted under the terms of grant-specific agreements that are approved by the Compensation Committee of the Board from time to time ("Equity Agreements"). These Equity Agreements provide vesting schedules, performance metrics, if any, and other material terms of each grant.

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TTEC and its Compensation Committee of the Board reserve the right, at its discretion, to change the terms of future Equity Agreements and the equity granted thereunder. The use of the RSUs, as part of the annual equity grant, is discretionary and may be substituted, at the discretion of the Compensation Committee of the Board, by other equity instruments in accordance with incentive compensation plans adopted by the Compensation Committee of the Board from time to time. All grants as part of TTEC Parent Equity program are subject to Executive Stock Ownership Guidelines included in this Agreement as Exhibit C.

d. **Reimbursement of Business Expenses.** The Company agrees to reimburse Ms. Hand for all reasonable out-of-pocket business expenses incurred by Ms. Hand on behalf of the Company in accordance with TTEC expense reimbursement policies.

e. **Services to Subsidiaries.** Ms. Hand acknowledges that, as part of her employment responsibilities, she may be required to serve as an officer and/or director ("D&O") of TTEC subsidiaries, affiliates and related entities. She hereby agrees to perform such duties diligently and without additional compensation, and to follow TTEC direction in the performance of such services. For the duration of such D&O services, TTEC shall maintain appropriate D&O insurance policies for Ms. Hand's protection in connection with the services. Furthermore, Ms. Hand agrees to resign such D&O roles, if requested to do so by TTEC. At the time contemporaneous with the execution of this Agreement or at a prior time, Ms. Hand will sign a resignation letter in the general form attached hereto, as Exhibit A, which letter shall become effective on termination of this Agreement, for any reason, or without termination, at TTEC's discretion, if TTEC determines that such resignation is in the best interest of the business.

f. **Tax Liability and Withholdings.** All compensation and other payments made under this Agreement will be subject to withholding of the federal, state, and local taxes, Social Security, Medicare and other withholdings in such amounts as is reasonably determined by Company. The withholdings taxes due with respect to any equity grants may, at Company's discretion and in accordance with the relevant equity plans, be deducted directly from the equity being granted or as it vests. The Company shall have the right to take all the action as it deems necessary to satisfy its and employees tax withholding obligations.

### 3. **Not used in this agreement.**

### 4. **Benefits.**

a. **Health and Welfare Benefits.** Ms. Hand shall continue to be eligible to participate in TTEC health and wellness plans in a manner similar to others at her level of responsibility in the Company, including the participation for Ms. Hand and dependents in TTEC group medical, vision, and dental insurance and other welfare plans, as they continue or change from time to time.

b. **Executive Benefits.** Ms. Hand will continue to be eligible for the special annual executive physical program and the Company will continue to pay premiums on her \$4M life insurance policy.

c. **Miscellaneous Benefits.** Ms. Hand shall continue to be eligible for benefits generally applicable to other senior management employees of the Company, as they are in effect from time to time, including TTEC 401(k) Plan and its Deferred Compensation Plan.

d. **Paid Leave.** Ms. Hand shall continue to be eligible for paid time off ("PTO") and sick leave benefit programs pursuant to the Company's current time off/leave policy (or any other vacation/sick policy then in effect). Ms. Hand will also be paid for time off for holidays in accordance with the TTEC holiday policy.

e. **Tenure.** Notwithstanding the effective date of this Agreement, Ms. Hand's tenure for purposes of all benefits and otherwise shall date back to her original hire date in April 2007 –

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Start Date.

#### **5. Change in Control.**

**a.** For the avoidance of doubt, the definition of "Change in Control" as provided in this Agreement is substantially similar to those that are included in the Equity Agreements that Ms. Hand currently holds. The sole purpose of the provision being restated in this Agreement is to establish the Change in Control provisions in this omnibus Agreement that controls the terms of Ms. Hand's employment with the Company. For purposes of this Agreement, "Change in Control" event shall mean the occurrence of any one of the following:

(i) Any consolidation, merger or other similar transaction (i) involving TTEC Parent, if TTEC Parent is not the continuing or surviving corporation, or (ii) which contemplates that all or substantially all of the business and/or assets of TTEC Parent would be controlled by another corporation not controlled by TTEC Parent;

(ii) Any sale, lease, exchange or transfer (in one transaction or series of related transactions) of all or substantially all of the assets of TTEC Parent (a "Disposition"); provided, however, that the foregoing shall not apply to any Disposition with respect to which, following such Disposition, more than 51% of the combined voting power of the then outstanding voting securities of the receiving entity for the Disposition are directly or indirectly (beneficially or otherwise) owned by all or substantially all of the individuals and entities that were the beneficial owners of at least 51% of the outstanding common stock and/or other voting securities of TTEC Parent immediately prior to such Disposition, in substantially the same proportion of total ownership as their ownership immediately prior to such Disposition;

(iii) Approval by the stockholders of TTEC Parent of any plan or proposal for the liquidation or dissolution of TTEC, unless such plan or proposal is abandoned within 60 days following such approval;

(iv) The acquisition by any "person" (as such term is used in Sections 13(d) and 14(d)(2) of the U.S. Securities Exchange Act of 1934, as amended ("the Exchange Act")), or two or more persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of 51% or more of the outstanding shares of voting stock of TTEC Parent; provided, however, that for purposes of the foregoing, the term "person" shall exclude Kenneth D. Tuchman and his affiliates; provided, further that the foregoing shall exclude any such acquisition (1) made directly from TTEC Parent, (2) made by TTEC Parent (directly or through an affiliated company), or (3) made by TTEC employee benefit plan (or related trust) sponsored or maintained by TTEC Parent or any of its affiliate; or

(v) If, during any period of 15 consecutive calendar months commencing at any time on or after the Effective Date, those individuals ("Continuing Directors") who either (1) were directors of TTEC Parent on the first day of each such 15-months period, or (2) subsequently became directors of TTEC Parent and whose actual election or initial nomination for election subsequent to that date was approved by a majority of the Continuing Directors who were then members of the TTEC Parent Board of Directors, cease to constitute a majority of the Board of Directors of TTEC Parent.

#### **6. Termination and Payments, Benefits On Termination.**

**a. Termination by Either Party.** Except as set forth in Paragraphs 6(c) (for Cause termination), (e) (termination due to death) and (f) (termination due to disability), and subject to provisions of Paragraph 6(j) (constructive termination or good reason), either Party may terminate the employment relationship with 30 days' written notice to the other. Both parties may mutually agree to a shorter period.

**b. Termination by the Company without Cause.** Subject to provisions of Paragraph 6(i) (Change in Control termination), upon 30 days written notice, the Company, in its sole discretion,

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may terminate Ms. Hand's employment without Cause (as "Cause" is defined in Paragraph 6(g)). Constructive Termination by the Company (as the term is defined in Paragraph 6(j)) constitutes Termination without Cause by the Company for purposes of this Agreement. In case of termination pursuant to this Paragraph 6(b), the Employee shall be entitled to:

(i) Severance. If Ms. Hand executes a separation agreement in a form substantially similar to the agreement set forth in Exhibit B (attached hereto), releasing all legal claims except for those that cannot legally be released and Ms. Hand continues to comply with all terms of such separation agreement, and any other agreements signed by the Employee with the Company, then the Company shall pay Ms. Hand severance compensation equal to eighteen (18) full calendar months of Ms. Hand's then current base pay ("Severance" or "salary continuation"). Salary continuation payments will be made at the Company's regular payroll intervals, provided, however, payments accruing for payroll periods prior to the date that the Company has received a signed and effective separation agreement and release shall be suspended and paid on the first payroll date following the effective date of the separation and release.

(ii) Continuation of Benefits. In addition to Severance, the Company shall continue to provide to Employee and to the Employee's eligible dependents with the same level of welfare and health benefits, including without limitation medical, dental, vision, accident, disability, life insurance, and other welfare benefits in place prior to termination of employment for a period of twelve (12) months after the effective date of such termination, on substantially the same terms and conditions (including contributions required by the Executive for such benefits) as existed immediately prior to termination; provided that, if Employee cannot continue to participate in the Company's, TTEC Parent's or successor's benefit plans, TTEC Parent or successor shall otherwise provide such benefits on the same after-tax basis as if continued participation had been permitted.

(iii) Equity Vesting. Notwithstanding the vesting schedules contained in Equity Agreements that Ms. Hand currently holds or would hold, any unvested equity awards that would otherwise vest on or after the termination date shall automatically forfeit.

If the Company terminates this Agreement without Cause under this Paragraph 6(b), and the Company pays Ms. Hand the compensation earned as of the effective date of the termination, and provides Ms. Hand incremental compensation and continuation of benefits on the terms specified in this Paragraph 6(b), the Company's acts in doing so shall be in complete accord and satisfaction of any claim that Ms. Hand has or may at any time have for compensation, benefits or payments of any kind from the Company or TTEC Parent arising from or relating in whole or part to Ms. Hand's employment with the Company and/or this Agreement. If the separation agreement and legal release referenced above is not signed within thirty (30) days from the date that such agreement is presented to Ms. Hand (which the Company shall present no later than fifteen (15) days after the effective date of Employee's termination), then Ms. Hand waives her right to receive any severance compensation pursuant to this Agreement, even if Ms. Hand were to successfully litigate any claim against the Company and/or TTEC Parent.

c. Termination by the Company for Cause. The Company may terminate this Agreement with no notice for Cause, as that term is defined in Paragraph 6(g), with the Company's only obligation being the payment of any salary and compensation earned as of the date of termination, and any continuing obligations under the Company benefit plans then in effect, and without liability for severance compensation of any kind, including Severance set forth in Paragraph 6(b).

d. Termination by Employee. Ms. Hand is not entitled to severance compensation if she terminates her employment with the Company for any reason. Termination by Employee for "Good Reason" (as the term is defined in Paragraph 6(j)) shall constitute Termination without Cause by the Company for purposes of this Agreement.

e. Termination upon Employee's Death. This Agreement shall terminate

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immediately upon Employee's death. Thereafter, the Company shall pay to the Employee's estate all compensation fully earned, and benefits fully vested as of the last date of Employee's continuous, full-time active employment with the Company. For purposes of this Agreement, continuous, full-time active employment shall be defined as the last date upon which Employee continuously performed her job responsibilities on a regular, full-time basis consisting of at least 35 hours per week, and in the usual course of the Company's business ("Continuous Full-Time Active Employment"). In case of Employee's death, the Company shall not be required to pay any form of severance or other compensation concerning or on account of the Employee's employment with the Company or the termination thereof.

f. **Termination Due to or Following Disability.** During the first ninety (90) calendar days after a mental or physical condition that renders Employee unable to perform the essential functions of her position with reasonable accommodation (the "Initial Disability Period"), Employee shall continue to receive her base salary pursuant to Paragraph 2(a) of this Agreement. Thereafter, if Employee qualifies for benefits under the Company's long-term disability insurance plan (the "LTD Plan"), then Employee shall remain on leave for as long as Employee continues to qualify for such benefits, up to a maximum of 180 consecutive days (the "Long-term Leave Period"). The Long-term Leave Period shall begin on the first day following the end of the Initial Disability Period. During the Long-term Leave Period, Employee shall be entitled to any benefits to which the LTD Plan entitles Employee, but no additional compensation from the Company in the form of salary, performance bonus, equity grants, allowances or otherwise. If during or at the end of the Long-term Leave Period Employee remains unable to perform the essential functions of her position, then the Company may terminate this Agreement and/or Employee's employment. If the Company terminates this Agreement or Employee's employment under this Paragraph 6(f), the Company's payment obligation to Employee shall be limited to all compensation fully earned, and benefits fully vested as of the last date of Employee's continuous, full-time active employment with the Company.

g. **Definition of "Cause".** For purposes of this Agreement, "Cause" shall have the following meaning:

- (i) Fraud, theft, embezzlement (or attempted fraud, theft, embezzlement), dishonest acts or illegal conduct;
- (ii) Other similar acts of willful misconduct on the part of Employee resulting in damage to TTEC Parent or the Company;
- (iii) A material breach by the Employee of this Agreement;
- (iv) Use of any controlled substance or alcohol while performing Employee's duties except as part of a TTEC Parent or Company-sponsored event in connection with a business-related social engagement such as a trade conference or customer entertainment, but only in moderation and in a professional manner that reflects positively on TTEC Parent and the Company; with visible inebriation at a business-related social engagement constituting a cause for immediate termination;
- (v) A breach of a fiduciary duty that results in an adverse impact to TTEC Parent or the Company or in personal profit to the Employee (as determined by the Company based on its conflict of interest policies outlined in the TTEC Ethics Code);
- (vi) Use of trade secrets or confidential information of TTEC Parent or the Company, other than in pursuit of TTEC Parent or the Company's business;
- (vii) Aiding a competitor of TTEC Parent; or
- (viii) Failure by Employee in the performance of her duties that results in material adverse effect on TTEC Parent, the Company or TTEC Parent subsidiary companies.

If the act or acts constituting Cause are susceptible of cure, Company will provide Employee with

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written notice setting forth the acts constituting Cause, and providing that Employee may cure such acts within thirty (30) business days of receipt of such notice. Any recurrence of acts constituting Cause within one (1) year of the original occurrence will void Employee's right to such pre-termination right to cure.

**h. Continuing Obligations.** Ms. Hand shall remain subject to the Company's Agreement to Protect Confidential Information, Assign Inventions and Prevent Unfair Competition and Unfair Solicitation ("Confidentiality Agreements"), Arbitration agreements, Equity Agreements, and any other similar agreements executed at any time during her employment, including without limitation this Agreement, all of which survive termination of employment.

**i. Termination in Connection with Change in Control Event.** If a Change in Control event occurs, and at any time within twenty-four (24) months of such Change in Control event effective date ("COC Period") the Company, TTEC Parent, or its successor terminates Employee's employment without Cause (as defined in Paragraph 6(g)) whether such termination occurs outright or pursuant to a Constructive Termination (as defined in Paragraph 6(j)), the Employee shall be entitled to and the Company, TTEC Parent or its successor shall cause the following to occur:

(i) **Severance.** If Employee executes a separation agreement in a form substantially similar to the agreement set forth in Exhibit B (attached hereto), releasing all legal claims except for those that cannot legally be released and agrees to continue to comply with all terms of such separation agreement, and any other agreements signed by the Employee with the Company or successor, then the Company shall pay the Employee a lump-sum severance compensation equal to two-and-a-half times (2.5x) of Employee's Base Salary in effect at the time of such termination ("COC Severance") within ten (10) business days of the effective date of such Change in Control related termination; provided, however, if the COC Severance payment is due prior to the date that the Company, TTEC Parent or successor receive a signed and effective separation agreement and release, the payment shall be suspended until the receipt of such signed separation agreement, and then paid as soon as reasonable but in no event later than ten (10) business days after such receipt.

(ii) **Continuation of Benefits.** In addition to COC Severance, the Company, TTEC Parent or successor shall continue to provide to Employee and to the Employee's eligible dependents with the same level of welfare and health benefits, including without limitation medical, dental, vision, accident, disability, life insurance, and other welfare benefits in place prior to termination of employment for a period of twelve (12) months after the effective date of such termination, on substantially the same terms and conditions (including contributions required by the Employee for such benefits) as existed immediately prior to termination; provided that, if Employee cannot continue to participate in TTEC's or successor's benefit plans, TTEC or successor shall otherwise provide such benefits (via lump sum compensation or in kind) on the same after-tax basis as if continued participation had been permitted.

(iii) **Equity Vesting on Change of Control (single trigger).** Notwithstanding any vesting schedule provisions contained in Equity Agreements that Employee currently holds or may hold, provided such Equity Agreements represent awards for performance periods of prior to and including fiscal year 2017 performance period, regardless of when issued, any unvested equity that would otherwise vest pursuant to these awards on or after the Change in Control event's effective date shall automatically vest, as of the date immediately prior to the date of Change in Control event, regardless of whether Employee's employment with the Company, TTEC Parent, or successor shall continue after the Change of Control event.

(iv) **Equity Vesting on Change of Control Termination (double trigger).** Notwithstanding any vesting schedule provisions contained in Equity Agreements that Employee may hold, provided such Equity Agreements represent awards for performance period after fiscal year 2017 performance period, regardless of when issued, any unvested equity that would vest pursuant to

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these awards on or after the Change in Control event effective date and would otherwise forfeit on termination of employment, shall vest in full as of employment termination date, if such termination occurs during the COC Period.

(v) **Termination Ahead of Change of Control Event.** Notwithstanding anything in this Agreement to the contrary, if Employee's employment is terminated (actually or pursuant to a Constructive Termination as defined in Paragraph 6(j) of this Agreement) within three (3) months before a Change in Control event occurs, then for purposes of this Agreement, the effective date of Change in Control event shall be deemed to be the date immediately prior to the date of such termination of employment.

j. **"Good Reason" or "Constructive Termination."** Termination by Employee for "Good Reason" or "Constructive Termination" by the Company may be triggered if, without Employee's express written consent, the occurrence of any of the following (in connection with or independent of a Change in Control event):

(i) **Change in Responsibilities.** The material adverse change in Employee's scope of responsibilities and duties (including the diminution of such duties and responsibilities), or material adverse change in Employee's reporting responsibilities or title by the Company, TTEC parent, or in case of a Change in Control event by their successor.

(ii) **Change in Compensation.** Any material reduction by the Company, TTEC Parent or, in case of a Change in Control event by successor, of Employee's total compensation package, including material adverse change in the annual salary, the incentive bonus ranges and targets, or the timing of payment of same as compared to the compensation package in effect as of the date hereof or immediately prior to a Change in Control event, as the case may be. Notwithstanding anything in this provision to the contrary, a change in the compensation structure that is consistent with prevailing market trends, as supported by an independent report of a qualified compensation advisor to the Compensation Committee of the Board, the Company or its successor, shall not give rise to a 'constructive termination' or 'termination for good reason' claim.

(iii) **Change in Location.** Any requirement of the Company or successor that Employee be based anywhere more than twenty-five (25) miles from the site where the Employee is located as of the Effective Date or the time of the Change in Control event.

(iv) **Failure to Cause Assumption of this Agreement.** Failure of the Company or TTEC Parent to assign and obtain the assumption of this Agreement from any successor in case of a Change in Control event.

An action taken in good faith and which is remedied by TTEC Parent or successor within fifteen (15) calendar days after receipt of Employee's notice thereof shall not constitute Good Reason or Constructive Termination under this Agreement. Employee must provide notice of termination of employment within thirty (30) calendar days of Employee's knowledge of an event constituting "Good Reason" or such event shall not constitute Good Reason or Constructive Termination under this Agreement.

#### **7. Non-Disclosure, Non-Competition and Non-Solicitation.**

As a senior member of the executive leadership team of TTEC Parent, the Employee is privy to TTEC Parent company wide global business and financial strategy. Therefore, in addition to the provisions of the Confidentiality Agreements that the Employee signed at the time of her original employment with the Company, the Employee in consideration of the employment opportunity and compensation provided hereunder, agrees and covenants during the term of her affiliation with the Company (as an employee or otherwise):

a. **Non-Compete Undertaking.** For a period of twelve (12) months from separation from TTEC Parent and/or the Company, not to work or otherwise contribute her knowledge,

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directly or indirectly, in whole or in part, as an employee, officer, owner, manager, advisor, consultant, agent, partner, director, significant shareholder (i.e. a shareholder holding more than 5% of outstanding equity in the company), volunteer, intern or in any other similar capacity anywhere in the world to a business entity engaged in the same or substantially similar business as TTEC Parent its subsidiaries and affiliates, including entities engaged in the full life cycle of customer strategy, analytics-driven, technology-enabled customer engagement management solutions from customer engagement strategy consulting, to technology and analytics driven customer acquisition to technology solution development and integration to business process outsourcing customer care (collectively, "TTEC Business"). The Non-Compete Undertaking shall apply throughout, and shall only be limited by, the territory where the Employee performs services for the Company and TTEC Parent, as provided in this Agreement. For the avoidance of doubt, the term 'performs services for' shall not be limited to 'works at' or any other limitation delineating where the Employee performs the actual services, but instead shall relate to the entire territory where the Company and TTEC Parent benefits and is reasonable to expect to benefit from the Employee's services. Given Ms. Hand's role as the Executive Vice President and TTEC chief revenue officer, the territory for purposes of this Agreement shall be worldwide.

If Employee's employment is terminated pursuant to provisions of Paragraph 6(i) (Change in Control event) and if Employee is paid Change in Control related compensation and receives other benefits as provided in that Paragraph, the Employee agrees for the Non-Competition Undertaking to be extended ~~from twelve (12) to twenty-four (24) months;~~ and

b. **Employee Non-Solicitation Undertaking.** For a period of twelve (12) months from separation from TTEC Parent and the Company, Employee agrees not to solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment, directly or indirectly, of any then current employee of the Company or its subsidiaries and affiliates.

If Employee's employment is terminated pursuant to provisions of Paragraph 6(i) (Change in Control event) and if Employee is paid Change in Control related compensation and receives other benefits as provided in that Paragraph, the Employee agrees for the Employee Non-Solicitation Undertaking to be extended ~~from twelve (12) to twenty-four (24) months;~~ and

c. **Client Non-Solicitation Undertaking.** For a period of twelve (12) months from separation from TTEC Parent or the Company, Employee agrees not to solicit or interfere with business relationships between TTEC Parent, the Company, and current and prospective (currently actively pursued) clients of TTEC Parent, or any of its subsidiaries and affiliates, for purposes of offering or accepting goods or services similar to or competitive with those offered by TTEC Parent or any of its subsidiaries and affiliates.

If Employee's employment is terminated pursuant to provisions of Paragraph 6(i) (Change in Control event) and if Employee is paid Change in Control related compensation and receives other benefits as provided in that Paragraph, the Employee agrees for the Client Non-Solicitation Undertaking to be extended ~~from twelve (12) to twenty-four (24) months.~~

d. **Consequences of Breach.** If Employee breaches any of the covenants and undertakings set forth in this Paragraph 7:

(i) All of Employee's unvested equity shall be immediately forfeited and neither TTEC Parent nor the Company shall have any further liabilities to Employee pursuant to this Agreement, including without limitation no liability for any equity not yet granted or granted and unvested;

(ii) Employee and those who aid her in such breach shall be liable for all costs and business losses including any damages and out-of-pocket expenses associated with or resulting from such breach; and

(iii) Employee hereby consents and agrees that TTEC Parent and the Company shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or

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other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief.

**8. Miscellaneous.**

a. **Relationship between this Agreement and Other Company Agreements.** In the event of any direct conflict between any term of this Agreement and any TTEC Parent and/or Company agreement, policy, procedure, guideline or other publication addressing the same terms and conditions contained in this Agreement, the terms of this Agreement shall control Ms. Hand's employment.

b. **Successors and Assigns.** TTEC Parent, the Company, its successors and assigns may in their sole discretion assign this Agreement to any person or entity in connection with the merger, acquisition or other business combination that results in the divestiture or transfer of all or substantially all the assets of the Company or TTEC Parent. This Agreement shall bind, and inure to the benefit of the Company's successors or assigns. This Agreement is for personal services and Ms. Hand shall not assign her rights or obligations hereunder.

c. **IRSC Section 409A.**

(i) **Interpretation.** This Agreement shall be interpreted and administered in a manner so that any amount or benefit payable hereunder shall be paid or provided in a manner that is either exempt from, or complies with, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Internal Revenue Service guidance and Treasury Regulations thereunder (collectively, "Section 409A"). It is the Parties' intention that salary continuation payments under the Agreement will be exempt from the requirements of Section 409A because they are short term deferrals under Treas. Reg. Sec. 1.409A-1(b)(4) or payments under a separation pay plan within the meaning of Treas. Reg. Sec. 1.409A-1(b)(9) and the Agreement shall be construed and administered in a manner consistent with such intent.

(ii) **Separation from Service; Separate Payments.** Notwithstanding anything in this Agreement to the contrary, to the extent that any payment or benefit subject to Section 409A, including an exemption from Section 409A, and such payment or benefit would otherwise be payable or distributable hereunder by reason of Employee's termination of employment, all references to Ms. Hand's "termination of employment" shall be construed to mean a "separation from service," as defined in Treasury Regulation Section 1.409A-1(h), and Employee shall not be considered to have had a termination of employment unless such termination constitutes a "separation from service" with respect to Employee. If under this Agreement, an amount is to be paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment.

(iii) **Specified Employee.** Notwithstanding anything in this Agreement to the contrary, if the Employee is a "specified employee" (within the meaning of Treasury Regulation Section 1.409A-1(i)) on the date of the Employee's "separation from service", any benefit or payment that constitutes non-exempt "nonqualified deferred compensation" (within the meaning of Section 409A) and is payable on account of the Employee's separation from service shall be delayed in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i), and any such delayed payment shall be paid to Ms. Hand in a lump sum during the ten (10) day period commencing on the earlier of (i) the expiration of a six-month period from the date of Employee's "separation from service," or (ii) Employee's death. To the greatest extent permitted under Section 409A, any separate payment or benefit under the Agreement will not be deemed to constitute "nonqualified deferred compensation" subject to Section 409A and the six-month delay requirement to the extent provided in the exceptions in Treasury Regulation Sections 1.409A-1(b)(4) or 1.409A-1(b)(9), or in any other applicable exception or provision of Section 409A.

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(iv) **Reimbursements.** With regard to any provision in this Agreement that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (x) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (y) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, provided that the foregoing clause (y) shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such arrangement provides for a limit on the amount of expenses that may be reimbursed over some or all of the period the arrangement is in effect and (z) such payments shall be made on or before the last day of Ms. Hand's taxable year following the taxable year in which the expenses were incurred.

(v) **Cooperation.** If the Parties hereto determine that any payments or benefits payable under this Agreement intended to comply with Section 409A do not so comply, Ms. Hand and the Company agree to amend this Agreement, or take such other actions as Ms. Hand and the Company deem necessary or appropriate, to comply with the requirements of Section 409A, while preserving benefits that are, in the aggregate, no less favorable than the benefits as provided to Ms. Hand under this Agreement. If any provision of this Agreement would cause such payments or benefits to fail to so comply, such provision shall not be effective and shall be null and void with respect to such payments or benefits, and such provision shall otherwise remain in full force and effect.

**d. Governing Law and Dispute Resolution.**

(i) **Good Faith Negotiation Requirement.** Ms. Hand, TTEC Parent and the Company agree that in the event of any controversy or claim arising out of or relating to Ms. Hand's employment with and/or separation from the Company, they shall negotiate in good faith to resolve the controversy or claim privately, amicably and confidentially. Each Party may consult with counsel in connection with such negotiations.

(ii) **Governing Law.** This Agreement will be construed and interpreted in accordance with the laws of the State of Colorado without regard to conflict of law principles.

(iii) **Disputes.** The Parties agree that any action arising from or relating in any way to this Agreement, shall be resolved and tried in the state or federal courts situated in Denver, Colorado. The parties consent to jurisdiction and venue of those courts to the greatest extent allowed by law. In this regard, the Employee acknowledges and admits to all or a combination of several following substantial contacts with Colorado: (v) the Employee is employed, provides services for or otherwise is affiliated with an legal entity headquartered in the state of Colorado; (w) the Employee receives the compensation in a form of Employee checks or wire transfers that are drawn either directly or indirectly, from bank accounts in Colorado; (x) the Employee regularly interacts with, contacts and is contacted by other TTEC and Company employees and executives in Colorado; (y) the Employee either routinely travels to or attends business meetings in Colorado; and (z) the Employee receives substantial compensation and benefits as a result of TTEC Parent being a corporation headquartered in and subject to the laws of Colorado. Based on these and other contacts, the Employee acknowledges that he could reasonably be subject to the laws of Colorado.

**e. Severability.** If any court of competent jurisdiction declares any provision of this Agreement invalid or unenforceable, the remainder of the Agreement shall remain fully enforceable. To the extent that any court concludes that any provision of this Agreement is void or voidable, the court shall reform such provision(s) to render the provision(s) enforceable, but only to the extent absolutely necessary to render the provision(s) enforceable.

**f. Modification of Agreement.** This Agreement or any other term or condition of employment may not be modified by word or deed, except in writing signed by Employee and the Chief Administrative Officer, Chief People Officer or Chief Executive Officer for TTEC Parent.

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**g. Waiver.** No provision of this Agreement shall be deemed waived, nor shall there be an estoppel against the enforcement of any such provision, except by a writing signed by the party charged with the waiver or estoppel. No waiver shall be deemed continuing unless specifically stated therein, and the written waiver shall operate only as to the specific term or condition waived, and not for the future or as to any act other than that specifically waived.

**h. Construction.** Whenever applicable, masculine and neutral pronouns shall equally apply to the feminine genders; the singular shall include the plural and the plural shall include the singular. The Parties have reviewed and understand this Agreement, and each has had a full opportunity to negotiate the agreement's terms and to consult with counsel of their own choosing. Therefore, the Parties expressly waive all applicable common law and statutory rules of construction that any provision of this Agreement should be construed against the agreement's drafter, and agree that this Agreement and all amendments thereto shall be construed as a whole, according to the fair meaning of the language used.

**i. Dodd-Frank Clawback Provision.** Notwithstanding any other provision in this Agreement or in the related Equity Agreements, in the event that pursuant to the terms or requirements of the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or of any applicable laws, rules or regulations promulgated by the US Securities and Exchange Commission or any listing requirements of any stock exchange or stock market on which any securities of TTEC Parent trade, from time to time, and in the event any bonus payment, equity award or other payment is based upon the satisfaction of financial performance metrics which are subsequently reversed due to a restatement or reclassification of financial results of TTEC Parent, then any payments made or equity awards granted (and equity received pursuant to these awards) shall be returned and forfeited to the extent required and as provided by applicable laws, rules, regulations or listing requirements. This Paragraph 8(i) shall survive any expiration or termination of this Agreement for any reason.

**j. Greatest Net Benefit.**

(i) Anything in this Agreement to the contrary notwithstanding, in the event that the Employee determines (at his/her discretion and expense) that the receipt of any payments hereunder would subject the Employee to tax under Internal Revenue Code (the "Code") Section 4999 or a successor provision, the Employee shall have the option at his/her discretion to cause TTEC Parent or successor to reduce the payment due to the Employee under this Agreement so that the net (after tax) benefit of the payments to the Employee is maximized ("Reduced Payment Election"). The Employee shall have forty-five (45) calendar days from receipt of notice of the payment due under this Agreement or the payment itself under this Agreement, as the case may be, to advise TTEC Parent or successor of such election.

(ii) If the Employee accepts the full payment hereunder and thereafter within the period provided above determines that he/she wants to make the Reduced Payment Election, any payments received by the Employee in excess of the amount payable under Reduced Payment Election shall be treated for all purposes as a loan *ab initio* to the Employee, which the Employee shall repay to TTEC Parent or successor, together with appropriate interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code, within sixty (60) days of the Reduced Payment Election.

(iii) Nothing in this Paragraph 8(j) shall be interpreted to compel the Executive to make the Reduced Payment Election.

**k. Assignment and Assumption of Agreement.** Concurrently with any Change in Control event or a business combination that may impact the legal implications of this Agreement, the Company, TTEC Parent shall cause any successor or transferee to assume unconditionally, by written instrument delivered to Employee, all of the obligations of the Company and TTEC Parent hereunder. Failure of the Company or TTEC Parent to obtain such assumption prior to the effectiveness of any Change in Control event or other business combination, shall be a breach

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of this Agreement and shall constitute Good Reason entitling the Employee to resign, within thirty (30) calendar days of consummation of such Change of Control event or business combination, and receive compensation and benefits as provided in Paragraph 6(i).

I. **Controlling Provisions.** The employment arrangement contemplated by this Agreement includes other related documents in addition to this Employment Agreement, some of which are TTEC Parent and the Company's standard documents not otherwise tailored to this transaction. To the extent any provisions of these related agreements contradict the clear provisions and terms of this Employment Agreement, the provisions of this Agreement shall be controlling.

Ms. Hand acknowledges and agrees that she reviewed and fully understands the terms and provisions of this Agreement; that she enters into it freely, knowingly, and mindful of the fact that it creates important legal obligations and affects her legal rights; and that she understands the need to and has had the opportunity to consult with counsel (if she so wishes) concerning this Agreement with legal counsel.

**Employee**

**TTEC Services Corporation**

\_\_\_\_\_  
Judi Hand

\_\_\_\_\_  
Regina M. Paolillo, Chief Administrative Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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**Exhibit B  
To Executive Employment Agreement  
(Sample Severance Agreement and Release of Claims  
Not Customized for Ms. Hand)**

[DATE]

**PERSONAL & CONFIDENTIAL**

[NAME]  
[ADDRESS]

Dear [NAME]:

As you have been advised, your employment with TTEC Services Corporation ("TTEC" or "the Company") will terminate effective the close of business on \_\_\_\_\_ ("Termination Date"). This letter contains a Settlement Agreement and Release of Claims ("Agreement") intended to resolve any and all disputes arising from your employment and your separation from employment with TTEC on mutually agreeable terms as set forth below. Please review it carefully, and if it is acceptable to you, sign and return an original copy to TTEC Human Capital Department, 9197 S. Peoria Street, Englewood, Colorado 80112 Attn: Settlement Agreements, either by mail or by hand delivery. If you are 40 or over, you have been provided 21 days from the date of this Agreement to consider whether to enter into this Agreement.

**SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS**

**This Agreement is made between** \_\_\_\_\_ ("you") and TTEC (collectively, the "Parties"). In consideration of the mutual promises and other benefits set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Settlement Payment:** Provided that you sign and return this Agreement, and it thereafter becomes effective as described below, you will receive a settlement payment equivalent to \_\_\_\_\_ of your base salary, for a total amount of \$\_\_\_\_\_ ("Settlement Payment"). Payment shall be made in bi-weekly installments in accordance with the Company's normal payroll schedule, less applicable federal, state, and local taxes and other authorized deductions and shall be started within 15 days of the Termination Date.
  2. **Benefits:** Your current medical, dental, vision and healthcare flexible spending account coverage (to the extent that you have a positive balance in that account as of today's date) will be continued until the Termination Date. After the Termination Date, you may continue your existing medical insurance coverage at your own expense pursuant to your rights under federal law (commonly referred to as "COBRA"). You will receive information on COBRA in a later mailing.
  3. **Other Compensation Due You:** You will receive payment for any salary earned through the date of your separation from the Company, less applicable taxes and authorized or required withholding deductions. You understand that you will be paid your earned wages and commissions, if any, set forth in this paragraph regardless of whether you sign this Agreement.
  4. **Reimbursement for Business Expenses:** Within five days of the Termination Date, you will provide to the Company expense reports detailing all items, if any, for which you seek reimbursement, and the required supporting documentation for such expenses. If you hold a corporate credit card account, and there is an outstanding amount due and owing on that account, you must submit documentation showing that the account has been paid in full within five days of the Termination Date and understand and agree that if you do not, the Company may withhold any amounts due and owing on that account from the Settlement Payment. Your expense reports and supporting documentation will be subject to the same level of review that all other similar
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submissions receive from the Company's Accounting Department. The Company will reimburse you in accordance with its existing policies and procedures. In addition, you will provide supporting documentation for all previously filed expense reports and agree to cooperate with the Company's Accounting Department to resolve in good faith any issues relating to expenses.

5. **Return and Prohibition of Removal of Company Property and Records.** Except as otherwise specifically provided in this Agreement, you shall return all Company property and records on the Termination Date. In the event you fail to return such property or records provided herein, you shall be liable to the Company for the value of all such property and records, and all reasonable costs, including attorneys' fees, incurred by the Company in recovering such property or records. Company property and records shall include, but is not limited to, cell phones, pagers, BlackBerry devices, tablets, laptops, printers, fax machines, and any Company related document whether in written or electronic form and whether created by you or another person or entity. Company equipment, files or business information of any kind, whether written, electronic, digital, or otherwise, shall not be copied, taken or otherwise used by you without the prior written consent of the Company. In addition, the Company reserves the right to pursue all legal and equitable relief available for breach of this paragraph.
  6. **Agreement to Protect Confidential Information, Assign Inventions, and Prevent Unfair Competition and Unfair Solicitation.** You understand that all terms and conditions of your "Agreement to Protect Confidential Information, Assign Inventions, and Prevent Unfair Competition and Unfair Solicitation" (the "Non-Compete Agreement") and any other applicable employment documents you signed during your employment at TTEC, survive Termination and shall remain in full force and effect.
  7. **Acknowledgment.** You understand and agree that, absent this Agreement, you would not otherwise be entitled to the payment specified in Paragraph 1. Further, by signing this Agreement, you agree that you are entitled only to the payments described in this Agreement and that you are not entitled to any payments that are not specifically listed in this Agreement, excluding vested rights you may have pursuant to the Company's 401(k), Stock Option, Restricted Stock Units and Life Insurance plans.
  8. **General Release of All Claims:** In exchange for the Company's payments in Paragraph 1, you promise that you will not sue TTEC Services Corporation, including its past and present parents, subsidiaries, partnerships, affiliated companies, officers, directors, employees, or agents. By signing below, you release TTEC Services Corporation, including its past and present parents, subsidiaries, partnerships, affiliated companies, officers, directors, employees or agents (collectively, the "Released Parties"), from any and all claims you may have, known or unknown, that are releasable by private agreement, arising at any time through the date that this Agreement becomes effective, which is eight (8) days after you sign it without revoking it. The release specifically includes and is not limited to:
    - a. any and all rights or claims under any of the following laws: Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000-e, as amended; the Civil Rights Act of 1991; Sections 1981 through 1988 of Title 42 of the United States Code, as amended; the Family and Medical Leave Act of 1993, as amended; the Worker Adjustment and Retraining Notification Act, as amended; the Fair Labor Standards Act of 1938, as amended; the National Labor Relations Act; the Occupational Safety and Health Act, as amended; the Age Discrimination in Employment Act; the Americans with Disabilities Act of 1990, as amended; the Civil Rights Acts of 1866, 1871, and 1991; the Equal Pay Act of 1963; the Employee Retirement and Income Security Act of 1974, as amended; the Immigration Reform and Control Act, as amended; the Conscientious Employee Protection Act, the Colorado Anti-Discrimination Act and any other federal, state, or local employment statute, law, or ordinance, including any and all claims of employment discrimination based on race, color, creed, religion, national origin, sex, age, marital status, disability, sexual orientation, lawful off-duty conduct, or retaliation; and
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- b. any and all common-law claims such as wrongful discharge, violation of public policy, breach of contract, promissory estoppel, defamation, negligence, infliction of emotional distress, any intentional torts, outrageous conduct, interference with contract, fraud, misrepresentation, and invasion of privacy; and
- c. any and all claims for any of the following: money damages (including actual, compensatory, liquidated or punitive damages), equitable relief such as reinstatement or injunctive relief, front or back pay, wages, commissions, bonuses, benefits, sick pay, PTO pay, vacation pay, costs, interest, expenses, attorney fees, or any other remedies; and
- d. any and all claims arising under any federal or state "whistleblower" law, including without limitation the Sarbanes-Oxley Act of 2002, the Whistleblower Protection Act, and common-law wrongful discharge in violation of public policy.

9. **Age Waiver for Employee 40 Years Old or More:** By signing this Agreement, you acknowledge that:

- a. The General Release in this Agreement includes a waiver and release of all claims you may have under the Age Discrimination in Employment Act of 1967 (29 U.S.C. § 621 et seq.);
- b. You have carefully read, and understand, this Agreement;
- c. You have twenty-one (21) days from the date of this Agreement to consider your rights and obligations under this Agreement and if you elect to sign it sooner, have done so knowingly, voluntarily, and after giving it your due consideration;
- d. You were, and hereby are, advised to consult with an attorney and/or any other advisors of your choice before signing this Agreement;
- e. You understand that this Agreement is legally binding and by signing it you give up certain rights;
- f. You have voluntarily chosen to enter into this Agreement and have not been forced or pressured in any way to sign it;
- g. You knowingly and voluntarily release the Released Parties from any and all claims you may have, known or unknown, in exchange for the payments and benefits you have obtained by signing this Agreement, and that these payments are in addition to any payments or benefits you would have otherwise received if you did not sign this Agreement;
- h. You have seven (7) days from the date you sign this Agreement to change your mind and revoke your acceptance. To be effective, your revocation must be in writing and tendered to TTEC Corporate Headquarters, Human Capital Department, 9197 S. Peoria Street, Englewood, Colorado Attn: Settlement Agreements, either by mail or by hand delivery, within the seven (7) day period. If by mail, the revocation must be: 1) postmarked within the seven (7) day period; 2) properly addressed; and 3) sent by Certified Mail, Return Receipt Requested. The Agreement will become effective on the eighth day after you sign it, provided you do not revoke your acceptance. You understand that the Company is not required to make the payments described herein unless and until this Agreement becomes effective; and
- i. You understand that this Agreement does not waive any rights or claims that may arise after this Agreement is signed and becomes effective, which is after the Company's actual receipt of your signed signature page and after the 7-day revocation period has expired.

10. **No Admission of Wrongdoing:** By entering into this Agreement, neither you nor the Company nor any of the Released Parties suggest or admit any wrongdoing or violation of law.

11. **No Claims Filed:** As a condition of the Company entering into this Agreement, you represent that you have not filed, and do not intend to file, any lawsuit against the Company, or any of the other Released Parties. This Agreement shall not be construed to prohibit you from filing a charge or complaint with the National Labor Relations Board, the Equal Employment Opportunity Commission, or participating in any investigation or proceedings conducted by either entity.

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12. **Confidentiality:** You agree that the terms of this Agreement are confidential. You also agree not to tell anyone about this Agreement and not to disclose any information contained in this Agreement to anyone, other than your lawyer, financial advisor and immediate family members, unless you are compelled to do so by law. If you do tell your lawyer, financial advisor or immediate family members about this Agreement or its contents, you must immediately tell them that they must keep it confidential as well.
13. **Breach of this Agreement:** You promise to abide by the terms and conditions in this Agreement and understand that if you do not, the Company is entitled to seek damages and injunctive relief.
14. **Entire Agreement:** This Agreement, together with the Arbitration Agreement, Agreement to Protect Confidential Information, Assign Inventions and Non-Solicitation (collectively, the "Employee Agreements") constitute the complete understanding between the Parties concerning all matters affecting your employment with the Company, the termination thereof and any ongoing responsibilities. You hereby affirm and will comply with any and all ongoing obligations contained in the Employee Agreements, including obligations relating to confidentiality of Company information and binding arbitration. Moreover, you acknowledge that no promises or representations have been made to induce you to sign this Agreement other than as expressly set forth herein and that you have signed this Agreement as a free and voluntary act.
15. **Severability:** If any clause, provision or paragraph of this Agreement is found to be void, invalid or unenforceable, such finding shall have no effect on the remainder of this Agreement, which shall continue to be in full force and effect. Each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.
16. **Changes to the Agreement:** This Agreement may not be changed unless the changes are in writing and signed by you and an authorized representative of the Company.
17. **Governing Law:** This Agreement shall be governed and construed in accordance with the laws of the State of Colorado, excluding its choice of law rules, and shall be binding upon the parties hereto and their respective successors and assigns.

If you agree, please sign and return to the Company as instructed above.

By signing below, you accept  
this Agreement and all of  
the terms herein.

TTEC Services Corporation

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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To Executive Employment Agreement

**Executive Stock Ownership Guidelines**

Equity provides the opportunity for the company to further invest in the employees who passionately uphold our values while driving the business with an entrepreneurial spirit. Company leaders who think and act like owners are crucial to our success and encouraging star players to actively participate in company growth is key to building our future together.

When a company's board of directors, shareholders and employees align their interest in organization's long-term success, the stage is set for true transformation. To that end, TTEC has adopted Stock Ownership Guidelines to encourage company leaders (vice president-level and above) to align their interests with TTEC and our stockholders and to focus on value creation, while sharing in the company's success. The following are answers to questions you may have about TTEC's new Executive Stock Ownership Guidelines.

**Executive Stock Ownership Guidelines**

**Q. Why are we implementing an Ownership Guideline?**

A. The Guidelines are designed to align our senior leaders' interests with our shareholders' interest, driving a long-term vision and commitment to creating company value. The Executive Ownership Guidelines are also designed to:

- Support confidence in company strategy to execute our business transformation
- Allow us to remain an attractive and competitive choice for executive-level talent by adopting best practices
- Align executive behavior with external shareholder expectation
- Drive long-term accountability
- Enable company success

**Q. How much stock should I hold as a company leader?**

A. The new Executive Stock Ownership Guidelines call for TTEC vice presidents and above to hold a multiplier of base compensation in TTEC stock (based on Fair Market Value (FMV) of stock as it trades on NASDAQ). Employees will have five years from the start of this requirement (or promotion into a new role) to meet the holding Guidelines.

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Employee Level	Target Holding Amount within 5 Years
Chief Financial Officer	3 times current base salary
Executive Vice President	2.5 times current base salary
Senior Vice President	1.5 times current base salary
Vice President	0.5 times current base salary

**Q. Do I have to buy TTEC stock to meet this holding Guideline?**

A. TTECTTEC does not expect you to buy TTEC stock to meet the holdings Guidelines, and how you meet them is entirely up to you. Most employees will be able to meet the requirement by holding a portion of their annual equity grant (net of tax), as it vests.

**Q. How many shares should I consider holding from each RSU grant to meet the holding Guidelines?**

A. How much you hold from each grant and from each vesting event is entirely up to you. Based on basic modeling, however, we believe that if you hold a percentage of each vesting event from annual Equity Grants (net of tax as indicated in the table below) you should comfortably reach the holding requirement in five years or sooner.

The holding guideline can be satisfied with any stock you hold including:

- the exercise of options to purchase the company's common stock
- the vesting of restricted stock; and
- the vesting of performance shares.

Employee Level	Guideline of Percentage of Net Shares to Hold
Executive Vice President	75%
Senior Vice President	75%
Vice President	50%

Once the holding target is reached, you should maintain it during your entire tenure in the role; and as your role changes be aware of the changes in the holding guidelines as well.

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- Q. What happens if I don't reach my target holding amount within the five-year time frame due to market volatility or amount of my equity awards?**
- A. If the actual Equity Grants you receive and/or market price volatility does not allow an employee to reach the target holding level within the required five-year time frame, the company does not expect employees to invest out of pocket. The company expects the Equity Grants you receive to be the source for the holding requirement and we look to you as a leader to exercise a good faith effort to honor the requirements. If the Equity Grants you receive or market volatility creates a challenge, discuss the matter with your supervisor and your HC partner for a practical resolution.
- Q. What if I have a special situation (hardship) that makes maintaining the holding requirement difficult for me?**
- A. The Executive Ownership Guidelines is designed to align your interests with the company's interests and position you to share in our success. If your personal situation makes the compliance with the Ownership Guidelines a hardship, speak to your HC partner and the Executive Committee level executive responsible for your business segment for guidance and support.
- Q. Whom should I contact with questions?**
- A. If you have questions, please contact Pam LeMasters, director, Global Compensation via email or by phone at 303.397.8531.
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## AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This Amended and Restated Executive Employment Agreement ("Agreement") is by and between TTEC Services Corporation, Inc., a Delaware corporation ("TSC" or the "Company"), a wholly owned subsidiary of TTEC Holdings, Inc., a Delaware corporation ("TTEC Parent"), and Martin F. DeGhetto ("Employee" or "DeGhetto"), each a "Party" and together the "Parties." The Amended and Restated Agreement is executed to be effective as of **May 1, 2018** ("Effective Date").

**Whereas**, Mr. DeGhetto joined the Company in March 2010 ("Start Date") and is currently employed as Executive Vice President for TTEC business segments known as Customer Management Services (CMS) and Customer Growth Services (CGS); and in this role Mr. DeGhetto reports to TTEC Parent's Chief Executive Officer, Mr. Kenneth D. Tuchman (the "CEO"), and is a member of the TTEC Parent's executive leadership team (known as the "Executive Committee" or the "EC").

**Whereas**, Mr. DeGhetto currently has an employment agreement with TTEC Parent and the Company; and, whereas it is the desire of TTEC Parent and the Compensation Committee of the TTEC Board of Directors ("Compensation Committee"), on the advice of the independent compensation consultant to the Committee, to amend and restate such Employment Agreement in order to update the non-competition, non-solicit, severance, and change in control provisions thereof to reflect the prevailing market terms for similarly situated executives;

**Now, Therefore**, the purpose of this Agreement is to formally document the terms and conditions of Mr. DeGhetto's employment with the Company as of the Effective Date.

### **1. Appointment.**

a. The Agreement, hereby confirms Mr. DeGhetto's appointment as Executive Vice President for TTEC CMS and CGS business segments, reporting to TTEC Parent CEO. Mr. DeGhetto shall retain his responsibilities as a member of TTEC Parent's Executive Committee.

b. Mr. DeGhetto shall devote his full-time and best efforts to the performance of all duties contemplated by his title and responsibilities, and as assigned to him from time to time by the CEO or his delegates. Unless otherwise specifically authorized in writing by TTEC Parent, Employee shall not engage in any other business activity, or otherwise be employed by any other company other than TTEC's subsidiaries. Notwithstanding the foregoing, Mr. DeGhetto is not precluded by the terms of this Agreement from serving on boards of directors of other non-competitor companies or not-for-profit organizations with TTEC Parent's prior written approval.

c. As a member of TTEC Parent Executive Committee, Mr. DeGhetto shall render services to TTEC Parent as necessary and desirable to protect and advance the best interests of TTEC Parent and all its affiliated companies, acting at all times, in accordance with TTEC **Ethics Code: How TTEC Does Business** (or a successor code of conduct document), the Ethics Code for Executive and Senior Financial Officers, and in accordance with all other material policies and procedures.

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d. Mr. DeGhetto's role with the Company requires extensive travel and Mr. DeGhetto understands and agrees that such travel is a material part of his responsibilities. Mr. DeGhetto shall travel in accordance with TTEC Parent travel policy. Notwithstanding the provisions of the travel policy to the contrary, the Company agrees that Mr. DeGhetto will be permitted to travel in business class for international travel exceeding 6 hours in duration.

e. Notwithstanding other provisions in this Agreement, but subject to the reasonable interpretation of provisions of Paragraph 6(j) (on "Constructive Termination"), Mr. DeGhetto understands and agrees that his role and responsibilities may change over time in the best interest of the business, and TTEC Parent reserves the right to assign to Mr. DeGhetto different roles and assignments that best serve the business.

## **2. Compensation.**

a. **Salary and Periodic Salary Review.** As of the Effective Date, Mr. DeGhetto's base salary is **\$425,000 per year** ("Base Salary"), payable in equal installments in accordance with the Company's standard payroll practice, less legally required deductions and withholdings. Mr. DeGhetto's Base Salary may be periodically reviewed and adjusted, at CEO's discretion, to appropriately reflect his role in the business, the contribution of the role, and the market pay for such role in accordance with TTEC standard compensation review practices. Notwithstanding the foregoing, nothing in this Agreement provides assurances that Mr. DeGhetto's salary will be increased from time to time.

b. **Variable Incentive Compensation (annual cash bonus).** As of the Effective Date, Mr. DeGhetto is eligible to participate in an annual performance based cash incentive program, currently referred to as TTEC Variable Incentive Plan ("VIP"). As of the Effective Date, Mr. DeGhetto's annual VIP opportunity shall be **\$425,000** tied to the annual targets and goals of the business, as set by the CEO and TTEC's Board of Directors. Mr. DeGhetto's annual VIP award will be based on a combination of metrics set-out and annually approved by TTEC and by the Board. At present these metrics include the (i) TTEC-wide results of operations; (ii) business segment specific results, including Mr. DeGhetto's business segments' revenue and operating income goals; and (iii) Mr. DeGhetto's individual performance against targets set-out by the CEO.

In addition, the Compensation Committee of the Board may, but shall not be obligated to, adjust the Employee's VIP award upward based on the Company's and Employee segments' overperformance against annual metrics set by the Board and deemed to be that year's business imperatives, such as but not limited to annual bookings, revenue, operating income, backlog, and cash flow.

The timing for the payment of the VIP award, if any, is determined from time to time by the Compensation Committee annually.

c. **Annual Equity Grant.** Mr. DeGhetto is also eligible to participate in TTEC's annual Equity program, designed to provide long term incentives for senior executives of the Company and align their interests with company stockholders. Currently, TTEC offers its equity grants in the form of restricted stock units, vesting over a period of years (the "RSUs"). Mr. DeGhetto is and, until and unless modified by the Compensation Committee of the Board, shall be eligible for an annual equity grant opportunity of **up to \$1,000,000** in fair market value of TTEC equity, based on the market value of the equity at the time of the grant. The actual amount of the annual equity grant is discretionary and is not guaranteed. It is based on TTEC's performance overall, the performance of the business segments for which Mr. DeGhetto is responsible, and Mr. DeGhetto's individual performance against targets, as set annually by the TTEC's Board. The RSUs are granted under the terms of grant-specific agreements that are approved by the Compensation Committee of the Board from time to time ("Equity Agreements"). These Equity

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Agreements provide vesting schedules, performance metrics, if any, and other material terms of each grant. TTEC and its Compensation Committee of the Board reserve the right, at its discretion, to change the terms of future Equity Agreements and the equity granted thereunder. The use of the RSUs, as part of the annual equity grant, is discretionary and may be substituted, at the discretion of the Compensation Committee of the Board, by other equity instruments in accordance with incentive compensation plans adopted by the Compensation Committee of the Board from time to time. All grants as part of TTEC Parent Equity program are subject to Executive Stock Ownership Guidelines included in this Agreement as Exhibit C.

d. **Reimbursement of Business Expenses.** The Company agrees to reimburse Mr. DeGhetto for all reasonable out-of-pocket business expenses incurred by Mr. DeGhetto on behalf of the Company in accordance with TTEC expense reimbursement policies.

e. **Services to Subsidiaries.** Mr. DeGhetto acknowledges that, as part of his employment responsibilities, he may be required to serve as an officer and/or director ("D&O") of TTEC subsidiaries, affiliates and related entities. He hereby agrees to perform such duties diligently and without additional compensation, and to follow TTEC direction in the performance of such services. For the duration of such D&O services, TTEC shall maintain appropriate D&O insurance policies for Mr. DeGhetto's protection in connection with the services. Furthermore, Mr. DeGhetto agrees to resign such D&O roles, if requested to do so by TTEC. At the time contemporaneous with the execution of this Agreement or at a prior time, Mr. DeGhetto will sign a resignation letter in the general form attached hereto, as Exhibit A, which letter shall become effective on termination of this Agreement, for any reason, or without termination, at TTEC's discretion, if TTEC determines that such resignation is in the best interest of the business.

f. **Tax Liability and Withholdings.** All compensation and other payments made under this Agreement will be subject to withholding of the federal, state, and local taxes, Social Security, Medicare and other withholdings in such amounts as is reasonably determined by Company. The withholdings taxes due with respect to any equity grants may, at Company's discretion and in accordance with the relevant equity plans, be deducted directly from the equity being granted or as it vests. The Company shall have the right to take all the action as it deems necessary to satisfy its and employees tax withholding obligations.

### 3. **Not used in this agreement.**

### 4. **Benefits.**

a. **Health and Welfare Benefits.** Mr. DeGhetto shall continue to be eligible to participate in TTEC health and wellness plans in a manner similar to others at his level of responsibility in the Company, including the participation for Mr. DeGhetto and dependents in TTEC group medical, vision, and dental insurance and other welfare plans, as they continue or change from time to time.

b. **Executive Benefits.** Mr. DeGhetto will continue to be eligible for the special annual executive physical program and the Company will continue to pay premiums on his \$4M life insurance policy.

c. **Miscellaneous Benefits.** Mr. DeGhetto shall continue to be eligible for benefits generally applicable to other senior management employees of the Company, as they are in effect from time to time, including TTEC 401(k) Plan and its Deferred Compensation Plan.

d. **Paid Leave.** Mr. DeGhetto shall continue to be eligible for paid time off ("PTO") and sick leave benefit programs pursuant to the Company's current time off/leave policy (or any other vacation/sick policy then in effect). Mr. DeGhetto will also be paid for time off for holidays in accordance with the TTEC holiday policy.

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e. **Tenure.** Notwithstanding the effective date of this Agreement, Mr. DeGhetto's tenure for purposes of all benefits and otherwise shall date back to his original hire date in March 2010 – Start Date.

**5. Change in Control.**

For the avoidance of doubt, the definition of "Change in Control" event, as provided in this Agreement, is substantially similar to the definitions included in the Equity Agreements that Mr. DeGhetto currently holds. The sole purpose of the provision being restated in this Agreement is to establish the Change in Control provision in this omnibus Agreement that controls the terms of Mr. DeGhetto's employment with the Company. For purposes of this Agreement, "Change in Control" event shall mean the occurrence of any one of the following:

(i) Any consolidation, merger or other similar transaction (i) involving TTEC Parent, if TTEC Parent is not the continuing or surviving corporation, or (ii) which contemplates that all or substantially all of the business and/or assets of TTEC Parent would be controlled by another corporation or legal entities not controlled by TTEC Parent;

(ii) Any sale, lease, exchange or transfer (in one transaction or series of related transactions) of all or substantially all of the assets of TTEC Parent (a "Disposition"); provided, however, that the foregoing shall not apply to any Disposition with respect to which, following such Disposition, more than 51% of the combined voting power of the then outstanding voting securities of the receiving entity for the Disposition are directly or indirectly (beneficially or otherwise) owned by all or substantially all of the individuals and entities that were the beneficial owners of at least 51% of the outstanding common stock and/or other voting securities of TTEC Parent immediately prior to such Disposition, in substantially the same proportion of total ownership as their ownership immediately prior to such Disposition;

(iii) Approval by the stockholders of TTEC Parent of any plan or proposal for the liquidation or dissolution of TTEC, unless such plan or proposal is abandoned within 60 days following such approval;

(iv) The acquisition by any "person" (as such term is used in Sections 13(d) and 14(d)(2) of the U.S. Securities Exchange Act of 1934, as amended ("the Exchange Act")), or two or more persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of 51% or more of the outstanding shares of voting stock of TTEC Parent; provided, however, that for purposes of the foregoing, the term "person" shall exclude Kenneth D. Tuchman and his affiliates; provided, further; that the foregoing shall exclude any such acquisition (1) made directly from TTEC Parent, (2) made by TTEC Parent (directly or through an affiliated company), or (3) made by a TTEC employee benefit plan (or related trust) sponsored or maintained by TTEC Parent or any of its affiliates; or

(v) If, during any period of 15 consecutive calendar months commencing at any time on or after the Effective Date, those individuals ("Continuing Directors") who either (1) were directors of TTEC Parent on the first day of each such 15-months period, or (2) subsequently became directors of TTEC Parent and whose actual election or initial nomination for election subsequent to that date was approved by a majority of the Continuing Directors who were then members of the TTEC Parent Board of Directors, cease to constitute a majority of the Board of

(vi) Directors of TTEC Parent.

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**6. Termination and Payments, Benefits On Termination.**

**a. Termination by Either Party.** Except as set forth in Paragraphs 6(c) (termination for Cause), (e) (termination due to death) and (f) (termination due to disability), and subject to provisions of Paragraph 6(j) (constructive termination or good reason), either Party may terminate the employment relationship with 30 days' written notice to the other. Both parties may mutually agree to a shorter notice period.

**b. Termination by the Company without Cause.** Subject to provisions of Paragraph 6(i) (Change in Control termination), upon 30 days written notice, the Company, in its sole discretion, may terminate Mr. DeGhetto's employment without Cause (as "Cause" is defined in Paragraph 6(g)). Constructive Termination by the Company (as the term is defined in Paragraph 6(j)) constitutes Termination without Cause by the Company for purposes of this Agreement. In case of termination pursuant to this Paragraph 6(b), the Employee shall be entitled to:

(i) **Severance.** If Mr. DeGhetto executes a separation agreement in a form substantially similar to the agreement set forth in Exhibit B (attached hereto), releasing all legal claims except for those that cannot legally be released and Mr. DeGhetto continues to comply with all terms of such separation agreement, and any other agreements signed by the Employee with the Company, then the Company shall pay Mr. DeGhetto severance compensation equal to eighteen (18) full calendar months of Mr. DeGhetto's then current Base Salary ("Severance" or "salary continuation"). Salary continuation payments will be made at the Company's regular payroll intervals, provided, however, payments accruing for payroll periods prior to the date that the Company has received a signed and effective separation agreement and release shall be suspended and paid on the first payroll date following the effective date of the separation and release.

(ii) **Continuation of Benefits.** In addition to Severance, the Company shall continue to provide to Employee and to the Employee's eligible dependents with the same level of welfare and health benefits, including without limitation medical, dental, vision, accident, disability, life insurance, and other welfare benefits in place prior to termination of employment for a period of twelve (12) months after the effective date of such termination, on substantially the same terms and conditions (including contributions required by the Employee for such benefits) as existed immediately prior to termination; provided that, if Employee cannot continue to participate in the Company's, TTEC Parent's or successor's benefit plans, TTEC Parent or successor shall otherwise provide such benefits on the same after-tax basis as if continued participation had been permitted.

(iii) **Equity Vesting.** Notwithstanding the vesting schedules contained in Equity Agreements that Mr. DeGhetto currently holds or would hold, any unvested equity awards that would otherwise vest on or after the termination date shall automatically forfeit.

If the Company terminates this Agreement without Cause under this Paragraph 6(b), and the Company pays Mr. DeGhetto the compensation earned as of the effective date of the termination, and provides to Mr. DeGhetto incremental compensation and continuation of benefits on the terms specified in this Paragraph 6(b), the Company's acts in doing so shall be in complete accord and satisfaction of any claim that Mr. DeGhetto has or may at any time have for compensation, benefits or payments of any kind from the Company or TTEC Parent arising from or relating in whole or part to Mr. DeGhetto's employment with the Company and/or this Agreement. If the separation agreement and legal release referenced above is not signed within thirty (30) days from the date that such agreement is presented to Mr. DeGhetto (which the Company shall present no later than fifteen (15) days after the effective date of Employee's termination), then Mr. DeGhetto waives his right to receive any severance compensation

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pursuant to this Agreement, even if Mr. DeGhetto were to successfully litigate any claim against the Company and/or TTEC Parent.

c. **Termination by the Company for Cause.** The Company may terminate this Agreement with no notice for Cause, as that term is defined in Paragraph 6(g), with the Company's only obligation being the payment of any salary and compensation earned as of the date of termination, and any continuing obligations under the Company benefit plans then in effect, and without liability for severance compensation of any kind, including Severance set forth in Paragraph 6(b).

d. **Termination by Employee.** Mr. DeGhetto is not entitled to severance compensation if he terminates his employment with the Company for any reason. Termination by Employee for "Good Reason" (as the term is defined in Paragraph 6(j)) shall constitute Termination without Cause by the Company for purposes of this Agreement.

e. **Termination upon Employee's Death.** This Agreement shall terminate immediately upon Employee's death. Thereafter, the Company shall pay to the Employee's estate all compensation fully earned, and benefits fully vested as of the last date of Employee's continuous, full-time active employment with the Company. For purposes of this Agreement, continuous, full-time active employment shall be defined as the last date upon which Employee continuously performed his job responsibilities on a regular, full-time basis consisting of at least 35 hours per week, and in the usual course of the Company's business ("Continuous Full-Time Active Employment"). In case of Employee's death, the Company shall not be required to pay any form of severance or other compensation concerning or on account of the Employee's employment with the Company or the termination thereof.

f. **Termination Due to or Following Disability.** During the first ninety (90) calendar days after a mental or physical condition that renders Employee unable to perform the essential functions of his position with reasonable accommodation (the "Initial Disability Period"), Employee shall continue to receive his base salary pursuant to Paragraph 2(a) of this Agreement. Thereafter, if Employee qualifies for benefits under the Company's long-term disability insurance plan (the "LTD Plan"), then Employee shall remain on leave for as long as Employee continues to qualify for such benefits, up to a maximum of 180 consecutive days (the "Long-term Leave Period"). The Long-term Leave Period shall begin on the first day following the end of the Initial Disability Period. During the Long-term Leave Period, Employee shall be entitled to any benefits to which the LTD Plan entitles Employee, but no additional compensation from the Company in the form of salary, performance bonus, equity grants, allowances or otherwise. If during or at the end of the Long-term Leave Period Employee remains unable to perform the essential functions of his position, then the Company may terminate this Agreement and/or Employee's employment. If the Company terminates this Agreement or Employee's employment under this Paragraph 6(f), the Company's payment obligation to Employee shall be limited to all compensation fully earned, and benefits fully vested as of the last date of Employee's continuous, full-time active employment with the Company.

g. **Definition of "Cause".** For purposes of this Agreement, "Cause" shall have the following meaning:

- (i) Fraud, theft, embezzlement (or attempted fraud, theft, embezzlement), dishonest acts or illegal conduct;
  - (ii) Other similar acts of willful misconduct on the part of Employee resulting in damage to TTEC Parent or the Company;
  - (iii) A material breach by the Employee of this Agreement;
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(iv) Use of any controlled substance or alcohol while performing Employee's duties, except as part of a TTEC Parent or Company-sponsored event in connection with a business-related social engagement such as a trade conference or customer entertainment, but only in moderation and in a professional manner that reflects positively on TTEC Parent and the Company; with visible inebriation at a business-related social engagement constituting a cause for immediate termination;

(v) A breach of a fiduciary duty that results in an adverse impact to TTEC Parent or the Company or in personal profit to the Employee (as determined by the Company based on its conflict of interest policies outlined in the TTEC Ethics Code);

(vi) Use of trade secrets or confidential information of TTEC Parent or the Company, other than in pursuit of TTEC Parent or the Company's business;

(vii) Aiding a competitor of TTEC Parent; or

(viii) Failure by Employee in the performance of his duties that results in material adverse effect on TTEC Parent, the Company or TTEC Parent subsidiary companies.

If the act or acts constituting Cause are susceptible of cure, Company will provide Employee with written notice setting forth the acts constituting Cause and providing that Employee may cure such acts within thirty (30) business days of receipt of such notice. Any recurrence of acts constituting Cause within one (1) year of the original occurrence will void Employee's right to such pre-termination right to cure.

**h. Continuing Obligations.** Mr. DeGhetto shall remain subject to the Company's Agreement to Protect Confidential Information, Assign Inventions and Prevent Unfair Competition and Unfair Solicitation ("Confidentiality Agreements"), Arbitration agreements, Equity Agreements, and any other similar agreements executed at any time during his employment, including without limitation this Agreement, all of which survive termination of employment.

**i. Termination In Connection with Change in Control Event.** If a Change in Control event occurs, and at any time within twenty-four (24) months of such Change in Control event's effective date ("COC Period") the Company, TTEC Parent, or its successor terminates Employee's employment without Cause (as that term is defined in Paragraph 6(g)) whether such termination occurs outright or pursuant to a Constructive Termination (as defined in Paragraph 6(j)), the Employee shall be entitled to and the Company, TTEC Parent or its successor shall cause the following to occur:

(i) **Severance.** If Employee executes a separation agreement in a form substantially similar to the agreement set forth in Exhibit B (attached hereto), releasing all legal claims except for those that cannot legally be released and agreeing to continue to comply with all terms of such separation agreement, and any other agreements signed by the Employee with the Company or successor, then the Company shall pay the Employee a lump-sum severance compensation equal to two-and-a-half times (2.5x) of Employee's Base Salary in effect at the time of such termination ("COC Severance") within ten (10) business days of the effective date of such Change in Control related termination; provided, however, if the COC Severance payment is due prior to the date that the Company or successor receive a signed and effective separation agreement and release, the payment shall be suspended until the receipt of such signed separation agreement, and then paid as soon as reasonable but in no event later than ten (10) business days after such receipt.

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(ii) Continuation of Benefits. In addition to COC Severance, the Company, TTEC Parent, or successor shall continue to provide to Employee and to the Employee's eligible dependents with the same level of welfare and health benefits, including without limitation medical, dental, vision, accident, disability, life insurance, and other welfare benefits in place prior to termination of employment, for a period of twelve (12) months after the effective date of such termination, on substantially the same terms and conditions (including contributions required by the Employee for such benefits) as existed immediately prior to termination; provided that, if Employee cannot continue to participate in TTEC Parent's or successor's benefit plans, TTEC Parent or successor shall otherwise provide such benefits (via lump sum compensation or in kind) on the same after-tax basis as if continued participation had been permitted.

(iii) Equity Vesting on Change in Control (single trigger). Notwithstanding any vesting schedule provisions contained in Equity Agreements that Employee currently holds or may hold, provided such Equity Agreements represent Equity Grant awards for performance periods of prior to and including fiscal year 2017 performance period, regardless of when issued, any unvested equity that would otherwise vest pursuant to these awards on or after the Change in Control event's effective date shall automatically vest as of the date immediately prior to the date of Change in Control event, regardless of whether Employee's employment with the Company, TTEC Parent, or successor shall continue after the Change in Control event.

(iv) Equity Vesting on Change in Control Termination (double trigger). Notwithstanding any vesting schedule provisions contained in Equity Agreements that Employee may hold, provided such Equity Agreements represent awards for performance period after fiscal year 2017 performance period, regardless of when issued, any unvested equity that would vest pursuant to these awards on or after the Change in Control event effective date and would otherwise forfeit on termination of employment, shall vest in full as of employment termination date, if such termination occurs during the COC Period.

(v) Termination Ahead of Change in Control Event. Notwithstanding anything in this Agreement to the contrary, if Employee's employment is terminated (actually or pursuant to a Constructive Termination as defined in Paragraph 6(j) of this Agreement) within three (3) months before a Change in Control event occurs, then for purposes of this Agreement, the effective date of Change in Control event shall be deemed to be the date immediately prior to the date of such termination of employment.

j. "Good Reason" or "Constructive Termination." Termination by Employee for "Good Reason" or "Constructive Termination" by the Company may be triggered if, without Employee's express written consent, the occurrence of any of the following (in connect with or independent of a Change in Control event):

(i) Change in Responsibilities. The material adverse change in Employee's scope of responsibilities and duties (including the diminution of such duties and responsibilities), or material adverse change in Employee's reporting responsibilities or title by the Company, TTEC Parent, or in case of a Change in Control event by their successor.

(ii) Change in Compensation. Any material reduction by the Company, TTEC Parent or, in case of a Change in Control event by successor, of Employee's total compensation package, including material adverse change in the annual salary, the incentive bonus ranges and targets, or the timing of payment of same as compared to the compensation package in effect as of the date hereof or immediately prior to a Change in Control event, as the case may be. Notwithstanding anything in this provision to the contrary, a change in the compensation structure that is consistent with prevailing market trends, as supported by an independent report of a qualified compensation advisor to the Compensation Committee, the Company or its successor, shall not give rise to a 'constructive termination' or 'termination for good reason' claim.

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(iii) Change in Location. Any requirement of the Company or successor that Employee be based anywhere more than twenty-five (25) miles from the site here Employee is located as of the Effective Date or the time of the Change in Control event.

(iv) Failure to Cause Assumption of this Agreement. Failure of the Company or TTEC Parent to assign and obtain the assumption of this Agreement from any successor in case of a Change in Control event.

An action taken in good faith and which is remedied by TTEC Parent or successor within fifteen (15) calendar days after receipt of Employee's notice thereof shall not constitute Good Reason or Constructive Termination under this Agreement. Employee must provide notice of termination of employment within thirty (30) calendar days of Employee's knowledge of an event constituting "Good Reason" or such event shall not constitute Good Reason or Constructive Termination under this Agreement.

**7. Non-Disclosure, Non-Competition and Non-Solicitation.**

As a senior member of the executive leadership team of TTEC Parent, the Employee is privy to TTEC Parent company wide global business and financial strategy. Therefore, in addition to the provisions of the Confidentiality Agreements that the Employee signed at the time of his original employment with the Company, the Employee in consideration of the employment opportunity and compensation provided hereunder, agrees and covenants during the term of his affiliation with the Company (as an employee or otherwise):

a. **Non-Compete Undertaking.** During and for a period of twelve (12) months from separation from TTEC Parent and/or the Company, not to work or otherwise contribute his knowledge, directly or indirectly, in whole or in part, as an employee, officer, owner, manager, advisor, consultant, agent, partner, director, significant shareholder (i.e. a shareholder holding more than 5% of outstanding equity in the company), volunteer, intern or in any other similar capacity anywhere in the world to a business entity engaged in the same or substantially similar business as TTEC Parent its subsidiaries and affiliates, including entities engaged in the full life cycle of customer strategy, analytics-driven, technology-enabled customer engagement management solutions from customer engagement strategy consulting, to technology and analytics driven customer acquisition to technology solution development and integration to business process outsourcing customer care (collectively, "TTEC Business"). The Non-Compete Undertaking shall apply throughout, and shall only be limited by, the territory where the Employee performs services for the Company and TTEC Parent, as provided in this Agreement. For the avoidance of doubt, the term 'performs services for' shall not be limited to 'works at' or any other limitation delineating where the Employee performs the actual services, but instead shall relate to the entire territory where the Company and TTEC Parent benefits and is reasonable to expect to benefit from the Employee's services. Given Mr. DeGhetto's role as the Executive Vice President for CMS business, the territory for purposes of this Agreement shall be worldwide.

If Employee's employment is terminated pursuant to provisions of Paragraph 6(i) (Change in Control event) and if Employee is paid Change in Control related compensation and receives other benefits as provided in that Paragraph, the Employee agrees for the Non-Competition Undertaking to be extended ~~from twelve (12) to twenty-four (24) months;~~ and

b. **Employee Non-Solicitation Undertaking.** During and for a period of twelve (12) months from separation from TTEC Parent and the Company, Employee agrees not to solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment, directly or indirectly, of any then current employee of the Company or its subsidiaries and affiliates.

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If Employee's employment is terminated pursuant to provisions of Paragraph 6(i) (Change in Control event) and if Employee is paid Change in Control related compensation and receives other benefits as provided in that Paragraph, the Employee agrees for the Employee Non-Solicitation Undertaking to be extended from twelve (12) to twenty-four (24) months; and

c. **Client Non-Solicitation Undertaking.** During and for a period of twelve (12) months from separation from TTEC Parent or the Company, Employee agrees not to solicit or interfere with business relationships between TTEC Parent, the Company, and current and prospective (currently actively pursued) clients of TTEC Parent, or any of its subsidiaries and affiliates, for purposes of offering or accepting goods or services similar to or competitive with those offered by TTEC Parent or any of its subsidiaries and affiliates.

If Employee's employment is terminated pursuant to provisions of Paragraph 6(i) (Change in Control event) and if Employee is paid Change in Control related compensation and receives other benefits as provided in that Paragraph, the Employee agrees for the Client Non-Solicitation Undertaking to be extended from twelve (12) to twenty-four (24) months.

d. **Consequences of Breach.** If Employee breaches any of the covenants and undertakings set forth in this Paragraph 7:

(i) All of Employee's unvested equity shall be immediately forfeited and neither TTEC Parent nor the Company shall have any further liabilities to Employee pursuant to this Agreement, including without limitation no liability for any equity not yet granted or granted and unvested;

(ii) Employee and those who aid him in such breach shall be liable for all costs and business losses including any damages and out-of-pocket expenses associated with or resulting from such breach; and

(iii) Employee hereby consents and agrees that TTEC Parent and the Company shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief.

## 8. **Miscellaneous.**

a. **Relationship between this Agreement and Other Company Agreements.** In the event of any direct conflict between any term of this Agreement and any TTEC Parent and/or Company agreement, policy, procedure, guideline or other publication addressing the same terms and conditions contained in this Agreement, the terms of this Agreement shall control Mr. DeGhetto's employment.

b. **Successors and Assigns.** TTEC Parent, the Company, its successors and assigns may in their sole discretion assign this Agreement to any person or entity in connection with the merger, acquisition or other business combination that results in the divestiture or transfer of all or substantially all the assets of the Company or TTEC Parent. This Agreement shall bind, and inure to the benefit of the Company's successors or assigns. This Agreement is for personal services and Mr. DeGhetto shall not assign his rights or obligations hereunder.

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c. **IRSC Section 409A.**

(i) **Interpretation.** This Agreement shall be interpreted and administered in a manner so that any amount or benefit payable hereunder shall be paid or provided in a manner that is either exempt from, or complies with, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Internal Revenue Service guidance and Treasury Regulations thereunder (collectively, "Section 409A"). It is the Parties' intention that salary continuation payments under the Agreement will be exempt from the requirements of Section 409A because they are short term deferrals under Treas. Reg. Sec. 1.409A-1(b)(4) or payments under a separation pay plan within the meaning of Treas. Reg. Sec. 1.409A-1(b)(9) and the Agreement shall be construed and administered in a manner consistent with such intent.

(ii) **Separation from Service; Separate Payments.** Notwithstanding anything in this Agreement to the contrary, to the extent that any payment or benefit subject to Section 409A, including an exemption from Section 409A, and such payment or benefit would otherwise be payable or distributable hereunder by reason of Employee's termination of employment, all references to DeGhetto's "termination of employment" shall be construed to mean a "separation from service," as defined in Treasury Regulation Section 1.409A-1(h), and Employee shall not be considered to have had a termination of employment unless such termination constitutes a "separation from service" with respect to Employee. If under this Agreement, an amount is to be paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment.

(iii) **Specified Employee.** Notwithstanding anything in this Agreement to the contrary, if the Employee is a "specified employee" (within the meaning of Treasury Regulation Section 1.409A-1(i)) on the date of the Employee's "separation from service", any benefit or payment that constitutes non-exempt "nonqualified deferred compensation" (within the meaning of Section 409A) and is payable on account of the Employee's separation from service shall be delayed in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i), and any such delayed payment shall be paid to DeGhetto in a lump sum during the ten (10) day period commencing on the earlier of (i) the expiration of a six-month period from the date of Employee's "separation from service," or (ii) Employee's death. To the greatest extent permitted under Section 409A, any separate payment or benefit under the Agreement will not be deemed to constitute "nonqualified deferred compensation" subject to Section 409A and the six-month delay requirement to the extent provided in the exceptions in Treasury Regulation Sections 1.409A-1(b)(4) or 1.409A-1(b)(9), or in any other applicable exception or provision of Section 409A.

(iv) **Reimbursements.** With regard to any provision in this Agreement that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (x) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (y) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, provided that the foregoing clause (y) shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such arrangement provides for a limit on the amount of expenses that may be reimbursed over some or all of the period the arrangement is in effect and (z) such payments shall be made on or before the last day of DeGhetto's taxable year following the taxable year in which the expenses were incurred.

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(v) Cooperation. If the Parties hereto determine that any payments or benefits payable under this Agreement intended to comply with Section 409A do not so comply, DeGhetto and the Company agree to amend this Agreement, or take such other actions as DeGhetto and the Company deem necessary or appropriate, to comply with the requirements of Section 409A, while preserving benefits that are, in the aggregate, no less favorable than the benefits as provided to DeGhetto under this Agreement. If any provision of this Agreement would cause such payments or benefits to fail to so comply, such provision shall not be effective and shall be null and void with respect to such payments or benefits, and such provision shall otherwise remain in full force and effect.

**d. Governing Law and Dispute Resolution.**

(i) Good Faith Negotiation Requirement. Mr. DeGhetto, TTEC Parent and the Company agree that in the event of any controversy or claim arising out of or relating to Mr. DeGhetto's employment with and/or separation from the Company, they shall negotiate in good faith to resolve the controversy or claim privately, amicably and confidentially. Each Party may consult with counsel in connection with such negotiations.

(ii) Governing Law. This Agreement will be construed and interpreted in accordance with the laws of the State of Colorado without regard to conflict of law principles.

(iii) Disputes. The Parties agree that any action arising from or relating in any way to this Agreement, shall be resolved and tried in the state or federal courts situated in Denver, Colorado. The parties consent to jurisdiction and venue of those courts to the greatest extent allowed by law. In this regard, the Employee acknowledges and admits to all or a combination of several following substantial contacts with Colorado: (v) the Employee is employed, provides services for or otherwise is affiliated with an legal entity headquartered in the state of Colorado; (w) the Employee receives the compensation in a form of Employee checks or wire transfers that are drawn either directly or indirectly, from bank accounts in Colorado; (x) the Employee regularly interacts with, contacts and is contacted by other TTEC and Company employees and executives in Colorado; (y) the Employee either routinely travels to or attends business meetings in Colorado; and (z) the Employee receives substantial compensation and benefits as a result of TTEC Parent being a corporation headquartered in and subject to the laws of Colorado. Based on these and other contacts, the Employee acknowledges that he could reasonably be subject to the laws of Colorado.

**e. Severability**. If any court of competent jurisdiction declares any provision of this Agreement invalid or unenforceable, the remainder of the Agreement shall remain fully enforceable. To the extent that any court concludes that any provision of this Agreement is void or voidable, the court shall reform such provision(s) to render the provision(s) enforceable, but only to the extent absolutely necessary to render the provision(s) enforceable.

**f. Modification of Agreement**. This Agreement or any other term or condition of employment may not be modified by word or deed, except in writing signed by Employee and the Chief Administrative Officer, Chief People Officer, or Chief Executive Officer for TTEC Parent.

**g. Waiver**. No provision of this Agreement shall be deemed waived, nor shall there be an estoppel against the enforcement of any such provision, except by a writing signed by the party charged with the waiver or estoppel. No waiver shall be deemed continuing unless specifically stated therein, and the written waiver shall operate only as to the specific term or condition waived, and not for the future or as to any act other than that specifically waived.

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h. **Construction.** Whenever applicable, masculine and neutral pronouns shall equally apply to the feminine genders; the singular shall include the plural and the plural shall include the singular. The Parties have reviewed and understand this Agreement, and each has had a full opportunity to negotiate the agreement's terms and to consult with counsel of their own choosing. Therefore, the Parties expressly waive all applicable common law and statutory rules of construction that any provision of this Agreement should be construed against the agreement's drafter, and agree that this Agreement and all amendments thereto shall be construed as a whole, according to the fair meaning of the language used.

i. **Dodd-Frank Clawback Provision.** Notwithstanding any other provision in this Agreement or in the related Equity Agreements, in the event that pursuant to the terms or requirements of the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or of any applicable laws, rules or regulations promulgated by the US Securities and Exchange Commission or any listing requirements of any stock exchange or stock market on which any securities of TTEC Parent trade, from time to time, and in the event any bonus payment, equity award or other payment is based upon the satisfaction of financial performance metrics which are subsequently reversed due to a restatement or reclassification of financial results of TTEC Parent, then any payments made or equity awards granted (and equity received pursuant to these awards) shall be returned and forfeited to the extent required and as provided by applicable laws, rules, regulations or listing requirements. This Paragraph 8(i) shall survive any expiration or termination of this Agreement for any reason.

j. **Greatest Net Benefit.**

(i) Anything in this Agreement to the contrary notwithstanding, in the event that the Employee determines (at his/her discretion and expense) that the receipt of any payments hereunder would subject the Employee to tax under Internal Revenue Code (the "Code") Section 4999 or a successor provision, the Employee shall have the option at his/her discretion to cause TTEC Parent or successor to reduce the payment due to the Employee under this Agreement so that the net (after tax) benefit of the payments to the Employee is maximized ("Reduced Payment Election"). The Employee shall have forty-five (45) calendar days from receipt of notice of the payment due under this Agreement or the payment itself under this Agreement, as the case may be, to advise TTEC Parent or successor of such election.

(ii) If the Employee accepts the full payment hereunder and thereafter within the period provided above determines that he/she wants to make the Reduced Payment Election, any payments received by the Employee in excess of the amount payable under Reduced Payment Election shall be treated for all purposes as a loan *ab initio* to the Employee, which the Employee shall repay to TTEC Parent or successor, together with appropriate interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code, within sixty (60) days of the Reduced Payment Election.

(iii) Nothing in this Paragraph 8(j) shall be interpreted to compel the Employee to make the Reduced Payment Election.

k. **Assignment and Assumption of Agreement.** Concurrently with any Change in Control event or a business combination that may impact the legal implications of this Agreement, the Company, TTEC Parent shall cause any successor or transferee to assume unconditionally, by written instrument delivered to Employee, all of the obligations of the Company and TTEC Parent hereunder. Failure of the Company or TTEC Parent to obtain such assumption prior to the effectiveness of any Change in Control event or other business combination, shall be a breach of this Agreement and shall constitute Good Reason entitling the Employee to resign, within thirty (30) calendar days of consummation of such Change in Control event or business combination, and receive compensation and benefits as provided in Paragraph 6(i).

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1. **Controlling Provisions.** The employment arrangement contemplated by this Agreement includes other related documents in addition to this Employment Agreement, some of which are TTEC Parent and the Company's standard documents not otherwise tailored to this transaction. To the extent any provisions of these related agreements contradict the clear provisions and terms of this Employment Agreement, the provisions of this Agreement shall be controlling.

Mr. DeGhetto acknowledges and agrees that he reviewed and fully understands the terms and provisions of this Agreement; that he enters into it freely, knowingly, and mindful of the fact that it creates important legal obligations and affects his legal rights; and that he understands the need to and has had the opportunity to consult with counsel (if he so wishes) concerning this Agreement with legal counsel.

**Employee**

**TTEC Services Corporation**

\_\_\_\_\_  
Martin F. DeGhetto

\_\_\_\_\_  
Regina M. Paolillo, Chief Administrative Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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**Exhibit B**  
**To Executive Employment Agreement**  
**(Sample Severance Agreement and Release of Claims**  
**Not Customized for Mr. DeGhetto)**

[DATE]

**PERSONAL & CONFIDENTIAL**

[NAME]  
[ADDRESS]

Dear [NAME]:

As you have been advised, your employment with TTEC Services Corporation ("TTEC" or "the Company") will terminate effective the close of business on \_\_\_\_\_ ("Termination Date"). This letter contains a Settlement Agreement and Release of Claims ("Agreement") intended to resolve any and all disputes arising from your employment and your separation from employment with TTEC on mutually agreeable terms as set forth below. Please review it carefully, and if it is acceptable to you, sign and return an original copy to TTEC Human Capital Department, 9197 S. Peoria Street, Englewood, Colorado 80112 Attn: Settlement Agreements, either by mail or by hand delivery. If you are 40 or over, you have been provided 21 days from the date of this Agreement to consider whether to enter into this Agreement.

**SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS**

**This Agreement is made between** \_\_\_\_\_ ("you") and TTEC (collectively, the "Parties"). In consideration of the mutual promises and other benefits set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Settlement Payment:** Provided that you sign and return this Agreement, and it thereafter becomes effective as described below, you will receive a settlement payment equivalent to \_\_\_\_\_ of your base salary, for a total amount of \$ \_\_\_\_\_ ("Settlement Payment"). Payment shall be made in bi-weekly installments in accordance with the Company's normal payroll schedule, less applicable federal, state, and local taxes and other authorized deductions and shall be started within 15 days of the Termination Date.
  2. **Benefits:** Your current medical, dental, vision and healthcare flexible spending account coverage (to the extent that you have a positive balance in that account as of today's date) will be continued until the Termination Date. After the Termination Date, you may continue your existing medical insurance coverage at your own expense pursuant to your rights under federal law (commonly referred to as "COBRA"). You will receive information on COBRA in a later mailing.
  3. **Other Compensation Due You:** You will receive payment for any salary earned through the date of your separation from the Company, less applicable taxes and authorized or required withholding deductions. You understand that you will be paid your earned wages and commissions, if any, set forth in this paragraph regardless of whether you sign this Agreement.
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4. **Reimbursement for Business Expenses:** Within five days of the Termination Date, you will provide to the Company expense reports detailing all items, if any, for which you seek reimbursement, and the required supporting documentation for such expenses. If you hold a corporate credit card account, and there is an outstanding amount due and owing on that account, you must submit documentation showing that the account has been paid in full within five days of the Termination Date and understand and agree that if you do not, the Company may withhold any amounts due and owing on that account from the Settlement Payment. Your expense reports and supporting documentation will be subject to the same level of review that all other similar submissions receive from the Company's Accounting Department. The Company will reimburse you in accordance with its existing policies and procedures. In addition, you will provide supporting documentation for all previously filed expense reports and agree to cooperate with the Company's Accounting Department to resolve in good faith any issues relating to expenses.
  5. **Return and Prohibition of Removal of Company Property and Records.** Except as otherwise specifically provided in this Agreement, you shall return all Company property and records on the Termination Date. In the event you fail to return such property or records provided herein, you shall be liable to the Company for the value of all such property and records, and all reasonable costs, including attorneys' fees, incurred by the Company in recovering such property or records. Company property and records shall include, but is not limited to, cell phones, pagers, BlackBerry devices, tablets, laptops, printers, fax machines, and any Company related document whether in written or electronic form and whether created by you or another person or entity. Company equipment, files or business information of any kind, whether written, electronic, digital, or otherwise, shall not be copied, taken or otherwise used by you without the prior written consent of the Company. In addition, the Company reserves the right to pursue all legal and equitable relief available for breach of this paragraph.
  6. **Agreement to Protect Confidential Information, Assign Inventions, and Prevent Unfair Competition and Unfair Solicitation.** You understand that all terms and conditions of your "Agreement to Protect Confidential Information, Assign Inventions, and Prevent Unfair Competition and Unfair Solicitation" (the "Non-Compete Agreement") and any other applicable employment documents you signed during your employment at TTEC, survive Termination and shall remain in full force and effect.
  7. **Acknowledgment:** You understand and agree that, absent this Agreement, you would not otherwise be entitled to the payment specified in Paragraph 1. Further, by signing this Agreement, you agree that you are entitled only to the payments described in this Agreement and that you are not entitled to any payments that are not specifically listed in this Agreement, excluding vested rights you may have pursuant to the Company's 401(k), Stock Option, Restricted Stock Units and Life Insurance plans.
  8. **General Release of All Claims:** In exchange for the Company's payments in Paragraph 1, you promise that you will not sue TTEC Services Corporation, including its past and present parents, subsidiaries, partnerships, affiliated companies, officers, directors, employees, or agents. By signing below, you release TTEC Services Corporation, including its past and present parents, subsidiaries, partnerships, affiliated companies, officers, directors, employees or agents (collectively, the "Released Parties"), from any and all claims you may have, known or unknown, that are releasable by private agreement, arising at any time through the date that this Agreement becomes effective, which is eight (8) days after you sign it without revoking it. The release specifically includes and is not limited to:
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- a. any and all rights or claims under any of the following laws: Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000-e, as amended; the Civil Rights Act of 1991; Sections 1981 through 1988 of Title 42 of the United States Code, as amended; the Family and Medical Leave Act of 1993, as amended; the Worker Adjustment and Retraining Notification Act, as amended; the Fair Labor Standards Act of 1938, as amended; the National Labor Relations Act; the Occupational Safety and Health Act, as amended; the Age Discrimination in Employment Act; the Americans with Disabilities Act of 1990, as amended; the Civil Rights Acts of 1866, 1871, and 1991; the Equal Pay Act of 1963; the Employee Retirement and Income Security Act of 1974, as amended; the Immigration Reform and Control Act, as amended; the Conscientious Employee Protection Act, the Colorado Anti-Discrimination Act and any other federal, state, or local employment statute, law, or ordinance, including any and all claims of employment discrimination based on race, color, creed, religion, national origin, sex, age, marital status, disability, sexual orientation, lawful off-duty conduct, or retaliation; and
- b. any and all common-law claims such as wrongful discharge, violation of public policy, breach of contract, promissory estoppel, defamation, negligence, infliction of emotional distress, any intentional torts, outrageous conduct, interference with contract, fraud, misrepresentation, and invasion of privacy; and
- c. any and all claims for any of the following: money damages (including actual, compensatory, liquidated or punitive damages), equitable relief such as reinstatement or injunctive relief, front or back pay, wages, commissions, bonuses, benefits, sick pay, PTO pay, vacation pay, costs, interest, expenses, attorney fees, or any other remedies; and
- d. any and all claims arising under any federal or state "whistleblower" law, including without limitation the Sarbanes-Oxley Act of 2002, the Whistleblower Protection Act, and common-law wrongful discharge in violation of public policy.

**9. Age Waiver for Employee 40 Years Old or More:** By signing this Agreement, you acknowledge that:

- a. The General Release in this Agreement includes a waiver and release of all claims you may have under the Age Discrimination in Employment Act of 1967 (29 U.S.C. § 621 et seq.);
  - b. You have carefully read, and understand, this Agreement;
  - c. You have twenty-one (21) days from the date of this Agreement to consider your rights and obligations under this Agreement and if you elect to sign it sooner, have done so knowingly, voluntarily, and after giving it your due consideration;
  - d. You were, and hereby are, advised to consult with an attorney and/or any other advisors of your choice before signing this Agreement;
  - e. You understand that this Agreement is legally binding and by signing it you give up certain rights;
  - f. You have voluntarily chosen to enter into this Agreement and have not been forced or pressured in any way to sign it;
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- g. You knowingly and voluntarily release the Released Parties from any and all claims you may have, known or unknown, in exchange for the payments and benefits you have obtained by signing this Agreement, and that these payments are in addition to any payments or benefits you would have otherwise received if you did not sign this Agreement;
  - h. You have seven (7) days from the date you sign this Agreement to change your mind and revoke your acceptance. To be effective, your revocation must be in writing and tendered to TTEC Corporate Headquarters, Human Capital Department, 9197 S. Peoria Street, Englewood, Colorado Attn: Settlement Agreements, either by mail or by hand delivery, within the seven (7) day period. If by mail, the revocation must be: 1) postmarked within the seven (7) day period; 2) properly addressed; and 3) sent by Certified Mail, Return Receipt Requested. The Agreement will become effective on the eighth day after you sign it, provided you do not revoke your acceptance. You understand that the Company is not required to make the payments described herein unless and until this Agreement becomes effective; and
  - i. You understand that this Agreement does not waive any rights or claims that may arise after this Agreement is signed and becomes effective, which is after the Company's actual receipt of your signed signature page and after the 7-day revocation period has expired.
10. **No Admission of Wrongdoing:** By entering into this Agreement, neither you nor the Company nor any of the Released Parties suggest or admit any wrongdoing or violation of law.
11. **No Claims Filed:** As a condition of the Company entering into this Agreement, you represent that you have not filed, and do not intend to file, any lawsuit against the Company, or any of the other Released Parties. This Agreement shall not be construed to prohibit you from filing a charge or complaint with the National Labor Relations Board, the Equal Employment Opportunity Commission, or participating in any investigation or proceedings conducted by either entity.
12. **Confidentiality:** You agree that the terms of this Agreement are confidential. You also agree not to tell anyone about this Agreement and not to disclose any information contained in this Agreement to anyone, other than your lawyer, financial advisor and immediate family members, unless you are compelled to do so by law. If you do tell your lawyer, financial advisor or immediate family members about this Agreement or its contents, you must immediately tell them that they must keep it confidential as well.
13. **Breach of this Agreement:** You promise to abide by the terms and conditions in this Agreement and understand that if you do not, the Company is entitled to seek damages and injunctive relief.
14. **Entire Agreement:** This Agreement, together with the Arbitration Agreement, Agreement to Protect Confidential Information, Assign Inventions and Non-Solicitation (collectively, the "Employee Agreements") constitute the complete understanding between the Parties concerning all matters affecting your employment with the Company, the termination thereof and any ongoing responsibilities. You hereby affirm and will comply with any and all ongoing obligations contained in the Employee Agreements, including obligations relating to confidentiality of Company information and binding arbitration. Moreover, you acknowledge that no promises or representations have been made to induce you to sign this Agreement other than as expressly set forth herein and that you have signed this Agreement as a free and voluntary act.
15. **Severability.** If any clause, provision or paragraph of this Agreement is found to be void, invalid or unenforceable, such finding shall have no effect on the remainder of this Agreement, which shall continue to be in full force and effect. Each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.
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16. **Changes to the Agreement:** This Agreement may not be changed unless the changes are in writing and signed by you and an authorized representative of the Company.

17. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Colorado, excluding its choice of law rules, and shall be binding upon the parties hereto and their respective successors and assigns.

If you agree, please sign and return to the Company as instructed above.

By signing below, you accept  
this Agreement and all of  
the terms herein.

TTEC Services Corporation

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



To Executive Employment Agreement

**Executive Stock Ownership Guidelines**

Equity provides the opportunity for the company to further invest in the employees who passionately uphold our values while driving the business with an entrepreneurial spirit. Company leaders who think and act like owners are crucial to our success and encouraging star players to actively participate in company growth is key to building our future together.

When a company's board of directors, shareholders and employees align their interest in organization's long-term success, the stage is set for true transformation. To that end, TTEC has adopted Stock Ownership Guidelines to encourage company leaders (vice president-level and above) to align their interests with TTEC and our stockholders and to focus on value creation, while sharing in the company's success. The following are answers to questions you may have about TTEC's new Executive Stock Ownership Guidelines.

**Executive Stock Ownership Guidelines**

**Q. Why are we implementing an Ownership Guideline?**

A. The Guidelines are designed to align our senior leaders' interests with our shareholders' interest, driving a long-term vision and commitment to creating company value. The Executive Ownership Guidelines are also designed to:

- Support confidence in company strategy to execute our business transformation
- Allow us to remain an attractive and competitive choice for executive-level talent by adopting best practices
- Align executive behavior with external shareholder expectation
- Drive long-term accountability
- Enable company success

**Q. How much stock should I hold as a company leader?**

A. The new Executive Stock Ownership Guidelines call for TTEC vice presidents and above to hold a multiplier of base compensation in TTEC stock (based on Fair Market Value (FMV) of stock as it trades on NASDAQ. Employees will have five years from the start of this requirement (or promotion into a new role) to meet the holding Guidelines.

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Employee Level	Target Holding Amount within 5 Years
Chief Financial Officer	3 times current base salary
Executive Vice President	2.5 times current base salary
Senior Vice President	1.5 times current base salary
Vice President	0.5 times current base salary

**Q. Do I have to buy TTEC stock to meet this holding Guideline?**

A. TTEC does not expect you to buy TTEC stock to meet the holdings Guidelines, and how you meet them is entirely up to you. Most employees will be able to meet the requirement by holding a portion of their annual equity grant (net of tax), as it vests.

**Q. How many shares should I consider holding from each RSU grant to meet the holding Guidelines?**

A. How much you hold from each grant and from each vesting event is entirely up to you. Based on basic modeling, however, we believe that if you hold a percentage of each vesting event from annual Equity Grants (net of tax as indicated in the table below) you should comfortably reach the holding requirement in five years or sooner.

The holding guideline can be satisfied with any stock you hold including:

- the exercise of options to purchase the company's common stock
- the vesting of restricted stock; and
- the vesting of performance shares.

Employee Level	Guideline of Percentage of Net Shares to Hold
Executive Vice President	75%
Senior Vice President	75%
Vice President	50%

Once the holding target is reached, you should maintain it during your entire tenure in the role; and as your role changes be aware of the changes in the holding guidelines as well.

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**Q. What happens if I don't reach my target holding amount within the five-year time frame due to market volatility or amount of my equity awards?**

A. If the actual Equity Grants you receive and/or market price volatility does not allow an employee to reach the target holding level within the required five-year time frame, the company does not expect employees to invest out of pocket. The company expects the Equity Grants you receive to be the source for the holding requirement and we look to you as a leader to exercise a good faith effort to honor the requirements. If the Equity Grants you receive or market volatility creates a challenge, discuss the matter with your supervisor and your HC partner for a practical resolution.

**Q. What if I have a special situation (hardship) that makes maintaining the holding requirement difficult for me?**

A. The Executive Ownership Guidelines is designed to align your interests with the company's interests and position you to share in our success. If your personal situation makes the compliance with the Ownership Guidelines a hardship, speak to your HC partner and the Executive Committee level executive responsible for your business segment for guidance and support.

**Q. Whom should I contact with questions?**

A. If you have questions, please contact Pam LeMasters, director, Global Compensation via email or by phone at 303.397.8531.

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## AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This Amended and Restated Executive Employment Agreement ("Agreement") is by and between TTEC Services Corporation, a Delaware corporation (the "Company"), a wholly owned subsidiary of TTEC Holdings, Inc., a Delaware corporation ("TTEC Parent"), and Anthony Tsai ("Executive") (each a "Party" and together the "Parties"), is executed to be effective as of May 1, 2018 ("Effective Date").

**Whereas**, the Executive joined the Company as Chief Information and Innovation Officer effective September 5, 2017 ("Start Date");

**Whereas**, it is the desire of TTEC Parent and the Compensation Committee of the TTEC Parent Board of Directors ("Compensation Committee"), on the advice of the independent compensation consultant of the Committee, to amend and restate the Executive's Employment Agreement in order to update the non-competition, non-solicit, severance, and change of control provisions thereof to reflect the prevailing market terms for similarly situated executives;

**Now, Therefore**, the purpose of this Agreement is to formally document the terms and conditions of Ms. Hand's employment with the Company as of the Effective Date.

### 1. Appointment

a. The Company hereby employs Mr. Tsai as Executive Vice President, Chief Information and Innovation Officer to lead its global technology groups, including its Customer Technology Services segment, Information Technology organization, its Information Security function; its *bConnected* and *Humanify* technologies (collectively known as "Technology & Innovation Group" or "TIG"), and to enable TTEC Parent to deliver its business objectives, as established from time to time by the TTEC Parent board of directors (the "Board") and TTEC Parent management executive committee (the "Executive Committee" or "EC"). In this role, Mr. Tsai will report to TTEC Parent's Chief Executive Officer and will become a member of the TTEC Parent executive leadership team and its Executive Committee. The Executive accepted such appointment with the Company effective the Start Date.

b. Executive shall devote his full-time and best efforts to the performance of all duties contemplated by this Agreement and, as assigned to Executive from time to time by the CEO or his or her delegate in the event of the CEO's absence. Unless otherwise specifically authorized in writing by TTEC Parent, Executive shall not engage in any other business activity, or otherwise be employed by any other company. This shall not preclude Executive from serving on boards of directors with TTEC Parent's prior written approval.

c. Executive acknowledges that, as part of his employment duties, Executive may be required to perform services for, and serve as an officer and/or director of, TTEC Parent's subsidiaries, affiliates and related entities, on behalf of and as requested by TTEC Parent; and Executive agrees to perform such duties diligently and without further compensation. Although employed by the Company, a TTEC subsidiary, Executive as a member of the TTEC Parent executive leadership team shall render services to TTEC Parent as necessary and desirable to protect and advance the best interests of TTEC Parent, acting, in all instances, in accordance with TTEC Ethics Code: How TTEC Does Business (or a successor code of conduct document), the Ethics Code for Executive and Senior Financial Officers, and in accordance with all other material policies of the Company.

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d. Executive's role with the Company requires extensive travel and Mr. Tsai understands and agrees that such travel is a material part of his responsibilities. Mr. Tsai shall travel in accordance with TTEC Parent travel policy. Notwithstanding the provisions of the travel policy to the contrary, the Company agrees that Mr. Tsai will be permitted to travel in business class for international travel exceeding 6 hours in duration.

e. Notwithstanding other provisions in this Agreement, but subject to the reasonable interpretation of provisions of Section 7(j) (on "Constructive Termination"), the Executive understands and agrees that his role and responsibilities may change over time in the best interest of the business, and TTEC Parent reserves the right to assign to Mr. Tsai different roles and assignments that best serve the business.

## **2. Compensation.**

a. **Salary and Period Salary Review.** As of the Start Date, Executive's base salary shall be **\$350,000 per year** ("Base Salary"), payable in equal installments in accordance with the Company's standard payroll practice, less legally required deductions and withholdings. Executive's Base Salary may be periodically reviewed and adjusted in accordance with TTEC Parent standard procedures.

b. **Relocation.** Executive understands and agrees that the role of TTEC's Chief Information and Innovation Officer is based at the Company's HQ in Colorado. By accepting this employment Executive agrees to relocate from his current state of residence to greater metropolitan area of Denver in the state of Colorado as soon as reasonable and no later than June 30, 2019. As the Executive is aware, it has been TTEC Parent's preference that he relocates to Denver sooner than the date stated above, and delaying the relocation until 2019 is being done as an accommodation to the Executive.

TTEC Parent will **reimburse** the Executive for reasonable relocation expenses not to exceed \$100,000, including gross up for tax purposes, if any. Notwithstanding the foregoing, this relocation reimbursement obligation shall be adjusted downward, at TTEC Parent's discretion, to offset the post July 1, 2018 incremental cost of Executive's visits (airfare, lodging, ground transportation, and meals) to TTEC HQ, which would have been avoided had Executive relocated to Colorado sooner. All relocation expenses to be incurred and submitted in accordance with the Company's relocation policies and procedures. **Exhibit B** to this Agreement outlines the terms and obligations with respect to this relocation assistance, which must be repaid on a pro-rated basis in the event Executive resigns within two years of the Start Date.

c. **Variable Incentive Plan (annual cash) Bonus.** Beginning in 2017, and annually thereafter, Executive will be eligible to participate in an annual performance based cash incentive program, currently referred to as TTEC Variable Incentive Plan ("VIP"). Executive's annual VIP opportunity shall be **up to \$350,000**, tied to the annual targets and goals of the business as set by the Board and the CEO. Executive's annual VIP awards are discretionary and not guaranteed. They are based on TTEC Parent's and Executive's performance against targets, as set by the Board and the CEO and will be based on a combination of: (1) TTEC-wide business results; (2) TIG business segment specific results; and (3) Executive's individual performance against agreed goals related to the execution of TTEC Parent's long-term and short-term plans to meet its strategic and financial goals.

In addition, the Compensation Committee of the Board may, but shall not be obligated to, adjust the Executive's VIP award upward based on the Company's and Executive's overperformance against annual metrics set by the Board and deemed to be that year's business imperatives, such as but not limited to annual bookings, revenue, operating income, backlog, and cash flow.

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The timing for the payment of the VIP awards, if any, is determined from time to time by the Compensation Committee of the Board.

d. **Reimbursement of Business Expenses.** The Company agrees to reimburse Executive for all reasonable out-of-pocket business expenses incurred by Executive on behalf of the Company, including Company required periodic travel between Executive's state of residence and TTEC Parent's HQ in Colorado prior to the Executive's relocation as provided in Section 2(b) of this Agreement, provided that Executive properly accounts to the Company for all such expenses in accordance with the rules and regulations of the Internal Revenue Service under the Internal Revenue Code of 1986, as amended (the "Code") and in accordance with the standard policies of the Company relating to reimbursement of business expenses incurred by its employees.

e. **Withholdings.** All payments made under this Section 2, or under any other provision of this Agreement, will be subject to withholding of the federal, state, and local taxes, Social Security, Medicare and other withholdings in such amounts as is reasonably determined by Company.

### **3. Equity Compensation.**

a. **Time-Based New Hire RSU Grant.** TTEC Parent granted to Executive restricted stock units ("RSUs") with a market value of \$500,000, based on TTEC Parent's stock fair market value at the time of the grant, subject to the approval of the Compensation Committee of the Board ("New Hire RSUs"). The New Hire RSUs shall vest in accordance with the terms and conditions set forth in the Restricted Stock Unit Agreement, attached hereto as Exhibit A and incorporated herein by reference. The New Hire RSUs shall vest in installments, with 40% of the grant vesting on the 2nd anniversary of the Start Date, and 20% each vesting on the 3<sup>rd</sup>, 4<sup>th</sup>, and 5<sup>th</sup> anniversaries of the Start Date, provided that Executive continues to be employed by the business on each of the vesting dates.

b. **Annual Equity Grants.** TTEC Parent's employees at Executive's level participate in TTEC Parent's annual Equity Grant program, designed to provide long term incentives for senior executives in the form of RSUs. Executive will become eligible for the annual Equity Grant program beginning in 2018, with an Annual Equity Grant opportunity of **up to \$350,000**. Annual Equity Grants are discretionary and not guaranteed and they are based on TTEC Parent's and Executive's performance against targets, as set by the Board. If granted, under the current program the RSUs would vest in equal increments over a four-year period commencing on the anniversary date of the grant. The Company reserves the right to change the terms of the equity grants in its discretion, provided, however, that Executive will be entitled to the equity terms that are available to other executives at his level in the organization.

The Annual Equity Grant to be made in 2018 would reflect Executive's performance for 2017 and would be issued pro rata to the Executive's tenure with the Company during 2018.

### **4. Benefits.**

a. **Health Insurance and other benefits.** Executive and his dependents shall be eligible for coverage and may choose to enroll under TTEC Parent's group medical, vision, and dental insurance and other insurance plans made available to the Company's employees, beginning on the first of the calendar month after 30 days tenure with the Company (for clarification, the Executives eligibility for participation in these benefits will start on November 1, 2017, assuming the start date of September 5, 2017).

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b. **Miscellaneous benefits.** Executive shall receive benefits generally applicable to the Company's management employees that are from time to time in effect, such as the Company's 401(k) and Deferred Compensation Plans.

c. **Paid Leave.** Executive shall be eligible for a Paid Time Off (PTO) benefit pursuant to TTEC Parent's current PTO Policy (or any other vacation/sick policy then in effect). Executive will also be paid for time off for certain holidays as set forth in Company's current Company Holiday Policy.

5. **not used in this agreement.**

6. **Change in Control.**

a. For the avoidance of doubt, the definition of Change in Control as provided in this Agreement is substantially similar to those that are included in the Equity Agreement(s) that Mr. Tsai currently holds. The sole purpose of the provision being restated in this Agreement is to establish the Change in Control provisions in this omnibus Agreement that controls the terms of Mr. Tsai's employment with the Company.

b. **Definition of "Change in Control."** For purposes of this Agreement, "Change in Control" event shall mean the occurrence of any one of the following:

(i) Any consolidation, merger or other similar transaction (i) involving TTEC Parent, if TTEC Parent is not the continuing or surviving corporation, or (ii) which contemplates that all or substantially all of the business and/or assets of TTEC Parent would be controlled by another corporation not controlled by TTEC Parent;

(ii) Any sale, lease, exchange or transfer (in one transaction or series of related transactions) of all or substantially all of the assets of TTEC Parent (a "Disposition"); provided, however, that the foregoing shall not apply to any Disposition with respect to which, following such Disposition, more than 51% of the combined voting power of the then outstanding voting securities of the receiving entity for the Disposition are directly or indirectly (beneficially or otherwise) owned by all or substantially all of the individuals and entities that were the beneficial owners of at least 51% of the outstanding common stock and/or other voting securities of TTEC Parent immediately prior to such Disposition, in substantially the same proportion of total ownership as their ownership immediately prior to such Disposition;

(iii) Approval by the stockholders of TTEC Parent of any plan or proposal for the liquidation or dissolution of TTEC Parent, unless such plan or proposal is abandoned within 60 days following such approval;

(iv) The acquisition by any "person" (as such term is used in Sections 13(d) and 14(d)(2) of the U.S. Securities Exchange Act of 1934, as amended ("the Exchange Act")), or two or more persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of 51% or more of the outstanding shares of voting stock of TTEC Parent; provided, however, that for purposes of the foregoing, the term "person" shall exclude Kenneth D. Tuchman and his affiliates; provided, further that the foregoing shall exclude any such acquisition (1) made directly from TTEC Parent, (2) made by TTEC Parent (directly or through an affiliated company), or (3) made by TTEC Parent employee benefit plan (or related trust) sponsored or maintained by TTEC Parent or any of its affiliate; or

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(v) If, during any period of 15 consecutive calendar months commencing at any time on or after the Effective Date, those individuals ("Continuing Directors") who either (1) were directors of TTEC Parent on the first day of each such 15-months period, or (2) subsequently became directors of TTEC Parent and whose actual election or initial nomination for election subsequent to that date was approved by a majority of the Continuing Directors who were then members of the TTEC Board of Directors, cease to constitute a majority of the Board of Directors of TTEC.

7. Termination and Payments, Benefits On Termination.

a. **Termination by Either Party.** Except as set forth in Section 7(c) (termination for Cause), (e) (termination due to death) and (f) (termination due to disability), and subject to provisions of Section 7(j) (constructive termination) either Party may terminate the employment relationship with 30 days' written notice to the other. Both parties may mutually agree to a shorter period.

b. **Termination by the Company without Cause.** Subject to provisions of Section 7(i) (Change in Control Termination), upon 30 days written notice, the Company, in its sole discretion, may terminate Mr. Tsai's employment without Cause (as "Cause" is defined in Section 7(g)). Constructive Termination by the Company (as the term is defined in Section 7(j)) constitutes Termination without Cause by the Company for purposes of this Agreement. In case of termination pursuant to this Section 7(b), the Executive shall be entitled to:

(i) **Severance.** If Mr. Tsai executes a separation agreement in a form substantially similar to the agreement set forth in Exhibit C (attached hereto), releasing all legal claims except for those that cannot legally be released and Mr. Tsai continues to comply with all terms of such separation agreement, and any other agreements signed by the Executive with the Company, then the Company shall pay Mr. Tsai severance compensation equal to fifteen (15) full calendar months of Mr. Tsai's then current Base Salary ("Severance" or "salary continuation"). Salary continuation payments will be made at the Company's regular payroll intervals, provided, however, payments accruing for payroll periods prior to the date that the Company has received a signed and effective separation agreement and release shall be suspended and paid on the first payroll date following the effective date of the separation and release.

(ii) **Continuation of Benefits.** In addition to Severance, TTEC Parent shall continue to provide to Executive and to the Executive's eligible dependents with the same level of welfare and health benefits, including without limitation medical, dental, vision, accident, disability, life insurance, and other welfare benefits in place prior to termination of employment for a period of twelve (12) months after the effective date of such termination, on substantially the same terms and conditions (including contributions required by the Executive for such benefits) as existed immediately prior to termination; provided that, if Executive cannot continue to participate in TTEC Parent's or successor's benefit plans, TTEC Parent or successor shall otherwise provide such benefits on the same after-tax basis as if continued participation had been permitted.

(iii) **Equity Vesting.** Notwithstanding the vesting schedules contained in Equity Agreements that Mr. Tsai currently holds or would hold, and except in the context of a Change of Control event related termination where agreements provide for accelerated vesting of certain equity awards, any unvested equity awards that would otherwise vest on or after the termination date shall automatically forfeit.

If the Company terminates this Agreement without Cause under this Section 7(b), and the Company pays Mr. Tsai the compensation earned as of the effective date of the termination, and provides Mr. Tsai with incremental severance compensation and continuation of benefits in the amount and on the terms specified in this Section 7(b), the Company's acts in doing so shall be

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in complete accord and satisfaction of any claim that Mr. Tsai has or may at any time have for compensation benefits or payments of any kind from the Company or TTEC Parent arising from or relating in whole or part to Mr. Tsai's employment with the Company and/or this Agreement. If the separation agreement and legal release referenced above are not signed within thirty (30) days from the date that such documents are presented to Mr. Tsai (which the Company shall present no later than fifteen (15) days after the effective date of Executive's termination), then Mr. Tsai waives his right to receive any severance and continuation of benefits compensation pursuant to this Agreement, even if Mr. Tsai were to successfully litigate any claim against the Company and/or TTEC Parent.

c. **Termination by the Company for Cause.** The Company may terminate this Agreement with no notice for Cause, as that term is defined in Section 7(g), with the Company's only obligation being the payment of any salary compensation earned as of the date of termination, and any continuing obligations under the Company benefit plans then in effect, and without liability for severance compensation of any kind, including the severance set forth in Section 7(b).

d. **Termination by Executive.** For the avoidance of doubt, the Executive is not entitled to severance compensation if he terminates his employment with Company for any reason. Termination by Executive for "Good Reason" (as the term is defined in Section 7(j)) shall constitute Termination without Cause by the Company for purposes of this Agreement. If the Executive terminates his employment as provided in Section 7(a), in addition to the notice of such termination, the Executive must follow TTEC Parent's direction and cooperate with the Company to assure timely and orderly transition of his responsibilities to others at TTEC Parent.

e. **Termination upon Executive's Death.** This Agreement shall terminate immediately upon Executive's death if such death occurs during the term of employment. Thereafter, the Company shall pay to the Executive's estate, as directed by the Executive's authorized representative, all compensation fully earned, and benefits fully vested as of the last date of Executive's continuous, full-time active employment with the Company. For purposes of this Agreement, continuous, full-time active employment shall be defined as the last date upon which Executive continuously performed his job responsibilities on a regular, full-time basis consisting of at least 35 hours per week, and in the usual course of the Company's business ("Continuous Full-Time Active Employment"). In case of Executive's death, the Company shall not be required to pay any form of severance or other compensation concerning or on account of the Executive's employment with the Company or the termination thereof.

f. **Termination Due to or Following Disability.** During the first ninety (90) calendar days after a mental or physical condition that renders Executive unable to perform the essential functions of his position with reasonable accommodation (the "Initial Disability Period"), Executive shall continue to receive his base salary as provided in Section 2(a) of this Agreement. Thereafter, if Executive qualifies for benefits under the Company's long-term disability insurance plan (the "LTD Plan"), then Executive shall remain on leave for as long as Executive continues to qualify for such benefits, up to a maximum of 180 consecutive days (the "long-term leave period"). The long-term leave period shall begin on the first day following the end of the Initial Disability Period. During the long-term leave period, Executive shall be entitled to any benefits to which the LTD Plan entitles Executive, but no additional compensation from the Company in the form of salary, performance bonus, equity grants, allowances or otherwise. If during or at the end of the long-term Leave Period Executive remains unable to perform the essential functions of his position, then the Company may terminate this Agreement and Executive's employment. If the Company terminates Executive's employment under this Section 7(1), the Company's payment obligation to Executive shall be Executive continuous, full-time active employment with the Company.

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g. **Definition of "Cause"**. For purposes of this Agreement, "Cause" shall have the following meaning:

- (i) Fraud, theft, embezzlement (or attempted fraud, theft, embezzlement), dishonest acts or illegal conduct;
- (ii) Other similar acts of willful misconduct on the part of Executive resulting in damage to TTEC Parent or the Company;
- (iii) A material breach by the Executive of this Agreement;
- (iv) Use of any controlled substance or alcohol while performing Executive's duties, except as part of a TeleTech or Company-sponsored event in connection with a business-related social engagement such as a trade conference or customer entertainment, but only in moderation and in a professional manner that reflects positively on TeleTech and the Company; with visible inebriation at a business-related social engagement constituting a cause for immediate termination;
- (v) A breach of a fiduciary duty that results in an adverse impact to TTEC Parent or the Company or in personal profit to the Executive (as determined by the Company based on its conflict of interest policies outlined in the TTEC *Ethics Code: How TTEC Does Business* (or a successor code of conduct document));
- (vi) Use of trade secrets or confidential information of TTEC Parent or the Company, other than in pursuit of TTEC Parent or the Company's business;
- (vii) Aiding a competitor of TTEC Parent; or
- (viii) Failure by Executive in the performance of his duties that results in material adverse effect on TTEC Parent, the Company or TTEC Parent subsidiary companies.

If the act or acts constituting Cause are susceptible of cure, Company will provide Executive with written notice setting forth the acts constituting Cause and providing that Executive may cure such acts within thirty (30) business days of receipt of such notice. Any recurrence of acts constituting Cause within one (1) year of the original occurrence will void Executive's right to such pre-termination right to cure.

**h. Continuing Obligations.** Mr. Tsai shall remain subject to the Company's Agreement to Protect Confidential Information, Assign Inventions and Prevent Unfair Competition and Unfair Solicitation ("Confidentiality Agreements"), Arbitration agreements, Equity Agreements, and any other similar agreements executed at any time during his employment, including without limitation this Agreement, all of which survive termination of employment.

**i. Termination in Connection with Change in Control Event.** If a Change in Control event occurs, and at any time within eighteen (18) months of such Change in Control event's effective date ("COC Period") the Company, TTEC Parent, or its successor terminates Executive's employment without Cause (as that term is defined in Section 7(g)) whether such termination occurs outright or pursuant to a Constructive Termination (as defined in Section 7(j)), the Executive shall be entitled to and the Company, TTEC Parent or its successor shall cause the following to occur:

(i) **Severance.** If Executive executes a separation agreement in a form substantially similar to the agreement set forth in Exhibit B (attached hereto), releasing all legal claims except for those that cannot legally be released and agreeing to continue to comply with all terms of such separation agreement, and any other agreements signed by the Executive with the Company or successor, then the Company shall pay the Executive a lump-sum severance compensation equal to one-and-a-half (1.5x) of Executive's Base Salary in effect at the time of such termination ("COC

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Severance") within ten (10) business days of the effective date of such Change in Control related termination; provided, however, if the COC Severance payment is due prior to the date that the Company or successor receive a signed and effective separation agreement and release, the payment shall be suspended until the receipt of such signed separation agreement, and then paid as soon as reasonable but in no event later than ten (10) business days after such receipt.

(ii) Continuation of Benefits. In addition to COC Severance, the Company, TTEC Parent, or successor shall continue to provide to Executive and to the Executive's eligible dependents with the same level of welfare and health benefits, including without limitation medical, dental, vision, accident, disability, life insurance, and other welfare benefits in place prior to termination of employment, for a period of twelve (12) months after the effective date of such termination, on substantially the same terms and conditions (including contributions required by the Executive for such benefits) as existed immediately prior to termination; provided that, if Executive cannot continue to participate in TTEC Parent's or successor's benefit plans, TTEC Parent or successor shall otherwise provide such benefits (via lump sum compensation or in kind) on the same after-tax basis as if continued participation had been permitted.

(iii) Equity Vesting on Change in Control (single trigger). Notwithstanding any vesting schedule provisions contained in Equity Agreements that Executive currently holds or may hold, provided such Equity Agreements represent Equity Grant awards for performance periods of prior to and including fiscal year 2017 performance period, regardless of when issued, any unvested equity that would otherwise vest pursuant to these awards on or after the Change in Control event's effective date shall automatically vest as of the date immediately prior to the date of Change in Control event, regardless of whether Executive's employment with the Company, TTEC Parent, or successor shall continue after the Change in Control event.

(iv) Equity Vesting on Change in Control Termination (double trigger). Notwithstanding any vesting schedule provisions contained in Equity Agreements that Executive may hold, provided such Equity Agreements represent awards for performance period after fiscal year 2017 performance period, regardless of when issued, any unvested equity that would vest pursuant to these awards on or after the Change in Control event effective date and would otherwise forfeit on termination of employment, shall vest in full as of employment termination date, if such termination occurs during the COC Period.

(v) Termination Ahead of Change in Control Event. Notwithstanding anything in this Agreement to the contrary, if Executive's employment is terminated (actually or pursuant to a Constructive Termination as defined in Section 7(j) of this Agreement) within three (3) months before a Change in Control event occurs, then for purposes of this Agreement, the effective date of Change in Control event shall be deemed to be the date immediately prior to the date of such termination of employment.

j. "Good Reason" or "Constructive Termination." Termination by Executive for "Good Reason" or "Constructive Termination" by the Company may be triggered if, without Executive's express written consent, the occurrence of any of the following (in connection with or independent of a Change of Control event):

(i) Change in Responsibilities. The material adverse change in Executive's scope of responsibilities and duties (including the diminution of such duties and responsibilities), or material adverse change in Executive's reporting responsibilities or title by the Company, TTEC Parent, or in case of a Change in Control event by their successor.

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(ii) Change in Compensation. Any material reduction by the Company, TTEC Parent or, in case of a Change in Control event by successor, of Executive's total compensation package, including material adverse change in the annual salary, the incentive bonus ranges and targets, or the timing of payment of same as compared to the compensation package in effect as of the date hereof or immediately prior to a Change of Control event, as the case may be. Notwithstanding anything in this provision to the contrary, a change in the compensation structure that is consistent with prevailing market trends, as supported by an independent report of a qualified compensation advisor to the Compensation Committee, the Company or its successor, shall not give rise to a 'constructive termination' or 'termination for good reason' claim.

(iii) Change in Location. Any requirement of the Company or successor that Executive be based anywhere more than twenty-five (25) miles from the site where Executive is located as of the Effective Date or the time of the Change of Control event.

(iv) Failure to Cause Assumption of this Agreement. Failure of the Company or TTEC Parent to assign and obtain the assumption of this Agreement from any successor in case of a Change in Control event.

An action taken in good faith and which is remedied by TTEC Parent or successor within fifteen (15) calendar days after receipt of Executive's notice thereof shall not constitute Good Reason or Constructive Termination under this Agreement. Executive must provide notice of termination of employment within thirty (30) calendar days of Executive's knowledge of an event constituting "Good Reason" or such event shall not constitute Good Reason or Constructive Termination under this Agreement.

#### **8. Successors and Assigns.**

The Company, its successors and assigns may in their sole discretion assign this Agreement to any person or entity in connection with the merger, acquisition or other business combination that results in the divestiture or transfer of all or substantially all the assets of the Company. This Agreement shall bind, and inure to the benefit of the Company's successors or assigns. This Agreement is for personal services and the Executive shall not assign his rights or obligations hereunder.

#### **9. Governing Law and Dispute Resolution.**

a. Good Faith Negotiation Requirement. Executive and the Company agree that in the event of any controversy or claim arising out of or relating to Executive's employment with and/or separation from the Company, they shall negotiate in good faith to resolve the controversy or claim privately, amicably and confidentially. Each party may consult with counsel in connection with such negotiations.

b. Governing Law. This Agreement will be construed and interpreted in accordance with the laws of the State of Colorado without regard to conflict of law principles.

c. Disputes. The parties agree that any action arising from or relating in any way to this Agreement, shall be resolved and tried in the state or federal courts situated in Denver, Colorado. The parties consent to jurisdiction and venue of those courts to the greatest extent allowed by law. In this regard, the Executive acknowledges and admits to all or a combination of several following substantial contacts with Colorado: (i) the Executive is employed, provides services for or otherwise is affiliated with an legal entity headquartered in the state of Colorado; (ii) the Executive receives the compensation in a form of employee checks or wire transfers that are drawn either directly or indirectly, from bank accounts in Colorado; (iii) the Executive regularly interacts with, contacts and is contacted by other TTEC Parent's employees and executives in Colorado; (iv) the Executive either routinely travels to or attends business meetings in Colorado;

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and (v) the Executive receives substantial compensation and benefits as a result of TTEC being a corporation headquartered in and subject to the laws of Colorado. Based on these and other contacts, the Executive acknowledges that he could reasonably be subject to the laws of Colorado.

d. **Attorneys' fees.** The party that substantially prevails in any action to enforce any provision of this Agreement shall recover all reasonable costs and attorneys' fees incurred in connection with the action.

**10. Non-Disclosure, Non-Competition and Non-Solicitation.**

Executive confirms that at the start of his employment he executed the Company's Agreement to Protect Confidential Information, Assign Inventions and Prevent Unfair Competition and Unfair Solicitation ("Confidentiality Agreement"); such executed agreement incorporated herein by reference as Exhibit D. As a senior member of the executive leadership team of TTEC Parent, the Executive is privy to TTEC company-wide global business and financial strategy. Therefore, in addition to the provisions of the Confidentiality Agreement, the Executive in consideration of the employment opportunity and compensation provided hereunder, agrees and covenants during the term of his affiliation with the Company (as an employee or otherwise):

a. **Non-Compete Undertaking.** For a period of twelve (12) months from separation from the Company, not to work or otherwise contribute his knowledge, directly or indirectly, in whole or in part, as an employee, officer, owner, manager, advisor, consultant, agent, partner, director, significant shareholder (i.e. a shareholder holding more than 5% of outstanding equity in the company), volunteer, intern or in any other similar capacity anywhere in the world to a business entity engaged in the same or substantially similar business as TTEC its subsidiaries and affiliates, including entities engaged in the full life cycle of customer strategy, analytics-driven, technology-enabled customer engagement management solutions from customer engagement strategy consulting, to technology and analytics driven customer acquisition to technology solution development and integration to business process outsourcing customer care (collectively, "TTEC Business"). The Non-Compete Undertaking shall apply throughout, and shall be limited by, the territory where the Executive performs services for the Company and TTEC as provided in this Agreement. For the avoidance of doubt, the term 'performs services for' shall not be limited to 'works at' or any other limitation delineating where the Executive performs the actual services, but instead shall be related to the entire territory where the Company and TTEC benefits and is reasonable to expect to benefit from the Executive's services. Given the Executive's role as the Executive Vice President for Technology & Innovation Group, including Customer Technology Services business segment, and the world-wide reach of the Company's business, the territory for purposes of this Agreement shall be worldwide.

If Executive's employment is terminated pursuant to provisions of Section 7(i) (Change in Control event) and if Executive is paid Change in Control related compensation and receives other benefits as provided in that Section, the Executive agrees for the Non-Competition Undertaking to be extended from twelve (12) to twenty-four (15) months; and

b. **Employee Non-Solicitation Undertaking.** For a period of twelve (12) months from separation from the Company, agrees not to solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment, directly or indirectly, of any then current employee of the Company or its subsidiaries and affiliates; and

If Executive's employment is terminated pursuant to provisions of Section 7(i) (Change in Control event) and if Executive is paid Change in Control related compensation and receives other benefits as provided in that Section, the Executive agrees for the Employee Non-Competition Undertaking to be extended from twelve (12) to twenty-four (15) months; and

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c. **Client Non-Solicitation Undertaking.** For a period of twelve (12) months from separation from the Company, agrees not to solicit or interfere with business relationships between TTEC Parent and current and prospective (currently actively pursued) clients of TTEC Parent, or any of its subsidiaries and affiliates, for purposes of offering or accepting goods or services, similar to or competitive with those offered by TTEC Parent or any of its subsidiaries and affiliates.

If Executive's employment is terminated pursuant to provisions of Section 7(i) (Change in Control event) and if Executive is paid Change in Control related compensation and receives other benefits as provided in that Section, the Executive agrees for the Client Non-Solicitation Undertaking to be extended ~~from twelve (12) to twenty-four (15) months.~~

d. **Consequences of Breach.** If the Executive breaches any of the covenants and undertakings set forth in this Section 10:

(i) All of Executive's unvested RSUs shall be immediately forfeited and neither TTEC Parent nor the Company shall have any further liabilities to Executive pursuant to this Agreement, including without limitation no liability for any RSUs not yet granted or granted and unvested;

(ii) Executive and those who aid him in such breach shall be liable for all costs and business losses including any damages and out of pocket expenses associated with or resulting from such breach; and

(iii) Executive hereby consents and agrees that the Company and TTEC Parent shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief.

#### **11. IRSC Section 409A.**

a. **Interpretation.** This Agreement shall be interpreted and administered in a manner so that any amount or benefit payable hereunder shall be paid or provided in a manner that is either exempt from, or complies with, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Internal Revenue Service guidance and Treasury Regulations thereunder ("Section 409A"). It is the Parties' intention that salary continuation payments under the Agreement will be exempt from the requirements of Section 409A because they are short term deferrals under Treas. Reg. Sec. 1.409A-1(b)(4) or payments under a separation pay plan within the meaning of Treas. Reg. Sec. 1.409A-1(b)(9) and the Agreement shall be construed and administered in a manner consistent with such intent.

b. **Separation from Service; Separate Payments.** Notwithstanding anything in this Agreement to the contrary, to the extent that any payment or benefit subject to Section 409A, including an exemption from Section 409A, and such payment or benefit would otherwise be payable or distributable hereunder by reason of Executive's termination of employment, all references to Executive's "termination of employment" shall be construed to mean a "separation from service," as defined in Treasury Regulation Section 1.409A-1(h), and Executive shall not be considered to have had a termination of employment unless such termination constitutes a "separation from service" with respect to Executive. If under this Agreement, an amount is to be paid in two or more Installments, for purposes of Section 409A, each installment shall be treated as a separate payment.

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c. **Specified Employee.** Notwithstanding anything in this Agreement to the contrary, if Executive is a "specified employee" (within the meaning of Treasury Regulation Section 1.409A-1(i)) on the date of Executive's "separation from service", any benefit or payment that constitutes non-exempt "nonqualified deferred compensation" (within the meaning of Section 409A) and is payable on account of the Executive's separation from service shall be delayed in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i), and any such, delayed payment shall be paid to Executive in a lump sum during the ten (10) day period commencing on the earlier of (i) the expiration of a six-month period from the date of Executive's "separation from service," or (ii) Executive's death. To the greatest extent permitted under Section 409A, any separate payment or benefit under the Agreement will not be deemed to constitute "nonqualified deferred compensation" subject to Section 409A and the six-month delay requirement to the extent provided in the exceptions in Treasury Regulation Sections 1.409A-1(b)(4) or 1.409A-1(b)(9), or in any other applicable exception or provision of Section 409A.

d. **Reimbursements.** With regard to any provision in this Agreement that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, provided that the foregoing clause (ii) shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such arrangement provides for a limit on the amount of expenses that may be reimbursed over some or all of the period the arrangement is in effect and (iii) such payments shall be made on or before the last day of Executive's taxable year following the taxable year in which the expenses were incurred.

e. **Cooperation.** If the Parties hereto determine that any payments or benefits payable under this Agreement intended to comply with Section 409A do not so comply, Executive and the Company agree to amend this Agreement, or take such other actions as Executive and the Company deem necessary or appropriate, to comply with the requirements of Section 409A, while preserving benefits that are, in the aggregate, no less favorable than the benefits as provided to Executive under this Agreement. If any provision of this Agreement would cause such payments or benefits to fail to so comply, such provision shall not be effective and shall be null and void with respect to such payments or benefits, and such provision shall otherwise remain in full force and effect.

## **12. Miscellaneous**

a. **Severability.** If any court of competent jurisdiction declares any provision of this Agreement invalid or unenforceable, the remainder of the Agreement shall remain fully enforceable. To the extent that any court concludes that any provision of this Agreement is void or voidable, the court shall reform such provision(s) to render the provision(s) enforceable, but only to the extent absolutely necessary to render the provision(s) enforceable.

b. **Modification of Agreement.** This Agreement or any other term or condition of employment shall not be modified by word or deed, except in writing signed by the Executive and the Executive Vice President, Chief Administrative Officer or Chief Executive Officer for TTEC Parent.

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c. **Waiver.** No provision of this Agreement shall be deemed waived; nor shall there be an estoppel against the enforcement of any such provision, except by a writing signed by the party charged with the waiver or estoppel. No waiver shall be deemed continuing unless specifically stated therein, and the written waiver shall operate only as to the specific term or condition waived, and not for the future or as to any act other than that specifically waived.

d. **Construction.** Whenever applicable, masculine and neutral pronouns shall equally apply to the feminine genders; the singular shall include the plural and the plural shall, include the singular. The Parties have reviewed and understand this Agreement, and each has had a full opportunity to negotiate the agreement's terms and to consult with counsel of their own choosing. Therefore, the Parties expressly waive all applicable common law and statutory rules of construction that any provision of this Agreement should be construed against the agreement's drafter, and agree that this Agreement and all amendments thereto shall be construed as a whole, according to the fair meaning of the language used.

e. **Relationship Between This Agreement and Other Company Agreements.** In the event of any direct conflict between any term of this Agreement and any TTEC contract, policy, procedure, guideline or other publication addressing the same terms and conditions contained in this Agreement, the terms of this Agreement shall control Mr. Tsai's employment.

f. **Greatest Net Benefit.**

(i) Anything in this Agreement to the contrary notwithstanding, in the event that the Executive determines (at his/her discretion and expense) that the receipt of any payments hereunder would subject the Executive to tax under Internal Revenue Code (the "Code") Section 4999 or a successor provision, the Executive shall have the option at his/her discretion to cause TTEC Parent or successor to reduce the payment due to the Executive under this Agreement so that the net (after tax) benefit of the payments to the Executive is maximized ("Reduced Payment Election"). The Executive shall have forty-five (45) calendar days from receipt of notice of the payment due under this Agreement or the payment itself under this Agreement, as the case may be, to advise TTEC Parent or successor of such election.

(ii) If the Executive accepts the full payment hereunder and thereafter within the period provided above determines that he/she wants to make the Reduced Payment Election, any payments received by the Executive in excess of the amount payable under Reduced Payment Election shall be treated for all purposes as a loan ab initio to the Executive, which the Executive shall repay to TTEC Parent or successor, together with appropriate interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code, within sixty (60) days of the Reduced Payment Election.

(iii) Nothing in this Section 12(f) shall be interpreted to compel the Executive to make the Reduced Payment Election.

g. **Assignment and Assumption of Agreement.** Concurrently with any Change in Control event or a business combination that may impact the legal implications of this Agreement, the Company, TTEC Parent shall cause any successor or transferee to assume unconditionally, by written instrument delivered to Executive, all of the obligations of the Company and TTEC Parent hereunder. Failure of the Company or TTEC Parent to obtain such assumption prior to the effectiveness of any Change in Control event or other business combination, shall be a breach of this Agreement and shall constitute Good Reason entitling the Executive to resign, within thirty (30) calendar days of consummation of such Change of Control event or business combination, and receive compensation and benefits as provided in Section 7(i).

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h. **Executive's Representations and Warranties.** Executive represents and warrants, to the best of his knowledge, that the Executive is not a party to any employment, non-competition or other agreement or restriction which could interfere with the Executive's employment with the Company or Executive's or the Company's or TTEC's rights and obligations hereunder, and that Executive's acceptance of employment with the Company and the performance of Executive's duties hereunder will not breach the provisions of any contract, agreement, or understanding to which Executive is a party or any duty owed by Executive to any other person.

i. **Counterparts, Telecopies and PDFs.** This Agreement may be executed in counterparts, or by copies transmitted by pdf or telecopier, which counterparts and/or facsimile transmissions shall have the same force and effect as had the contract been executed in person and in original form.

j. **Return and/or Forfeiture of Compensation and Equity Grants.** Notwithstanding any other provision in this Agreement or in the related RSU agreements, in the event that pursuant to the terms or requirements of the Sarbanes-Oxley Act of 2002, the Dodd Frank Wall Street Reform and Consumer Protection Act of 2010, or of any applicable laws, rules or regulations promulgated by the US Securities and Exchange Commission or any listing requirements of any stock exchange or stock market on which any securities of TTEC Parent trade, from time to time, and in the event any bonus payment, stock award or other payment is based upon the satisfaction of financial performance metrics which are subsequently reversed due to a restatement or reclassification of financial results of TTEC Parent, then any payments made or equity awards granted (and equity received pursuant to these awards) shall be returned and forfeited to the extent required and as provided by applicable laws, rules, regulations or listing requirements. This Section 12(j) shall survive any expiration or termination of this Agreement for any reason.

k. **Controlling Provisions.** The employment arrangement contemplated by this Agreement includes other related documents in addition to this Employment Agreement, some of which are TTEC Parent's and the Company's standard documents not otherwise tailored to this transaction. To the extent any provisions of these related agreements contradict the clear provisions and terms of this Employment Agreement, the provisions of this Agreement shall be controlling.

Executive acknowledges and agrees that he reviewed and fully understands the terms and provisions of this Agreement; that he enters into it freely, knowingly, and mindful of the fact that it creates important legal obligations and affects his legal rights; and that he understands the need to consult concerning this Agreement with legal counsel of his own choosing, and has had a full and fair opportunity to do so.

Executive: TTEC Services Corporation, Inc.

By: Anthony Tsai

Regina M. Paolillo,  
EVP, Chief Financial & Administrative Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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## AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This Amended and Restated Executive Employment Agreement ("Agreement") is by and between TTEC Services Corporation, Inc., a Delaware corporation ("TSC" or the "Company"), a wholly owned subsidiary of TTEC Holdings, Inc., a Delaware corporation ("TTEC Parent"), and Margaret B. McLean ("Employee" or "McLean"), each a "Party" and together the "Parties." The Amended and Restated Agreement is executed to be effective as of May 1, 2018 ("Effective Date").

**Whereas**, Ms. McLean joined the Company, a wholly owned subsidiary of TTEC Parent in June 2013 ("Start Date");

**Whereas**, Ms. McLean is currently employed as TTEC's Senior VP, General Counsel and Chief Risk Officer; and in this role Ms. McLean reports to TTEC Parent's Chief Administrative and Financial Officer, Ms. Regina Paolillo;

**Whereas**, as the General Counsel and Chief Risk Officer for TTEC Parent, Ms. McLean is a member of the TTEC Parent's executive leadership team (known as the "Executive Committee" or the "EC"); and

**Whereas**, Ms. McLean currently has an employment agreement with the Company; and, whereas it is the desire of TTEC Parent and the Compensation Committee of the TTEC Board of Directors ("Compensation Committee"), on the advice of the independent compensation consultant of the Committee, to amend and restate such Employment Agreement in order to update the non-competition, non-solicit, severance, and change of control provisions thereof to reflect the prevailing market terms for similarly situated executives;

**Now, Therefore**, the purpose of this Agreement is to formally document the terms and conditions of Ms. McLean's employment with the Company as of the Effective Date.

### 1. **Appointment.**

a. The Agreement, hereby confirms Ms. McLean's appointment as Senior Vice President, General Counsel & Chief Risk Officer for TTEC business, and as a member of TTEC Parent's Executive Committee.

b. Ms. McLean shall devote her full-time and best efforts to the performance of all duties contemplated by her title and responsibilities, and as assigned to her from time to time by the CEO or his delegates. Unless otherwise specifically authorized in writing by TTEC Parent, Employee shall not engage in any other business activity, or otherwise be employed by any other company other than TTEC's subsidiaries. Notwithstanding the foregoing, Ms. McLean is not precluded by the terms of this Agreement from serving on boards of directors of other non-competitor companies or not-for-profit organizations with TTEC Parent's prior written approval.

c. As a member of TTEC Parent Executive Committee, Ms. McLean shall render services to TTEC Parent as necessary and desirable to protect and advance the best interests of TTEC Parent and all its affiliated companies, acting at all times, in accordance with TTEC **Ethics Code: How TTEC Does Business** (or a successor code of conduct document), the Ethics Code for Executive and Senior Financial Officers, and in accordance with all other material policies and procedures.

d. Ms. McLean's role with the Company may require travel from time to time, and Ms. McLean understands and agrees that such travel is a material part of her responsibilities. Ms. McLean shall travel in accordance with TTEC Parent travel policy. Notwithstanding the provisions of the travel policy to the contrary, the Company agrees that Ms. McLean will be permitted to travel in business class for international travel exceeding 6 hours in duration.

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e. Notwithstanding other provisions in this Agreement, but subject to the reasonable interpretation of provisions of Paragraph 6(j) (on "Constructive Termination"), Ms. McLean understands and agrees that her role and responsibilities may change over time in the best interest of the business, and TTEC Parent reserves the right to assign to Ms. McLean different roles and assignments that best serve the business.

## 2. Compensation.

a. **Salary and Periodic Salary Review.** As of the Effective Date, Ms. McLean's base salary is **\$375,000 per year** ("Base Salary"), payable in equal installments in accordance with the Company's standard payroll practice, less legally required deductions and withholdings. Ms. McLean's Base Salary may be periodically reviewed and adjusted, at CEO's discretion, to appropriately reflect her role in the business, the contribution of the role, and the market pay for such role in accordance with TTEC standard compensation review practices. Notwithstanding the foregoing, nothing in this Agreement provides assurances that Ms. McLean's salary will be increased from time to time.

b. **Variable Incentive Compensation (annual cash bonus).** As of the Effective Date, Ms. McLean is eligible to participate in an annual performance based cash incentive program, currently referred to as TTEC Variable Incentive Plan ("VIP"). As of the Effective Date, Ms. McLean's annual VIP opportunity currently shall be **up to \$285,000**, tied to the annual targets and goals of the business as set by the CEO and TTEC's Board of Directors. Ms. McLean's annual VIP award will be based on a combination of metrics set-out and annually approved by TTEC and by the Board. At present these metrics include the (i) TTEC company-wide results of operations; and (ii) Ms. McLean's individual performance against targets set-out by the CEO.

In addition, the Compensation Committee of the Board may, but shall not be obligated to, adjust the Employee's VIP award upward based on the Company's and Employee's function's overperformance against annual metrics set by the Board and deemed to be that year's business imperatives, such as but not limited to annual bookings, revenue, operating income, backlog, and cash flow.

The timing for the payment of the VIP award, if any, is determined from time to time by the Compensation Committee annually.

c. **Annual Equity Grant.** Ms. McLean is also eligible to participate in TTEC's annual Equity program, designed to provide long term incentives for senior executives of the Company and align their interests with company stockholders. Currently, TTEC offers its equity grants in the form of restricted stock units, vesting over a period of years (the "RSUs"). Ms. McLean is, and until and unless modified by the Compensation Committee of the Board, shall be eligible for an annual equity grant opportunity of **up to \$350,000** in fair market value of TTEC equity, based on the market value of the equity at the time of the grant. The actual amount of the annual equity grant is discretionary and is not guaranteed. It is based on TTEC's performance overall, the performance of the business function for which Ms. McLean is responsible, and Ms. McLean's individual performance against targets, as set annually by the TTEC's Board. The RSUs are granted under the terms of grant-specific agreements that are approved by the Compensation Committee of the Board from time to time ("Equity Agreements"). These Equity Agreements provide vesting schedules, performance metrics, if any, and other material terms of each grant. TTEC and its Compensation Committee of the Board reserve the right, at its discretion, to change the terms of future Equity Agreements and the equity granted thereunder. The use of the RSUs, as part of the annual equity grant, is discretionary and may be substituted, at the discretion of the Compensation Committee of the Board, by other equity instruments in accordance with incentive compensation plans adopted by the Compensation Committee of the Board from time to time. All grants as part of TTEC Parent Equity program are subject to Executive Stock Ownership Guidelines included in this Agreement as Exhibit C.

d. **Reimbursement of Business Expenses.** The Company agrees to reimburse Ms. McLean for all reasonable out-of-pocket business expenses incurred by Ms. McLean on behalf of the Company in accordance with TTEC expense reimbursement policies.

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e. **Services to Subsidiaries.** Ms. McLean acknowledges that, as part of her employment responsibilities, she may be required to serve as an officer and/or director ("D&O") of TTEC subsidiaries, affiliates and related entities. She hereby agrees to perform such duties diligently and without additional compensation, and to follow TTEC direction in the performance of such services. For the duration of such D&O services, TTEC shall maintain appropriate D&O insurance policies for Ms. McLean's protection in connection with the services. Furthermore, Ms. McLean agrees to resign such D&O roles, if requested to do so by TTEC. At the time contemporaneous with the execution of this Agreement or at a prior time, Ms. McLean will sign a resignation letter in the general form attached hereto, as Exhibit A, which letter shall become effective on termination of this Agreement, for any reason, or without termination, at TTEC's discretion, if TTEC determines that such resignation is in the best interest of the business.

f. **Tax Liability and Withholdings.** All compensation and other payments made under this Agreement will be subject to withholding of the federal, state, and local taxes, Social Security, Medicare and other withholdings in such amounts as is reasonably determined by Company. The withholdings taxes due with respect to any equity grants may, at Company's discretion and in accordance with the relevant equity plans, be deducted directly from the equity being granted or as it vests. The Company shall have the right to take all the action as it deems necessary to satisfy its and employees tax withholding obligations.

**3. Not used in this agreement**

**4. Benefits.**

a. **Health and Welfare Benefits.** Ms. McLean shall continue to be eligible to participate in TTEC health and wellness plans in a manner similar to others at her level of responsibility in the Company, including the participation for Ms. McLean and dependents in TTEC group medical, vision, and dental insurance and other welfare plans, as they continue or change from time to time.

b. **Executive Benefits.** N/A – this section is left intentionally blank.

c. **Miscellaneous Benefits.** Ms. McLean shall continue to be eligible for benefits generally applicable to other senior management employees of the Company, as they are in effect from time to time, including TTEC 401(k) Plan and its Deferred Compensation Plan.

d. **Paid Leave.** Ms. McLean shall continue to be eligible for paid time off ("PTO") and sick leave benefit programs pursuant to the Company's current time off/leave policy (or any other vacation/sick policy then in effect). Ms. McLean will also be paid for time off for holidays in accordance with the TTEC holiday policy.

e. **Tenure.** Notwithstanding the effective date of this Agreement, Ms. McLean's tenure for purposes of all benefits and otherwise shall date back to her original hire date in June 2013 – Start Date.

**5. Change in Control.**

a. For the avoidance of doubt, the definition of "Change in Control" as provided in this Agreement is substantially similar to those that are included in the Equity Agreements that Ms. McLean currently holds. The sole purpose of the provision being restated in this Agreement is to establish the Change in Control provisions in this omnibus Agreement that controls the terms of Ms. McLean's employment with the Company. For purposes of this Agreement, "Change in Control" event shall mean the occurrence of any one of the following:

(i) Any consolidation, merger or other similar transaction (i) involving TTEC Parent, if TTEC Parent is not the continuing or surviving corporation, or (ii) which contemplates that all or substantially all of the business and/or assets of TTEC Parent would be controlled by another corporation not controlled by TTEC Parent;

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(ii) Any sale, lease, exchange or transfer (in one transaction or series of related transactions) of all or substantially all of the assets of TTEC Parent (a "Disposition"); provided, however, that the foregoing shall not apply to any Disposition with respect to which, following such Disposition, more than 51% of the combined voting power of the then outstanding voting securities of the receiving entity for the Disposition are directly or indirectly (beneficially or otherwise) owned by all or substantially all of the individuals and entities that were the beneficial owners of at least 51% of the outstanding common stock and/or other voting securities of TTEC Parent immediately prior to such Disposition, in substantially the same proportion of total ownership as their ownership immediately prior to such Disposition;

(iii) Approval by the stockholders of TTEC Parent of any plan or proposal for the liquidation or dissolution of TTEC, unless such plan or proposal is abandoned within 60 days following such approval;

(iv) The acquisition by any "person" (as such term is used in Sections 13(d) and 14(d)(2) of the U.S. Securities Exchange Act of 1934, as amended ("the Exchange Act")), or two or more persons acting in concert, of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of 51% or more of the outstanding shares of voting stock of TTEC Parent; provided, however, that for purposes of the foregoing, the term "person" shall exclude Kenneth D. Tuchman and his affiliates; provided, further that the foregoing shall exclude any such acquisition (1) made directly from TTEC Parent, (2) made by TTEC Parent (directly or through an affiliated company), or (3) made by TTEC employee benefit plan (or related trust) sponsored or maintained by TTEC Parent or any of its affiliate; or

(v) If, during any period of 15 consecutive calendar months commencing at any time on or after the Effective Date, those individuals ("Continuing Directors") who either (1) were directors of TTEC Parent on the first day of each such 15-months period, or (2) subsequently became directors of TTEC Parent and whose actual election or initial nomination for election subsequent to that date was approved by a majority of the Continuing Directors who were then members of the TTEC Parent Board of Directors, cease to constitute a majority of the Board of Directors of TTEC Parent.

#### **6. Termination and Payments, Benefits On Termination.**

**a. Termination by Either Party.** Except as set forth in Paragraphs 6(c) (for Cause termination), (e) (termination due to death) and (f) (termination due to disability), and subject to provisions of Paragraph 6(j) (constructive termination or good reason), either Party may terminate the employment relationship with 30 days' written notice to the other. Both parties may mutually agree to a shorter period.

**b. Termination by the Company without Cause.** Subject to provisions of Paragraph 6(i) (Change in Control termination), upon 30 days written notice, the Company, in its sole discretion, may terminate Ms. McLean's employment without Cause (as "Cause" is defined in Paragraph 6(g)). Constructive Termination by the Company (as the term is defined in Paragraph 6(j)) constitutes Termination without Cause by the Company for purposes of this Agreement. In case of termination pursuant to this Paragraph 6(b), the Employee shall be entitled to:

(i) Severance. If Ms. McLean executes a separation agreement in a form substantially similar to the agreement set forth in Exhibit B (attached hereto), releasing all legal claims except for those that cannot legally be released and Ms. McLean continues to comply with all terms of such separation agreement, and any other agreements signed by the Employee with the Company, then the Company shall pay Ms. McLean severance compensation equal to fifteen (15) full calendar months of Ms. McLean's then current base pay ("Severance" or "salary continuation"). Salary continuation payments will be made at the Company's regular payroll intervals, provided, however, payments accruing for payroll periods prior to the date that the Company has received a signed and effective separation agreement and release shall be suspended and paid on the first payroll date following the effective date of the separation and release.

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(ii) **Continuation of Benefits.** In addition to Severance, the Company shall continue to provide to Employee and to the Employee's eligible dependents with the same level of welfare and health benefits, including without limitation medical, dental, vision, accident, disability, life insurance, and other welfare benefits in place prior to termination of employment for a period of twelve (12) months after the effective date of such termination, on substantially the same terms and conditions (including contributions required by the Executive for such benefits) as existed immediately prior to termination; provided that, if Employee cannot continue to participate in the Company's, TTEC Parent's or successor's benefit plans, TTEC Parent or successor shall otherwise provide such benefits on the same after-tax basis as if continued participation had been permitted.

(iii) **Equity Vesting.** Notwithstanding the vesting schedules contained in Equity Agreements that Ms. McLean currently holds or would hold, and except in the context of a Change of Control event related termination where agreements provide for accelerated vesting of certain equity awards, any unvested equity awards that would otherwise vest on or after the termination date shall automatically forfeit.

If the Company terminates this Agreement **without Cause** under this Paragraph 6(b), and the Company pays Ms. McLean the compensation earned as of the effective date of the termination, and provides Ms. McLean incremental compensation and continuation of benefits on the terms specified in this Paragraph 6(b), the Company's acts in doing so shall be in complete accord and satisfaction of any claim that Ms. McLean has or may at any time have for compensation, benefits or payments of any kind from the Company or TTEC Parent arising from or relating in whole or part to Ms. McLean's employment with the Company and/or this Agreement. If the separation agreement and legal release referenced above is not signed within thirty (30) days from the date that such agreement is presented to Ms. McLean (which the Company shall present no later than fifteen (15) days after the effective date of Employee's termination), then Ms. McLean waives her right to receive any severance compensation pursuant to this Agreement, even if Ms. McLean were to successfully litigate any claim against the Company and/or TTEC Parent.

c. **Termination by the Company for Cause.** The Company may terminate this Agreement with no notice for **Cause**, as that term is defined in Paragraph 6(g), with the Company's only obligation being the payment of any salary and compensation earned as of the date of termination, and any continuing obligations under the Company benefit plans then in effect, and without liability for severance compensation of any kind, including Severance set forth in Paragraph 6(b).

d. **Termination by Employee.** Ms. McLean is not entitled to severance compensation if she voluntarily terminates her employment with the Company. Termination by Employee for "Good Reason" (as the term is defined in Paragraph 6(j)) shall constitute Termination without Cause by the Company for purposes of this Agreement.

e. **Termination upon Employee's Death.** This Agreement shall terminate immediately upon Employee's death. Thereafter, the Company shall pay to the Employee's estate all compensation fully earned, and benefits fully vested as of the last date of Employee's continuous, full-time active employment with the Company. For purposes of this Agreement, continuous, full-time active employment shall be defined as the last date upon which Employee continuously performed her job responsibilities on a regular, full-time basis consisting of at least 35 hours per week, and in the usual course of the Company's business ("Continuous Full-Time Active Employment"). In case of Employee's death, the Company shall not be required to pay any form of severance or other compensation concerning or on account of the Employee's employment with the Company or the termination thereof.

f. **Termination Due to or Following Disability.** During the first ninety (90) calendar days after a mental or physical condition that renders Employee unable to perform the essential functions of her position with reasonable accommodation (the "Initial Disability Period"), Employee shall continue to receive her base salary pursuant to Paragraph 2(a) of this Agreement. Thereafter, if Employee qualifies for benefits under the Company's long-term disability insurance plan (the "LTD Plan"), then Employee shall remain on leave for as long as Employee continues to qualify for such benefits, up to a maximum of 180 consecutive days (the "Long-term Leave Period"). The Long-term Leave Period shall begin on the first day following the end of the Initial Disability Period. During the Long-term Leave Period, Employee shall be entitled to any benefits to which the LTD Plan entitles Employee, but no additional compensation from the Company in the form of salary, performance bonus, equity grants, allowances or otherwise. If during or at the end of the Long-term Leave Period Employee remains unable to perform the essential functions of her position, then

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the Company may terminate this Agreement and/or Employee's employment. If the Company terminates this Agreement or Employee's employment under this Paragraph 6(f), the Company's payment obligation to Employee shall be limited to all compensation fully earned, and benefits fully vested as of the last date of Employee's continuous, full-time active employment with the Company.

- g. **Definition of "Cause".** For purposes of this Agreement, "Cause" shall have the following meaning:
- (i) Fraud, theft, embezzlement (or attempted fraud, theft, embezzlement), dishonest acts or illegal conduct;
  - (ii) Other similar acts of willful misconduct on the part of Employee resulting in damage to TTEC Parent or the Company;
  - (iii) A material breach by the Employee of this Agreement;
  - (iv) Use of any controlled substance or alcohol while performing Employee's duties except as part of a TTEC Parent or Company-sponsored event in connection with a business-related social engagement such as a trade conference or customer entertainment, but only in moderation and in a professional manner that reflects positively on TTEC Parent and the Company; with visible inebriation at a business-related social engagement constituting a cause for immediate termination;
  - (v) A breach of a fiduciary duty that results in an adverse impact to TTEC Parent or the Company or in personal profit to the Employee (as determined by the Company based on its conflict of interest policies outlined in the TTEC Ethics Code);
  - (vi) Use of trade secrets or confidential information of TTEC Parent or the Company, other than in pursuit of TTEC Parent or the Company's business;
  - (vii) Aiding a competitor of TTEC Parent; or
  - (viii) Failure by Employee in the performance of her duties that results in material adverse effect on TTEC Parent, the Company or TTEC Parent subsidiary companies.

If the act or acts constituting Cause are susceptible of cure, Company will provide Employee with written notice setting forth the acts constituting Cause, and providing that Employee may cure such acts within thirty (30) business days of receipt of such notice. Any recurrence of acts constituting Cause within one (1) year of the original occurrence will void Employee's right to such pre-termination right to cure.

h. **Continuing Obligations.** Ms. McLean shall remain subject to the Company's Agreement to Protect Confidential Information, Assign Inventions and Prevent Unfair Competition and Unfair Solicitation ("Confidentiality Agreements"), Arbitration agreements, Equity Agreements, and any other similar agreements executed at any time during her employment, including without limitation this Agreement, all of which survive termination of employment.

i. **Termination in Connection with Change in Control Event.** If a Change in Control event occurs, and at any time within twenty-four (24) months of such Change in Control event effective date ("COC Period") the Company, TTEC Parent, or its successor terminates Employee's employment without Cause (as defined in Paragraph 6(g)) whether such termination occurs outright or pursuant to a Constructive Termination (as defined in Paragraph 6(j)), the Employee shall be entitled to and the Company, TTEC Parent or its successor shall cause the following to occur:

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(i) Severance. If Employee executes a separation agreement in a form substantially similar to the agreement set forth in Exhibit B (attached hereto), releasing all legal claims except for those that cannot legally be released and agrees to continue to comply with all terms of such separation agreement, and any other agreements signed by the Employee with the Company or successor, then the Company shall pay the Employee a lump-sum severance compensation equal to one-and-a-half times (1.5x) of Employee's Base Salary in effect at the time of such termination ("COC Severance") within ten (10) business days of the effective date of such Change in Control related termination; provided, however, if the COC Severance payment is due prior to the date that the Company, TTEC Parent or successor receive a signed and effective separation agreement and release, the payment shall be suspended until the receipt of such signed separation agreement, and then paid as soon as reasonable but in no event later than ten (10) business days after such receipt.

(ii) Continuation of Benefits. In addition to COC Severance, the Company, TTEC Parent or successor shall continue to provide to Employee and to the Employee's eligible dependents with the same level of welfare and health benefits, including without limitation medical, dental, vision, accident, disability, life insurance, and other welfare benefits in place prior to termination of employment for a period of twelve (12) months after the effective date of such termination, on substantially the same terms and conditions (including contributions required by the Employee for such benefits) as existed immediately prior to termination; provided that, if Employee cannot continue to participate in TTEC's or successor's benefit plans, TTEC or successor shall otherwise provide such benefits (via lump sum compensation or in kind) on the same after-tax basis as if continued participation had been permitted.

(iii) Equity Vesting on Change of Control (single trigger). Notwithstanding any vesting schedule provisions contained in Equity Agreements that Employee currently holds or may hold, provided such Equity Agreements represent awards for performance periods of prior to and including fiscal year 2017 performance period, regardless of when issued, any unvested equity that would otherwise vest pursuant to these awards on or after the Change in Control event's effective date shall automatically vest as of the date immediately prior to the date of Change in Control event, regardless of whether Employee's employment with the Company, TTEC Parent, or successor shall continue after the Change of Control event.

(iv) Equity Vesting on Change of Control Termination (double trigger). Notwithstanding any vesting schedule provisions contained in Equity Agreements that Employee may hold, provided such Equity Agreements represent awards for performance period after fiscal year 2017 performance period, regardless of when issued, any unvested equity that would vest pursuant to these awards on or after the Change in Control event effective date and would otherwise forfeit on termination of employment, shall vest in full as of employment termination date, if such termination occurs during the COC Period.

(v) Termination Ahead of Change of Control Event. Notwithstanding anything in this Agreement to the contrary, if Employee's employment is terminated (actually or pursuant to a Constructive Termination as defined in Paragraph 6(j) of this Agreement) within three (3) months before a Change in Control event occurs, then for purposes of this Agreement, the effective date of Change in Control event shall be deemed to be the date immediately prior to the date of such termination of employment.

j. "Good Reason" or "Constructive Termination". Termination by Employee for "Good Reason" or "Constructive Termination" by the Company may be triggered if, without Employee's express written consent, the occurrence of any of the following (in connection with or independent of a Change in Control event):

(i) Change in Responsibilities. The material adverse change in Employee's scope of responsibilities and duties (including the diminution of such duties and responsibilities), or material adverse change in Employee's reporting responsibilities or title by the Company, TTEC parent, or in case of a Change in Control event by their successor.

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(ii) Change in Compensation. Any material reduction by the Company, TTEC Parent or, in case of a Change in Control event by successor, of Employee's total compensation package, including material adverse change in the annual salary, the incentive bonus ranges and targets, or the timing of payment of same as compared to the compensation package in effect as of the date hereof or immediately prior to a Change in Control event, as the case may be. Notwithstanding anything in this provision to the contrary, a change in the compensation structure that is consistent with prevailing market trends, as supported by an independent report of a qualified compensation advisor to the Compensation Committee of the Board, the Company or its successor, shall not give rise to a 'constructive termination' or 'termination for good reason' claim.

(iii) Change in Location. Any requirement of the Company or successor that Employee be based anywhere more than twenty-five (25) miles from the site where the Employee is located as of the Effective Date or the time of the Change in Control event.

(iv) Failure to Cause Assumption of this Agreement. Failure of the Company or TTEC Parent to assign and obtain the assumption of this Agreement from any successor in case of a Change in Control event.

An action taken in good faith and which is remedied by TTEC Parent or successor within fifteen (15) calendar days after receipt of Employee's notice thereof shall not constitute Good Reason or Constructive Termination under this Agreement. Employee must provide notice of termination of employment within thirty (30) calendar days of Employee's knowledge of an event constituting "Good Reason" or such event shall not constitute Good Reason or Constructive Termination under this Agreement.

#### **7. Non-Disclosure, Non-Competition and Non-Solicitation.**

As a senior member of the executive leadership team of TTEC Parent, the Employee is privy to TTEC Parent company wide global business and financial strategy. Therefore, in addition to the provisions of the Confidentiality Agreements that the Employee signed at the time of her original employment with the Company, the Employee in consideration of the employment opportunity and compensation provided hereunder, agrees and covenants during the term of her affiliation with the Company (as an employee or otherwise):

a. Non-Compete Undertaking. For a period of twelve (12) months from separation from TTEC Parent and/or the Company, not to work or otherwise contribute her knowledge, directly or indirectly, in whole or in part, as an employee, officer, owner, manager, advisor, consultant, agent, partner, director, significant shareholder (i.e. a shareholder holding more than 5% of outstanding equity in the company), volunteer, intern or in any other similar capacity anywhere in the world to a business entity engaged in the same or substantially similar business as TTEC Parent its subsidiaries and affiliates, including entities engaged in the full life cycle of customer strategy, analytics-driven, technology-enabled customer engagement management solutions from customer engagement strategy consulting, to technology and analytics driven customer acquisition to technology solution development and integration to business process outsourcing customer care (collectively, "TTEC Business"). The Non-Compete Undertaking shall apply throughout, and shall only be limited by, the territory where the Employee performs services for the Company and TTEC Parent, as provided in this Agreement. For the avoidance of doubt, the term 'performs services for' shall not be limited to 'works at' or any other limitation delineating where the Employee performs the actual services, but instead shall relate to the entire territory where the Company and TTEC Parent benefits and is reasonable to expect to benefit from the Employee's services. Given Ms. McLean's role as the Executive Vice President and TTEC chief revenue officer, the territory for purposes of this Agreement shall be worldwide.

If Employee's employment is terminated pursuant to provisions of Paragraph 6(i) (Change in Control event) and if Employee is paid Change in Control related compensation and receives other benefits as provided in that Paragraph, the Employee agrees for the Non-Competition Undertaking to be extended from twelve (12) to eighteen (18) months; and

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b. **Employee Non-Solicitation Undertaking.** For a period of twelve (12) months from separation from TTEC Parent and the Company, Employee agrees not to solicit, hire, recruit, attempt to hire or recruit, or induce the termination of employment, directly or indirectly, of any then current employee of the Company or its subsidiaries and affiliates.

If Employee's employment is terminated pursuant to provisions of Paragraph 6(i) (Change in Control event) and if Employee is paid Change in Control related compensation and receives other benefits as provided in that Paragraph, the Employee agrees for the Employee Non-Solicitation Undertaking to be extended from twelve (12) to eighteen (18) months; and

c. **Client Non-Solicitation Undertaking.** For a period of twelve (12) months from separation from TTEC Parent or the Company, Employee agrees not to solicit or interfere with business relationships between TTEC Parent, the Company, and current and prospective (currently actively pursued) clients of TTEC Parent, or any of its subsidiaries and affiliates, for purposes of offering or accepting goods or services similar to or competitive with those offered by TTEC Parent or any of its subsidiaries and affiliates.

If Employee's employment is terminated pursuant to provisions of Paragraph 6(i) (Change in Control event) and if Employee is paid Change in Control related compensation and receives other benefits as provided in that Paragraph, the Employee agrees for the Client Non-Solicitation Undertaking to be extended from twelve (12) to eighteen (18) months.

**d. Consequences of Breach.** If Employee breaches any of the covenants and undertakings set forth in this Paragraph 7:

(i) All of Employee's unvested equity shall be immediately forfeited and neither TTEC Parent nor the Company shall have any further liabilities to Employee pursuant to this Agreement, including without limitation no liability for any equity not yet granted or granted and unvested;

(ii) Employee and those who aid her in such breach shall be liable for all costs and business losses including any damages and out-of-pocket expenses associated with or resulting from such breach; and

(iii) Employee hereby consents and agrees that TTEC Parent and the Company shall be entitled to seek, in addition to other available remedies, a temporary or permanent injunction or other equitable relief against such breach or threatened breach from any court of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall be in addition to, not in lieu of, legal remedies, monetary damages or other available forms of relief.

#### **8. Miscellaneous.**

a. **Relationship between this Agreement and Other Company Agreements.** In the event of any direct conflict between any term of this Agreement and any TTEC Parent and/or Company agreement, policy, procedure, guideline or other publication addressing the same terms and conditions contained in this Agreement, the terms of this Agreement shall control Ms. McLean's employment.

b. **Successors and Assigns.** TTEC Parent, the Company, its successors and assigns may in their sole discretion assign this Agreement to any person or entity in connection with the merger, acquisition or other business combination that results in the divestiture or transfer of all or substantially all the assets of the Company or TTEC Parent. This Agreement shall bind, and inure to the benefit of the Company's successors or assigns. This Agreement is for personal services and Ms. McLean shall not assign her rights or obligations hereunder.

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c. **IRSC Section 409A.**

(i) **Interpretation.** This Agreement shall be interpreted and administered in a manner so that any amount or benefit payable hereunder shall be paid or provided in a manner that is either exempt from, or complies with, the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the Internal Revenue Service guidance and Treasury Regulations thereunder (collectively, "Section 409A"). It is the Parties' intention that salary continuation payments under the Agreement will be exempt from the requirements of Section 409A because they are short term deferrals under Treas. Reg. Sec. 1.409A-1(b)(4) or payments under a separation pay plan within the meaning of Treas. Reg. Sec. 1.409A-1(b)(9) and the Agreement shall be construed and administered in a manner consistent with such intent.

(ii) **Separation from Service; Separate Payments.** Notwithstanding anything in this Agreement to the contrary, to the extent that any payment or benefit subject to Section 409A, including an exemption from Section 409A, and such payment or benefit would otherwise be payable or distributable hereunder by reason of Employee's termination of employment, all references to Ms. McLean's "termination of employment" shall be construed to mean a "separation from service," as defined in Treasury Regulation Section 1.409A-1(h), and Employee shall not be considered to have had a termination of employment unless such termination constitutes a "separation from service" with respect to Employee. If under this Agreement, an amount is to be paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment.

(iii) **Specified Employee.** Notwithstanding anything in this Agreement to the contrary, if the Employee is a "specified employee" (within the meaning of Treasury Regulation Section 1.409A-1(i)) on the date of the Employee's "separation from service", any benefit or payment that constitutes non-exempt "nonqualified deferred compensation" (within the meaning of Section 409A) and is payable on account of the Employee's separation from service shall be delayed in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i), and any such delayed payment shall be paid to Ms. McLean in a lump sum during the ten (10) day period commencing on the earlier of (i) the expiration of a six-month period from the date of Employee's "separation from service," or (ii) Employee's death. To the greatest extent permitted under Section 409A, any separate payment or benefit under the Agreement will not be deemed to constitute "nonqualified deferred compensation" subject to Section 409A and the six-month delay requirement to the extent provided in the exceptions in Treasury Regulation Sections 1.409A-1(b)(4) or 1.409A-1(b)(9), or in any other applicable exception or provision of Section 409A.

(iv) **Reimbursements.** With regard to any provision in this Agreement that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (x) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, (y) the amount of expenses eligible for reimbursement, or in-kind benefits, provided during any taxable year shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year, provided that the foregoing clause (y) shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such arrangement provides for a limit on the amount of expenses that may be reimbursed over some or all of the period the arrangement is in effect and (z) such payments shall be made on or before the last day of Ms. McLean's taxable year following the taxable year in which the expenses were incurred.

(v) **Cooperation.** If the Parties hereto determine that any payments or benefits payable under this Agreement intended to comply with Section 409A do not so comply, Ms. McLean and the Company agree to amend this Agreement, or take such other actions as Ms. McLean and the Company deem necessary or appropriate, to comply with the requirements of Section 409A, while preserving benefits that are, in the aggregate, no less favorable than the benefits as provided to Ms. McLean under this Agreement. If any provision of this Agreement would cause such payments or benefits to fail to so comply, such provision shall not be effective and shall be null and void with respect to such payments or benefits, and such provision shall otherwise remain in full force and effect.

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**d. Governing Law and Dispute Resolution.**

(i) **Good Faith Negotiation Requirement.** Ms. McLean, TTEC Parent and the Company agree that in the event of any controversy or claim arising out of or relating to Ms. McLean's employment with and/or separation from the Company, they shall negotiate in good faith to resolve the controversy or claim privately, amicably and confidentially. Each Party may consult with counsel in connection with such negotiations.

(ii) **Governing Law.** This Agreement will be construed and interpreted in accordance with the laws of the State of Colorado without regard to conflict of law principles.

(iii) **Disputes.** The Parties agree that any action arising from or relating in any way to this Agreement, shall be resolved and tried in the state or federal courts situated in Denver, Colorado. The parties consent to jurisdiction and venue of those courts to the greatest extent allowed by law. In this regard, the Employee acknowledges and admits to all or a combination of several following substantial contacts with Colorado: (v) the Employee is employed, provides services for or otherwise is affiliated with a legal entity headquartered in the state of Colorado; (w) the Employee receives the compensation in a form of Employee checks or wire transfers that are drawn either directly or indirectly, from bank accounts in Colorado; (x) the Employee regularly interacts with, contacts and is contacted by other TTEC and Company employees and executives in Colorado; (y) the Employee either routinely travels to or attends business meetings in Colorado; and (z) the Employee receives substantial compensation and benefits as a result of TTEC Parent being a corporation headquartered in and subject to the laws of Colorado. Based on these and other contacts, the Employee acknowledges that he could reasonably be subject to the laws of Colorado.

**e. Severability.** If any court of competent jurisdiction declares any provision of this Agreement invalid or unenforceable, the remainder of the Agreement shall remain fully enforceable. To the extent that any court concludes that any provision of this Agreement is void or voidable, the court shall reform such provision(s) to render the provision(s) enforceable, but only to the extent absolutely necessary to render the provision(s) enforceable.

**f. Modification of Agreement.** This Agreement or any other term or condition of employment may not be modified by word or deed, except in writing signed by Employee and the Chief Administrative Officer, Chief People Officer or Chief Executive Officer for TTEC Parent.

**g. Waiver.** No provision of this Agreement shall be deemed waived, nor shall there be an estoppel against the enforcement of any such provision, except by a writing signed by the party charged with the waiver or estoppel. No waiver shall be deemed continuing unless specifically stated therein, and the written waiver shall operate only as to the specific term or condition waived, and not for the future or as to any act other than that specifically waived.

**h. Construction.** Whenever applicable, masculine and neutral pronouns shall equally apply to the feminine genders; the singular shall include the plural and the plural shall include the singular. The Parties have reviewed and understand this Agreement, and each has had a full opportunity to negotiate the agreement's terms and to consult with counsel of their own choosing. Therefore, the Parties expressly waive all applicable common law and statutory rules of construction that any provision of this Agreement should be construed against the agreement's drafter, and agree that this Agreement and all amendments thereto shall be construed as a whole, according to the fair meaning of the language used.

**i. Dodd-Frank Clawback Provision.** Notwithstanding any other provision in this Agreement or in the related Equity Agreements, in the event that pursuant to the terms or requirements of the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or of any applicable laws, rules or regulations promulgated by the US Securities and Exchange Commission or any listing requirements of any stock exchange or stock market on which any securities of TTEC Parent trade, from time to time, and in the event any bonus payment, equity award or other payment is based upon the satisfaction of financial performance metrics which are subsequently reversed due to a restatement or reclassification of financial results of TTEC Parent, then any payments made or equity awards granted (and equity received pursuant to these awards) shall be returned and forfeited to the extent required and as provided by applicable laws, rules, regulations or listing requirements. This Paragraph 8(i) shall survive any expiration or termination of this Agreement for any reason.

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j. **Greatest Net Benefit.**

(i) Anything in this Agreement to the contrary notwithstanding, in the event that the Employee determines (at his/her discretion and expense) that the receipt of any payments hereunder would subject the Employee to tax under Internal Revenue Code (the "Code") Section 4999 or a successor provision, the Employee shall have the option at his/her discretion to cause TTEC Parent or successor to reduce the payment due to the Employee under this Agreement so that the net (after tax) benefit of the payments to the Employee is maximized ("Reduced Payment Election"). The Employee shall have forty-five (45) calendar days from receipt of notice of the payment due under this Agreement or the payment itself under this Agreement, as the case may be, to advise TTEC Parent or successor of such election.

(ii) If the Employee accepts the full payment hereunder and thereafter within the period provided above determines that he/she wants to make the Reduced Payment Election, any payments received by the Employee in excess of the amount payable under Reduced Payment Election shall be treated for all purposes as a loan *ab initio* to the Employee, which the Employee shall repay to TTEC Parent or successor, together with appropriate interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code, within sixty (60) days of the Reduced Payment Election.

(iii) Nothing in this Paragraph 8(j) shall be interpreted to compel the Executive to make the Reduced Payment Election.

k. **Assignment and Assumption of Agreement.** Concurrently with any Change in Control event or a business combination that may impact the legal implications of this Agreement, the Company, TTEC Parent shall cause any successor or transferee to assume unconditionally, by written instrument delivered to Employee, all of the obligations of the Company and TTEC Parent hereunder. Failure of the Company or TTEC Parent to obtain such assumption prior to the effectiveness of any Change in Control event or other business combination, shall be a breach of this Agreement and shall constitute Good Reason entitling the Employee to resign, within thirty (30) calendar days of consummation of such Change of Control event or business combination, and receive compensation and benefits as provided in Paragraph 6(i).

l. **Controlling Provisions.** The employment arrangement contemplated by this Agreement includes other related documents in addition to this Employment Agreement, some of which are TTEC Parent and the Company's standard documents not otherwise tailored to this transaction. To the extent any provisions of these related agreements contradict the clear provisions and terms of this Employment Agreement, the provisions of this Agreement shall be controlling.

**Ms. McLean acknowledges and agrees that she reviewed and fully understands the terms and provisions of this Agreement; that she enters into it freely, knowingly, and mindful of the fact that it creates important legal obligations and affects her legal rights; and that she understands the need to and has had the opportunity to consult with counsel (if she so wishes) concerning this Agreement with legal counsel.**

Employee

TTEC Services Corporation

\_\_\_\_\_  
Margaret B. McLean

\_\_\_\_\_  
Regina M. Paolillo, Chief Administrative Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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**Exhibit B**  
**To Executive Employment Agreement**  
**(Sample Severance Agreement and Release of Claims**  
**Not Customized for Ms. McLean)**

[DATE]

**PERSONAL & CONFIDENTIAL**

[NAME]

[ADDRESS]

Dear [NAME]:

As you have been advised, your employment with TTEC Services Corporation ("TTEC" or "the Company") will terminate effective the close of business on \_\_\_\_\_ ("Termination Date"). This letter contains a Settlement Agreement and Release of Claims ("Agreement") intended to resolve any and all disputes arising from your employment and your separation from employment with TTEC on mutually agreeable terms as set forth below. Please review it carefully, and if it is acceptable to you, sign and return an original copy to TTEC Human Capital Department, 9197 S. Peoria Street, Englewood, Colorado 80112 Attn: Settlement Agreements, either by mail or by McLean delivery. If you are 40 or over, you have been provided 21 days from the date of this Agreement to consider whether to enter into this Agreement.

**SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS**

**This Agreement is made between** \_\_\_\_\_ ("you") and TTEC (collectively, the "Parties"). In consideration of the mutual promises and other benefits set forth herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

- 1. Settlement Payment:** Provided that you sign and return this Agreement, and it thereafter becomes effective as described below, you will receive a settlement payment equivalent to \_\_\_\_\_ of your base salary, for a total amount of \$ \_\_\_\_\_ ("Settlement Payment"). Payment shall be made in bi-weekly installments in accordance with the Company's normal payroll schedule, less applicable federal, state, and local taxes and other authorized deductions and shall be started within 15 days of the Termination Date.
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2. **Benefits:** Your current medical, dental, vision and healthcare flexible spending account coverage (to the extent that you have a positive balance in that account as of today's date) will be continued until the Termination Date. After the Termination Date, you may continue your existing medical insurance coverage at your own expense pursuant to your rights under federal law (commonly referred to as "COBRA"). You will receive information on COBRA in a later mailing.
  3. **Other Compensation Due You:** You will receive payment for any salary earned through the date of your separation from the Company, less applicable taxes and authorized or required withholding deductions. You understand that you will be paid your earned wages and commissions, if any, set forth in this paragraph regardless of whether you sign this Agreement.
  4. **Reimbursement for Business Expenses:** Within five days of the Termination Date, you will provide to the Company expense reports detailing all items, if any, for which you seek reimbursement, and the required supporting documentation for such expenses. If you hold a corporate credit card account, and there is an outstanding amount due and owing on that account, you must submit documentation showing that the account has been paid in full within five days of the Termination Date and understand and agree that if you do not, the Company may withhold any amounts due and owing on that account from the Settlement Payment. Your expense reports and supporting documentation will be subject to the same level of review that all other similar submissions receive from the Company's Accounting Department. The Company will reimburse you in accordance with its existing policies and procedures. In addition, you will provide supporting documentation for all previously filed expense reports and agree to cooperate with the Company's Accounting Department to resolve in good faith any issues relating to expenses.
  5. **Return and Prohibition of Removal of Company Property and Records.** Except as otherwise specifically provided in this Agreement, you shall return all Company property and records on the Termination Date. In the event you fail to return such property or records provided herein, you shall be liable to the Company for the value of all such property and records, and all reasonable costs, including attorneys' fees, incurred by the Company in recovering such property or records. Company property and records shall include, but is not limited to, cell phones, pagers, BlackBerry devices, tablets, laptops, printers, fax machines, and any Company related document whether in written or electronic form and whether created by you or another person or entity. Company equipment, files or business information of any kind, whether written, electronic, digital, or otherwise, shall not be copied, taken or otherwise used by you without the prior written consent of the Company. In addition, the Company reserves the right to pursue all legal and equitable relief available for breach of this paragraph.
  6. **Agreement to Protect Confidential Information, Assign Inventions, and Prevent Unfair Competition and Unfair Solicitation.** You understand that all terms and conditions of your "Agreement to Protect Confidential Information, Assign Inventions, and Prevent Unfair Competition and Unfair Solicitation" (the "Non-Compete Agreement") and any other applicable employment documents you signed during your employment at TTEC, survive Termination and shall remain in full force and effect.
  7. **Acknowledgment:** You understand and agree that, absent this Agreement, you would not otherwise be entitled to the payment specified in Paragraph 1. Further, by signing this Agreement, you agree that you are entitled only to the payments described in this Agreement and that you are not entitled to any payments that are not specifically listed in this Agreement, excluding vested rights you may have pursuant to the Company's 401(k), Stock Option, Restricted Stock Units and Life Insurance plans.
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8. **General Release of All Claims:** In exchange for the Company's payments in Paragraph 1, you promise that you will not sue TTEC Services Corporation, including its past and present parents, subsidiaries, partnerships, affiliated companies, officers, directors, employees, or agents. By signing below, you release TTEC Services Corporation, including its past and present parents, subsidiaries, partnerships, affiliated companies, officers, directors, employees or agents (collectively, the "Released Parties"), from any and all claims you may have, known or unknown, that are releasable by private agreement, arising at any time through the date that this Agreement becomes effective, which is eight (8) days after you sign it without revoking it. The release specifically includes and is not limited to:
- a. any and all rights or claims under any of the following laws: Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000-e, as amended; the Civil Rights Act of 1991; Sections 1981 through 1988 of Title 42 of the United States Code, as amended; the Family and Medical Leave Act of 1993, as amended; the Worker Adjustment and Retraining Notification Act, as amended; the Fair Labor Standards Act of 1938, as amended; the National Labor Relations Act; the Occupational Safety and Health Act, as amended; the Age Discrimination in Employment Act; the Americans with Disabilities Act of 1990, as amended; the Civil Rights Acts of 1866, 1871, and 1991; the Equal Pay Act of 1963; the Employee Retirement and Income Security Act of 1974, as amended; the Immigration Reform and Control Act, as amended; the Conscientious Employee Protection Act, the Colorado Anti-Discrimination Act and any other federal, state, or local employment statute, law, or ordinance, including any and all claims of employment discrimination based on race, color, creed, religion, national origin, sex, age, marital status, disability, sexual orientation, lawful off-duty conduct, or retaliation; and
  - b. any and all common-law claims such as wrongful discharge, violation of public policy, breach of contract, promissory estoppel, defamation, negligence, infliction of emotional distress, any intentional torts, outrageous conduct, interference with contract, fraud, misrepresentation, and invasion of privacy; and
  - c. any and all claims for any of the following: money damages (including actual, compensatory, liquidated or punitive damages), equitable relief such as reinstatement or injunctive relief, front or back pay, wages, commissions, bonuses, benefits, sick pay, PTO pay, vacation pay, costs, interest, expenses, attorney fees, or any other remedies; and
  - d. any and all claims arising under any federal or state "whistleblower" law, including without limitation the Sarbanes-Oxley Act of 2002, the Whistleblower Protection Act, and common-law wrongful discharge in violation of public policy.
9. **Age Waiver for Employee 40 Years Old or More:** By signing this Agreement, you acknowledge that:
- a. The General Release in this Agreement includes a waiver and release of all claims you may have under the Age Discrimination in Employment Act of 1967 (29 U.S.C. § 621 et seq.);
  - b. You have carefully read, and understand, this Agreement;
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- c. You have twenty-one (21) days from the date of this Agreement to consider your rights and obligations under this Agreement and if you elect to sign it sooner, have done so knowingly, voluntarily, and after giving it your due consideration;
  - d. You were, and hereby are, advised to consult with an attorney and/or any other advisors of your choice before signing this Agreement;
  - e. You understand that this Agreement is legally binding and by signing it you give up certain rights;
  - f. You have voluntarily chosen to enter into this Agreement and have not been forced or pressured in any way to sign it;
  - g. You knowingly and voluntarily release the Released Parties from any and all claims you may have, known or unknown, in exchange for the payments and benefits you have obtained by signing this Agreement, and that these payments are in addition to any payments or benefits you would have otherwise received if you did not sign this Agreement;
  - h. You have seven (7) days from the date you sign this Agreement to change your mind and revoke your acceptance. To be effective, your revocation must be in writing and tendered to TTEC Corporate Headquarters, Human Capital Department, 9197 S. Peoria Street, Englewood, Colorado Attn: Settlement Agreements, either by mail or by McLean delivery, within the seven (7) day period. If by mail, the revocation must be: 1) postmarked within the seven (7) day period; 2) properly addressed; and 3) sent by Certified Mail, Return Receipt Requested. The Agreement will become effective on the eighth day after you sign it, provided you do not revoke your acceptance. You understand that the Company is not required to make the payments described herein unless and until this Agreement becomes effective; and
  - i. You understand that this Agreement does not waive any rights or claims that may arise after this Agreement is signed and becomes effective, which is after the Company's actual receipt of your signed signature page and after the 7-day revocation period has expired.
10. **No Admission of Wrongdoing:** By entering into this Agreement, neither you nor the Company nor any of the Released Parties suggest or admit any wrongdoing or violation of law.
11. **No Claims Filed:** As a condition of the Company entering into this Agreement, you represent that you have not filed, and do not intend to file, any lawsuit against the Company, or any of the other Released Parties. This Agreement shall not be construed to prohibit you from filing a charge or complaint with the National Labor Relations Board, the Equal Employment Opportunity Commission, or participating in any investigation or proceedings conducted by either entity.
12. **Confidentiality:** You agree that the terms of this Agreement are confidential. You also agree not to tell anyone about this Agreement and not to disclose any information contained in this Agreement to anyone, other than your lawyer, financial advisor and immediate family members, unless you are compelled to do so by law. If you do tell your lawyer, financial advisor or immediate family members about this Agreement or its contents, you must immediately tell them that they must keep it confidential as well.
13. **Breach of this Agreement:** You promise to abide by the terms and conditions in this Agreement and understand that if you do not, the Company is entitled to seek damages and injunctive relief.
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14. **Entire Agreement:** This Agreement, together with the Arbitration Agreement, Agreement to Protect Confidential Information, Assign Inventions and Non-Solicitation (collectively, the "Employee Agreements") constitute the complete understanding between the Parties concerning all matters affecting your employment with the Company, the termination thereof and any ongoing responsibilities. You hereby affirm and will comply with any and all ongoing obligations contained in the Employee Agreements, including obligations relating to confidentiality of Company information and binding arbitration. Moreover, you acknowledge that no promises or representations have been made to induce you to sign this Agreement other than as expressly set forth herein and that you have signed this Agreement as a free and voluntary act.
15. **Severability.** If any clause, provision or paragraph of this Agreement is found to be void, invalid or unenforceable, such finding shall have no effect on the remainder of this Agreement, which shall continue to be in full force and effect. Each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.
16. **Changes to the Agreement:** This Agreement may not be changed unless the changes are in writing and signed by you and an authorized representative of the Company.
17. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Colorado, excluding its choice of law rules, and shall be binding upon the parties hereto and their respective successors and assigns.

If you agree, please sign and return to the Company as instructed above.

By signing below, you accept  
this Agreement and all of  
the terms herein.

TTEC Services Corporation

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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## Executive Stock Ownership Guidelines

Equity provides the opportunity for the company to further invest in the employees who passionately uphold our values while driving the business with an entrepreneurial spirit. Company leaders who think and act like owners are crucial to our success and encouraging star players to actively participate in company growth is key to building our future together.

When a company's board of directors, shareholders and employees align their interest in organization's long-term success, the stage is set for true transformation. To that end, TTEC has adopted Stock Ownership Guidelines to encourage company leaders (vice president-level and above) to align their interests with TTEC and our stockholders and to focus on value creation, while sharing in the company's success. The following are answers to questions you may have about TTEC's new Executive Stock Ownership Guidelines.

### Executive Stock Ownership Guidelines

**Q. Why are we implementing an Ownership Guideline?**

A. The Guidelines are designed to align our senior leaders' interests with our shareholders' interest, driving a long-term vision and commitment to creating company value. The Executive Ownership Guidelines are also designed to:

- Support confidence in company strategy to execute our business transformation
- Allow us to remain an attractive and competitive choice for executive-level talent by adopting best practices
- Align executive behavior with external shareholder expectation
- Drive long-term accountability
- Enable company success

**Q. How much stock should I hold as a company leader?**

A. The new Executive Stock Ownership Guidelines call for TTEC vice presidents and above to hold a multiplier of base compensation in TTEC stock (based on Fair Market Value).

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Employee Level	Target Holding Amount within 5 Years
Chief Financial Officer	3 times current base salary
Executive Vice President	2.5 times current base salary
Senior Vice President	1.5 times current base salary
Vice President	0.5 times current base salary

**Q. Do I have to buy TTEC stock to meet this holding Guideline?**

A. TTECTTEC does not expect you to buy TTEC stock to meet the holdings Guidelines, and how you meet them is entirely up to you. Most employees will be able to meet the requirement by holding a portion of their annual equity grant (net of tax), as it vests.

**Q. How many shares should I consider holding from each RSU grant to meet the holding Guidelines?**

A. How much you hold from each grant and from each vesting event is entirely up to you. Based on basic modeling, however, we believe that if you hold a percentage of each of tax as indicated in the table below) you should comfortably reach the holding requirement in five years or sooner.

The holding guideline can be satisfied with any stock you hold including:

- the exercise of options to purchase the company's common stock
- the vesting of restricted stock; and
- the vesting of performance shares.

Employee Level	Guideline of Percentage of Net Shares to Hold
Executive Vice President	75%
Senior Vice President	75%
Vice President	50%

Once the holding target is reached, you should maintain it during your entire tenure in the role; and as your role changes be aware of the changes in the holding guidelines as well.

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**Q. What happens if I don't reach my target holding amount within the five-year time frame due to market volatility or amount of my equity awards?**

A. If the actual Equity Grants you receive and/or market price volatility does not allow an employee to reach the target holding level within the required five-year time frame, the company does not expect employees to invest out of pocket. The company expects the Equity Grants you receive to be the source for the holding requirement and we look to you as a leader to exercise a good f

**Q. What if I have a special situation (hardship) that makes maintaining the holding requirement difficult for me?**

A. The Executive Ownership Guidelines is designed to align your interests with the company's interests and position you to share in our success. If your personal situation makes the compliance with the Ownership Guidelines a hardship, speak to your HC partner and the Executive Committee level executive responsible for your business segment for guidance and support.

**Q. Whom should I contact with questions?**

A. If you have questions, please contact Pam LeMasters, director, Global Compensation via email or by phone at 303.397.8531.

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## CERTIFICATIONS

I, Kenneth D. Tuchman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TeleTech Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(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 10, 2018

By: /s/ KENNETH D. TUCHMAN  
Kenneth D. Tuchman  
Chairman and Chief Executive Officer  
(Principal Executive Officer)

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## CERTIFICATIONS

I, Regina M. Paolillo, certify that:

1. I have reviewed this quarterly report on Form 10-Q of TeleTech Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(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 10, 2018

By: /s/ REGINA M. PAOLILLO  
Regina M. Paolillo  
Chief Financial Officer  
(Principal Financial and Accounting Officer)

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**CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned, the Chief Executive Officer of TeleTech Holdings, Inc. (the "Company"), hereby certifies that, to his knowledge on the date hereof:

- (a) the Form 10-Q of the Company for the quarter ended March 31, 2018 filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities and Exchange Act of 1934; and
- (b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ KENNETH D. TUCHMAN  
Kenneth D. Tuchman  
Chairman and Chief Executive Officer

Date: May 10, 2018

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**CERTIFICATION OF CHIEF FINANCIAL OFFICER  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned, the Chief Financial Officer of TeleTech Holdings, Inc. (the "Company"), hereby certifies that, to her knowledge on the date hereof:

- (a) the Form 10-Q of the Company for the quarter ended March 31, 2018 filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities and Exchange Act of 1934; and
- (b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Regina M. Paolillo  
Regina M. Paolillo  
Chief Financial Officer

Date: May 10, 2018

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